

(For reference letters see *McCormick v. Aultman*, supra.) Reference letters do not of themselves limit. If the part be named the reference letter is merely a convenience; but if it be not named the letter may stand for the specific statement of the part, and may offer an opportunity to limit by construction a claim otherwise in too broad terms.

As a general rule, nothing could be further from the truth than the idea that by reciting all of the elements the invention is better protected. The opposite is generally true. Each element added is a limitation.

There has been some discussion of the force to be given the customary opening clause of a claim in which the type of machine or article is stated as, for example, in such a phrase as "In a pill-dipping machine, the combination," etc. It is thought generally advisable to employ such a clause of introduction especially in cases where the invention appears to lie peculiarly in the application of a principle or a mechanism to the particular art. However, in such a case as *Potts v. Creager*, 155 U. S. 597, 39 L. ed. 275, sustaining a claim because an old device had been put to a new and nonanalogous use, there could have been no different result, it is thought, even if the distinguishing reference to "clay disintegrators" had been omitted from the claims; and in the opposing case of *Briggs v. Duell* (Second), 93 Fed. 972, 36 C. C. A. 38, holding no invention involved in substituting for a lever a rack and pinion used in the same way in other but analogous arts, there clearly could have been no different result even if the claim had been introduced by the clause, "In an apparatus for planing cakes of ice for storing." In the latter case the claims were read as if they contained the opening clause; as would no doubt have been done in the former case if the clause designating the art had been omitted.

There are undoubtedly cases in which the presence of some clause clearly limiting the claim to the particular art would result in resolving a doubt in the favor of the applicant, or keep before the court the new use claimed in the patent.

An example of the possible importance of the introductory clause is found in *Forsyth v. Garlock* (First), 142 Fed. 461, 73 C. C. A. 577.

The claim of the patent in suit No. 622,889 reads as follows:

"A sheet material made up of a pliable sheet, one or more, of metal, and a sheet, one or more of vulcanized rubber, united to the pliable metal sheet substantially as described."

The court held that, though substantially the same article had been shown in the prior art for wholly different purposes, the patent was valid because of the new use to which the material had been put. The court also held that though the defendant re-

quired in any event two sheets he was within the meaning of the claim covering "one or more" sheets.

In discussing the claim the court said: "If the claim had commenced with the words, 'In gaskets or steam-packing,' or something of that nature, the view on which we have considered the case would easily be sustained, and Potts' patent could not become material."

To a different effect is the case of *Sly Mfg. Co. v. Russell & Co.* (Sixth), 189 Fed. 61, 65, 110 C. C. A. 625, in which it was held that the mere use of the word "crusher" in the introductory clause of a claim did not limit when another intent was apparent. (Citing *ex parte Casler*, 90 O. G. 446, 1900 C. D. 5, to the point that the introductory phrase is not an element of the combination and does not necessarily limit the claim.)

Patents as "Monopolies."—Following the agitation against restraint of trade in England three hundred years ago, the courts, the people and the Parliament excepted from a sweeping prohibition of monopolies the importation of a new trade or a new invention. (See under "Origin and Nature of Patents," *supra*.)

Patents of the United States rest upon even a firmer basis, and in no wise are related to monopolies in restraint of trade..

The patent laws express in the form of statutes the purpose of the legislators when dealing with a form of property of which the striking feature is that the public is to be the legatee.

There must be first the disclosure of a new idea of a means or method useful in a practical art and not obvious even to those skilled in the art. The disclosure is by means of an application, and utility and novelty are determined by an examination in which the application must run the gauntlet of all prior knowledge or prior use in this country, of all prior patents and publications, of any domestic public use or any publication more than two years prior to the application; and the possibility of meeting a rival who has already occupied the field, or of being estopped by the applicant's previous negligence or concealment or by his foreign patent dating back more than twelve months.

When the application is allowed the applicant has a period of six months in which to pay the final fee or he may let his application become forfeited and then renew within two years, subject, however, under a recent ruling, to have his right to renew taken away by the activity of some rival who enters the field in that time; and the principle of this rule obtains now in the courts in the consideration of a patent. After a patent is granted it is still open to question. It is only *prima facie* valid. The patentee has little hope of ever securing damages, but if he has a good patent is practically certain of enjoining an infringer, provided he has the capital to conduct the suit.

The law provides also that the patentee may, under conditions precedent of the statutes, amend his patent to more accurately describe the illustrated invention or to limit his claim, and may even reissue to enlarge his claim to include the idea of means or method which he had illustrated and described and which he had intended to claim, provided he establishes these propositions, and provided he has been reasonably diligent in applying for the reissue and is not held to have expressly or by circumstances dedicated to the public the matter not claimed in the original patent.

The patentee may hold as infringers all who employ substantially his idea of means or method, if the claim of his patent be broad enough to cover the idea and if he is entitled to such a claim.

Thus is the limited grant of exclusion offered the inventor, nicely balanced by the many obstacles and restrictions. But there are additional features which seem to tip the scale far down toward the public's more selfish interest.

As the law now stands, if a patentee has maintained his patent in eight circuits of the United States and one circuit should find his patent invalid or should find that some one manufacturing a similar device is not an infringer, then his rival may make the thing in that circuit and sell it in all the other eight circuits. (See, post under "Infringement.")

Thus the patent laws have always had in mind, first and foremost, the interest of the public. As they stand today they give the inventor no more than is essential to induce him to invent and disclose and thus promote the progress of the arts.

What is the contract with the patentee? What are his rights?

There has never been any doubt in the minds of the courts of the property right of a patentee. Chief Justice Taney, speaking for the Supreme Court in *Bloomer v. McQuewan*, 14 How. (U. S.) 539, 549, 14 L. ed. 532, said:

"The franchise which the patent grants consists altogether in the right to exclude everyone from making, using, or vending the thing patented without the permission of the patentee."

Again, Mr. Justice Peckham, in *Bement v. National Harrow Co.*, 186 U. S. 70, 46 L. ed. 1058, speaking for the Supreme Court, said:

"It was therefore the owner of a monopoly recognized by the Constitution and by the statutes of Congress. An owner of a patent has the right to sell it or keep it, to manufacture the article himself or to license others to manufacture it; to sell such article himself or to authorize others to sell it. As stated by Mr. Justice Nelson in *Wilson v. Rousseau*, 4 How. (U. S.) 646, 674 (U. S.), 11 L. ed. 1141, in speaking of a patent:

"The law has thus impressed upon it all the qualities and

characteristics of property for the specified period, and has enabled him to hold and deal with it the same as in the case of any other description of property belonging to him, and on his death it passes, with his personal estate, to his legal representatives and becomes part of the assets."

One of the older cases is *Grant v. Raymond*, 6 Pet. (U. S.) 218, 241, 8 L. ed. 376 cited, and quoted in *Bement v. National Harrow Co.*, in which the court said:

"And it can not be doubted that the settled purpose of the United States has ever been, and continues to be, to confer on the authors of useful inventions an exclusive right to their inventions for the time mentioned in their patents. It is the reward stipulated for the advantage derived by the public from the exertions of the individual, and is intended as a stimulus to those exertions. The laws which are passed to give effect to this purpose ought, we think, to be construed in the spirit in which they have been made, and to execute the contract fairly on the part of the United States, where the full benefit has been actually received, if this can be done without transcending the intention of the statute or countenancing acts which are fraudulent or may prove mischievous. The public yields nothing which it has not agreed to yield; it receives all which it has contracted to receive. The full benefit of the discovery, after its enjoyment by the discoverer for 14 years, is preserved; and for his exclusive enjoyment of it during that time the public faith is pledged."

The *Bement* case also cites and quotes *Heaton-Peninsular v. Eureka*, 77 Fed. 288, 294, 25 C. C. A. 267 (Sixth), in which it was said of the patentee:

"If he sees fit he may reserve to himself the exclusive use of his invention or discovery. If he will neither use his device nor permit others to use it, he has but suppressed his own. That the grant is made upon the reasonable expectation that he will either put his invention to practical use or to permit others to avail themselves of it upon reasonable terms, is doubtless true. This expectation is based alone upon the supposition that the patentee's interest will induce him to use, or let others use, his invention. The public has retained no other security to enforce such expectations. A suppression can endure but for the life of the patent, and the disclosure he has made will enable all to enjoy the fruit of his genius. His title is exclusive, and so clearly within the constitutional provisions in respect of private property that he is neither bound to use his discovery himself nor permit others to use it."

Again, in *United States v. American Bell Telephone Co.*, 167 U. S. 224, 42 L. ed 144, the court said:

"The only effect of it was to restrain others from manufac-

turing and using that which he invented. After his invention he could have kept the discovery secret to himself. He need not have disclosed it to anyone. But in order to induce him to make that invention public, to give all a share in the benefits resulting from such an invention, Congress, by its legislation, made in pursuance of the Constitution, has guaranteed to him an exclusive right to it for a limited time; and the purpose of the patent to protect him in this monopoly, not to give him a use which, save for the patent, he did not have before, but only to separate to him an exclusive use. The government parted with nothing by the patent. It lost no property. Its possessions were not diminished. The patentee, so far as a personal use is concerned, received nothing which he did not have without the patent, and the monopoly which he did receive was only for a few years."

In the comparatively recent case of *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U. S. 405, 52 L. ed. 1122, Mr. Justice McKenna quoted from the above case as follows:

"Counsel seem to argue that one who has made an invention and thereupon applies for a patent therefor occupies, as it were, the position of a quasi-trustee for the public; that he is under a sort of moral obligation to see that the public acquires the right to the free use of that invention as soon as is conveniently possible. We dissent entirely from the thought thus urged. The inventor is one who has discovered something of value. It is his absolute property. He may withhold a knowledge of it from the public, and he may insist upon all the advantages and benefits which the statute promises to him who discloses to the public his invention."

Mr. Justice McKenna then continued:

"And the same relative rights of the patentee and the public were expressed in prior cases, and we cite them because there is something more than the repetition of the same thought by doing so. It shows that wherever this court has had occasion to speak it has decided that an inventor receives from a patent the right to exclude others from its use for the time prescribed in the statute. 'And for his exclusive enjoyment of it during that time the public faith is forever pledged.' (Chief Justice Marshall in *Grant v. Raymond*, 6 Pet. 242, 243, 8 L. ed. 385.)"

As indicating the view of the policy and purpose of the patent law held by a tribunal having to repeatedly pass upon patents, see, for example, *Thomson v. Citizens' National Bank of Fargo*, and vice versa (*Eighth*), 53 Fed. 250, 3 C. C. A. 518, in which the court opens the opinion as follows:

"Letters patent grant a public franchise, giving to the inventor some compensation for the exercise of his inventive genius in the discovery of, and his labor and ingenuity, in reducing to

practice and describing, novel and useful inventions, by which the public may attain beneficial results with less expenditure of time and labor. From every patented invention of value the compensation derived by the inventor is small in proportion to the benefit conferred upon the public. The inventor's reward is limited to a few years, at most, while the benefit to the public continues forever. No patented invention can, in the nature of things, be valuable to its owner unless it is of greater value to the public, even during the term of his franchise, since the latter will not purchase the right to vend or use it unless it is more profitable to do so than to do without it. Letters patent issued under our constitution and laws thus offer the necessary pecuniary inducement to those gifted with inventive genius, without which they would not be able to bestow the thought, time, and toil required to find, perfect by experiment, reduce to practice, and give to the public many of those useful inventions which have enabled us to excel in the manufacture and use of machinery, and to progress in all the useful arts, that promote the efficiency and comfort of our citizens. The time, thought, labor, and expense that produce a valuable invention are the inventor's, the completed invention which is their product is his, and when, in consideration of his describing it, and making it useful to the public forever, he is granted the exclusive right to use and vend it for a limited time, this franchise should not be regarded as a monopoly conferred on him at the expense and to the prejudice of the public, but as a just and fair consideration, granted for valuable services rendered, which both equitably and legally entitle him to the same protection for this property that the owner of any other species of property enjoys."

X. INFRINGEMENT.

[This topic has been put in advance of the next three, because it so directly supplements the preceding topic.]

Section 4884, R. S. U. S. provides that a patent shall contain "a grant to the patentee, his heirs, or assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery throughout the United States and the Territories thereof."

Infringement is the unauthorized making, using, or selling for practical use or for profit of an invention covered by a valid claim of a patent during the life of the patent. It may involve any one or all of the acts of making, using and selling.

It is, therefore, an infringement for an unauthorized person to make a patented machine, for use or for sale, though, in fact, it is neither used nor sold; it is an infringement to use it though

made by another; and it is an infringement to sell it whether made by one's self or by another unauthorized person.

Section 4899 R. S. U. S. provides that any person who purchases of the inventor or, with his knowledge or consent, constructs an article embodying the invention prior to his application for patent has the right to use and sell the particular article notwithstanding the grant of a patent for the invention.

In the consideration of infringement the doctrine of equivalents is pervading and its principles are applied as has been stated hereinbefore under "Letters-Patent and Their Construction and Scope."

It is, therefore, apparent that a broad claim would be infringed by devices which might widely differ in construction from the illustration of the patent, while a claim limited to a specific feature or combination would not be infringed unless that specific feature or combination were used.

It is a general rule that a claim to a combination of parts or elements or materials is not infringed unless each part, element, or material is used in substantially the same relation, and unless the thing in question comprises in combination substantially equivalent parts, elements or materials.

In the earlier cases, as in the later, the argument is that in an ordinary combination none of the parts are new and none are claimed as new; nor is any portion of the combination, less than the whole, claimed as new, or stated to produce any given result. The end in view is proposed to be accomplished by the union of all, arranged and combined together in the manner described. As held, for example, in *Prouty v. Ruggles*, 16 Pet. (U. S.) 336, 10 L. ed. 985:

"The use of any two of these parts only, or of two combined with a third, which is substantially different in form or in the manner of its arrangement and connection with the others, is therefore not the thing patented. It is not the same combination if it substantially differs from it in any of its parts."

From the general principle that each part, element or material recited in the combination is an essential of the claim, it follows that the patentee is estopped from showing the contrary. However, as with the application of the principle of equivalents generally, a change of size or form or an immaterial change of location or order in a construction or process which still embodies substantially the same combination does not avoid infringement.

It has been said that when there are new parts or elements in a combination and these parts or elements are taken and used in the same way so that the heart of the patented invention is used there is to that extent an infringement, but this statement

does not have the weight of authority excepting in the class of cases discussed under "Equivalents," where a particular statement in a claim was given a wider meaning than the too definite terms of the claims would, on their face, import.

There may be an infringement of a process only by the use of that process; for the selling or using of the article is not infringement of the process. It might appear that the converse would be true, that the making of an article would not be an infringement of a claim for the product, but in such cases it is generally apparent that the article is made for the purpose of selling or using and the making of it is merely the prelude to its use or sale, and may be enjoined.

The general rules which would apply to articles, machines and processes apply also to a composition. A composition will be infringed by an article having the same characteristics and composed of the same or equivalent ingredients. As in machine claims, all of the ingredients recited in the claim are regarded as essential and there will be no infringement if one of them be omitted. Infringement, however, is not avoided by the substitution of equivalents. That is, by the substitution of other ingredients which, in the same arrangement, perform substantially the same function, provided each ingredient substituted was well known as a substitute for the ingredient described in the specification, at the date of the patent.

As the omission of a part does not avoid infringement, so the addition of one or more parts, elements, or materials will not avoid infringement where it is simply an addition or accretion and does not change the nature or the function of the article or process.

Nor does the mere transposition, that is, the mere change of a part, element or material of a combination avoid infringement where the operation remains substantially the same. Except in pioneer inventions, however, a rearrangement of elements or materials, or reorganization of the parts of the machine or article producing different results is not infringement, especially when it amounts to invention.

The relative merit of articles or devices or processes is not in point, for, though an article be markedly superior or purposely inferior, it will not affect the question of whether or not one has substantially incorporated the invention set forth in the claims of the patent.

There has been some discussion in various cases as to the effect of the fact that the arts or articles of the defendant were improvements and the subjects of patents. It has, in fact, been said in a number of cases that, where the alleged infringer has

followed a subsequently granted patent, the presumption is against infringement.

There is little meaning or force in this assertion because the cases involved earlier patents with narrow claims where it seemed improbable that a later patent could have been granted except upon a specifically different device.

All improvements are subordinate to the primary or pioneer invention when they come within the terms of the idea of means or method set forth in the claims. For example, the use of a patented machine performing the process covered by a previous patent would be an infringement of the earlier patent, or the use of a patented process to produce an article covered by a previous patent would be an infringement of the earlier patent. And the principle maintains wherever the terms of a valid claim include the subject of a later patent.

Nonuse.—A patentee's right to exclude others from making, using or selling his invention is not affected by his failure to use it himself or his refusal to license others to use it. (See *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U. S. 405, 51 L. ed. 922, quoted hereinafter.)

Under substantially the same principle a "paper patent" may negative novelty; that is, it is not necessary that there should be anything further than a clear description of the same invention. The certainty of the disclosure may in many cases, be made more evident by actual use.

While an action may not be brought after the expiration of a patent (excepting for past damages) it is infringement to produce during the life of a patent for sale after the expiration of the patent, articles covered by the patent. It is not infringement to prepare for such manufacture or even to partially produce devices which, if completed, would be infringement.

Contributory Infringement.—There may be "contributory infringement" by concerting with others for the purpose of an invasion of the patentee's rights. For example, it is infringement, or contributory infringement, to make one part of a combination with the intent that it shall be combined by another with other parts so as to complete the whole. It is also infringement to sell parts which are intended for use in producing or using a patented invention in violation of a patent. It must appear, however, positively in each case that the part, element, or material was made or produced or sold with the purpose of being used to complete the act of infringement.

Under another heading the case of *Henry v. Dick*, 224 U. S. 1, 55 L. ed. 645, has been presented and a reference is made to the fact that the opinion reviews the relation between the class of cases in which the remedy is by a bill in a federal court

for the infringement of a patent and a suit on the contract in a state court. In that case Henry had induced Miss Skou to violate her contract with Dick by buying from Henry ink to be used on the patented machine which she had obtained from Dick upon condition that she purchase the supplies necessary to be used with the machine from Dick. The court held, in effect, that Dick not having parted with the full monopoly of the machine could restrict its use in any manner, and that when the machine was used with another ink Miss Skou become an infringer because of the unlawful use of the machine, and that Henry became a contributory infringer because of his act with the knowledge of the conditions of the sale or lease. The following statement of the respective remedies applies equally to the infringer and the contributory infringer:

“The remedy which the complainant seeks may often determine whether the suit is one arising under the patent law, and cognizable only in a court of the United States, or one upon a contract between the patentee and his assigns or licensees, and therefore cognizable only in a state court, unless there be diversity of citizenship. Thus, a bill to enforce a contract concerning the title to a patent, or an interest therein, or to declare a forfeiture of an assignment of an interest in a patent, or even a license, to make, sell, or use the patented thing, or an action to recover damages for a breach of a contract relating to a patent or a license thereunder, would not because of the character of remedy or relief sought, be a suit cognizable in a United States court, although the facts stated might have justified a suit for infringement in a United States court, if the complainant had elected that remedy. To sustain the contention that a breach of the implied agreement not to use the machine in question except in a particular way might have supported a suit to forfeit the license, or an action for damages upon the broken contract, counsel have cited and commented at great length upon the cases of *Wilson v. Sandford*, 10 How. (U. S.) 99, 13 L. ed. 344; *Dale Tile Mfg. Co. v. Hyatt*, 125 U. S. 46, 31 L. ed. 683, 8 Sup. Ct. 756; *Albright v. Teas*, 106 U. S. 613, 27 L. ed. 295, 1 Sup. Ct. 550; *Hartell v. Tilghman*, 99 U. S. 547, 25 L. ed. 357; *Pratt v. Paris Gaslight & Coke Co.*, 168 U. S. 255, 42 L. ed. 458, 18 Sup. Ct. 62; *Keeler v. Standard Folding Bed Co.*, 157 U. S. 659, 39 L. ed. 848, 15 Sup. Ct. 738; and *E. Bement & Sons v. National Harrow Co.*, 186 U. S. 70, 46 L. ed. 1058, 22 Sup. Ct. 747; but an examination of these cases will disclose that while in some of them a suit for infringement might have been brought, the complainants had in fact brought suits to set aside or enforce contracts relating to patents, or licenses under patents. They were therefore not ‘patent cases,’ but cases deter-

minable upon principles of general law. In *Excelsior Wooden Pipe Co. v. Pacific Bridge Co.*, 185 U. S. 282, 46 L. ed. 910, 22 Sup. Ct. 681, Mr. Justice Brown reviews the cases and shows so plainly why they were not patent cases that we shall only refer to that opinion."

The distinction between the jurisdiction in the federal courts of questions relating to the interpretation of a patent or the determination of the question of the infringement of a patent and, on the other hand, the jurisdiction of the state courts over various contracts relating to patented machines or articles is presented also in such early cases as *Wilson v. Sanford*, 10 How. (U. S.) 99, 13 L. ed. 344; *Wilson v. Rosseau*, 4 How. (U. S.) 688, 11 L. ed. 1160; *Bloomer v. McQuewan*, 14 How. (U. S.) 539, 14 L. ed. 532.

Repair.—The purchaser of a patented machine has the right to use it until it has worn out, and he may repair it and substitute new parts for the old so long as the identity of the machine is not destroyed. He may not, however, reconstruct or rebuild a worn-out machine or article. The owners of a patented machine have been permitted to replace teeth successively as they were out, to replace a single tube of a heater or to replace a broken cam or lever of a sewing machine and to improve the operation of a card-sorting machine by replacing a ratchet and pawl feeding mechanism by a more positive sprocket and chain, increasing the width of the machine, and changing the mode of operation to increase the speed of the machine. In that case the machine was improved before it was worn out, so that it did what it should have done at first. In all such cases the question is one of fact, whether the owner has merely made a repair or an improvement or whether he has reconstructed or rebuilt a worn-out machine.

Infringement by the United States.—The remedy for infringement of a patent by suit in the Court of Claims is presented hereinafter under the heading "Courts, Parties, Causes, Etc." Previous to the enactment of June 25, 1910, 36 U. S. Stat. at L. 851, the remedies of the owner of a patent in case of the use of a patented invention by officers of the United States were: 1. By a suit in a district court against the officer making use of the patented invention; 2. By a suit in the Court of Claims against the United States based upon contract; 3. By reference from Congress to the Court of Claims for information in the form of findings of fact. To these is now added by the statute of 1910; 4. Suit for infringement (with some exceptions) against the United States in the Court of Claims.

It is a general principle of equity that no suit for injunction can lie against the sovereign. On the other hand it has been ac-

cepted as a principle that the government of the United States when it grants letters patent for a new invention confers upon the patentee an exclusive property in the patented invention which can not be appropriated or used by the government itself, without just compensation. (*James v. Campbell*, 104 U. S. 35, 26 L. ed. 786.) The Supreme Court has, however, suggested in the cited case and, for example, in *Hollister v. Benedict Mfg. Co.*, 113 U. S. 159, that such a suit should be against the United States and not against the officer.

In the Circuit Courts in a series of cases culminating in *James v. Campbell*, an accounting had been decreed and an injunction granted against the postmaster of New York City, as if he were a private defendant. In the Supreme Court the case was disposed of upon another ground, the patent being held to be void as for a reissue on a broader claim than that of the invention covered by the original patent. In *Armstrong v. O'Neil* (unreported), the Supreme Court, D. C., at law Nos. 43-173, 43-174, in a case tried before a jury in 1900, held the defendant an infringer and damages were awarded and paid, though the defendants were officers of the United States Navy.

In a suit against the United States, in *re McKeever*, 14 C. Cls. (U. S.) 396, affirmed 18 C. Cls. (U. S.) 757, and in a series of subsequent cases, recovery has been had whenever a patented invention has been used by the government, either under an expressed contract, or under circumstances which could be treated as constituting an implied contract.

In the case of *Butler*, 23 C. Cls. (U. S.) 325, such a contract was held to have been created solely from "a general usage by the War Department with regard to the adoption of improvements in firearms," by the use of the invention by the defendant without objection from the patentee.

Though the subject of much discussion and dissent in the Supreme Court, cases where no contract or implied contract could be shown have been held to be cases "sounding in tort," and therefore not within reach of any suit against the United States or an officer of the United States, prior to the 1910 statute. (See, for example, *Schillinger v. United States*, 155 U. S. 163, 39 L. ed. 108; *Russell v. United States*, 182 U. S. 516, 45 L. ed. 1210).

An officer of the United States may be personally liable under an action at law for his own infringement of a patent though his acts have been performed under orders of the government.

In *F. Krupp v. Crozier*, 32 App. D. C. 1, 137 O. G. 1238, it was held, enlarging upon the principle in *Belknap v. Schild* post, and other cases, that there can be no injunction granted against the use of an infringing article in the possession of the United

States, but that an injunction would be granted against the further manufacture of such articles by an officer of the United States.

While this case was pending before the Supreme Court of the United States the statute permitting suit for infringement to be brought against the United States in the Court of Claims was approved, so that in the opinion the Supreme Court did not pass upon the question presented upon the appeal.

Combination in Restraint of Trade.—Under various headings the distinction between the monopoly granted by a patent and a monopoly in restraint of trade has been presented.

It is not a defense to a suit upon a patent that the complainant has been a party to an illegal combination with others in restraint of trade.

The confusion upon this point has been in a measure cleared by the decisions of the Court of Appeals and the Supreme Court in the "Bathtub Case" (Standard Sanitary Mfg. Co. v. United States, 226 U. S. 20, 57 L. ed. —).

It was, in effect, decided that the question of the rights of the defendants under their patents were not involved in the determination of whether or not they had by their agreements combined to restrain trade.

And this principle was again affirmed in *Virtue et al. v. The Creamery Package Mfg. Co.*, 187 O. G. 1115 (1913), 227 U. S. 8, 57 L. ed. —.

The court distinguished between a combination in restraint of trade falling under the Sherman Anti-trust Act and the rights conferred by law on the owners of patents who exercised those rights by warning infringers and bringing suit against them, and said that these rights exist whether in the hands of individuals or a combination of individuals. In such cases the sole question is whether or not the defendants are guilty of acts constituting an illegal combination in restraint of trade within the provision of the Sherman act.

It has been shown elsewhere that the "monopoly" granted by a patent is not a monopoly in restraint of trade because the trade arising from the patent had not existed prior to the patent, and the patentee takes nothing from the government or the public, but receives only the right to exclude others for a limited time from making, using or selling the invention which he has disclosed in consideration for his contract with the public.

Statute of Limitations.—R. S. U. S. section 4921 was amended March 3, 1897, 29 Stat. at L. 693, providing a Statute of Limitations of six years which applied January 1, 1898 to all existing causes of action and to actions at law as well as suits in equity. State Statutes of Limitations have no application since

the federal statute was enacted. Previous to that the rule of limitation was governed, under the statutes applying the principle of conformity and the application of State statutes and decisions (R. S. U. S. Sec. 721 and 914), by the Statutes of Limitations in the particular state in which the suit was brought. (*Campbell v. Haverhill*, 155 U. S. 610, 39 L. ed. 280.)

Threats.—It was formerly the view of the courts that no restraint could be imposed by equity upon one who was threatening the customers of others with suits for infringement, but the more recent cases have held that it is necessary that the notice shall be in good faith and not be merely for the purpose of injuring the trade of a rival. That is to say, the principle of unfair competition in business now practically governs in these cases.

Infringement as a Question of Law.—“When the question of infringement depends entirely upon the construction of a patent, either upon its face or in connection with facts of such a nature and effect as not to be reasonably disputed, the question is one of law for the Court.” (*Western Electric Co. v. Robertson* (Second, 1905), 142 Fed. 471, 73 C. C. A. 587, citing *De Loriea v. Whitney*, 63 Fed. 611, 11 C. C. A. 355; *Black Diamond Co. v. Excelsior Co.*, 156 U. S. 611, 39 L. ed. 553, 15 Sup. Ct. 482; *Singer Company v. Cramer*, 193 U. S. 265, 48 L. ed. 437, 24 Sup. Ct. 291.) In this case the lower court was reversed in refusing to direct a verdict for the defendant. (This case, by the way, is interesting in comparison with *Le Roy v. Tatham*, *supra*, because of the similar subject-matter.)

In some recent unreported cases brought under the new equity rules, the defendant presented with his answer specimens of articles made by him and interrogated the complainant to say whether the specimens were the infringements meant by the bill, etc. The complainant replying that certain of the specimens were the infringing articles the defendant then moved to dismiss the bill for want of infringement. The court, holding this a question of law, at once considered the matter and without hearing testimony held no infringement, dismissing the bill.

Notice by Marking.—It is a condition precedent to suits for infringement, under R. S. U. S. Section 200, that the owner of a patent must allege and prove either that the patented articles made and sold by him or the packages containing them were marked “patented” or that the complainant gave notice to the defendant of the patent and the infringement. In the event that notice is alleged and proved, damages and profits are recoverable only for the time subsequent to such notice. (Under various headings, “Actions at Law,” “Actions in Equity,” etc., the defenses which are available to a defendant are discussed.)

The Limitations Upon a Decree in an Infringement Suit.—

A patent is granted to cover the whole of the United States but it requires a decree of nine Courts of Appeals to enforce the patent thereof in the same territory.

Kessler v. Eldred, 206 U. S. 285, 51 L. ed. 1065. This was a writ of certiorari based upon a contrariety of views expressed in the cases: *Eldred v. Kessler* (Seventh Circuit), 106 Fed. 509, 45 C. C. A. 454; *Eldred v. Kirkland* (Second Circuit) 130 Fed. 342, 64 C. C. A. 588; *Eldred v. Breitweiser* (C. C. W. D. N. Y.) 132 Fed. 251. The patent in suit was No. 592,913.

In the first cited case in the Seventh Circuit the defendant prevailed on the issue of noninfringement. In the second cited case in the Second Circuit, the Circuit Court of Appeals construed the patent broadly enough to find infringement, holding directly in conflict with the preceding case in the Seventh Circuit.

Eldred, the owner of the patent, then brought suit against Breitweiser, a user of a Kessler lighter, obtained a preliminary injunction and sent out threats of suit against Kessler's customers elsewhere. Kessler then filed a bill against Eldred in the district of his residence to enjoin him against bringing or prosecuting suits against Kessler's customers anywhere against the use of cigar-lighters covered by the decree in the original suit, on the ground that as between them the question of infringement of the Eldred patent by the Kessler lighters was *res adjudicata* under the decision of the Circuit Court of Appeals for the Seventh Circuit. The Supreme Court upheld this contention and held that Kessler was entitled to the injunction.

Therefore, it is apparent that any one buying a cigar-lighter from Kessler in the Seventh Circuit or any other circuit could use it anywhere, even in the Second Circuit where the patent had been held valid.

However, if a cigar-lighter of the same construction be bought from any other maker than Kessler then the purchaser could use it in the Seventh Circuit without infringing, but could not do so in the Second Circuit.

A similar situation and one which further illustrates the point arose in the Grant Tire Cases which finally reached the Supreme Court in *Diamond Rubber Co. v. Consolidated Rubber Co.*, 220 U. S. 428, 55 L. ed. 527.

In obedience to the principle of *Kessler v. Eldred* in the circuit in which the tire patent had been held valid the courts were bound to enforce it against users of tires made in that circuit and to refuse to enforce it against users of tires made in the circuit in which it was held invalid. In fact, precisely this thing was done in *Consolidated Rubber Tire Co. v. Firestone Tire &*

Rubber Co. (Second), 151 Fed. 237, 80 C. C. A. 589, in which an injunction was granted against the defendant, with an exception as to rubber tires and rims manufactured by the Good-year Tire & Rubber Co., because of the decision of the court in that case at 116 Fed. 363. The same point arose in Good-year Rubber Co. v. Rubber Tire Wheel Co. (Ohio), 164 Fed. 869.

In the report of the committee on patent, trade-mark, and copyright law, "Reports of the American Bar Association," XXXV, 1910 at pages 550-590 this subject is discussed and several cases are cited showing the manner in which it was found necessary to file suits in many circuits to properly maintain a patent.

(See, for consideration of the rights of a purchaser for a specified territory to sell articles made in that territory in any other territory, discussion of Adams v. Burke and other cases under "Licenses, Contracts and Restrictions.")

* * *

Such are some of the general principles which govern the determination of infringement; but as infringement is the basis of nearly all patent suits it is important to consider the expressions of the courts and illustrations of the application of the principles, the defenses to a suit for infringement being treated under succeeding headings, and incidentally here and elsewhere, as under the topics dealing with assignments and licenses.

In Anderson v. Collins (Eighth), 122 Fed. 451, 58 C. C. A. 669, the court, speaking of the relation of the devices of the defendant to that of the patent in suit, said:

"Every essential element of this device is found in the combination used by the defendant. The latter accomplishes the same result by means which are obvious mechanical substitutes of those described by Collins, and hence, in the eyes of the law, are the same means which he used. The use of a different, but mechanical equivalent, method or material to construct some of the elements of a patented combination will not avoid infringement where the principle or mode of operation is adopted, and the elements, when completed, perform the functions by the same means as, or by mechanically equivalent means to, those described in the patent."

And this is the substance of various decisions quoted by the court in this case.

In Cimiotti Unhairing Co. v. American Fur Refining Co., 198 U. S. 399, 49 L. ed. 1100, a case referred to elsewhere as an example, the Court in presenting the substance of several well-known cases, said:

"In making his claim the inventor is at liberty to choose his

own form of expression, and while the courts may construe the same in view of the specifications and the state of the art, they may not add to or detract from the claim. And it is equally true that, as the inventor is required to enumerate the elements of his claim, no one is an infringer of a combination claim unless he uses all the elements thereof."

Crown Cork & Seal Co. v. Aluminum Stopper Co., 108 Fed. 845, 48 C. C. A. 72. The court said that infringement was not escaped by the "mere change of form, or renewal of parts, or reduction of dimensions, or the substitution of mechanical equivalents, or the studious avoidance of the literal definition of specifications and claims or the superadding of some improvement."

Citing several cases, they then discussed especially *Consolidated Safety Valve Co. v. Crosby Valve Co.*, 113 U. S. 187, 28 L. ed. 939, saying:

"The improvements covered by the patent had been held by the court below to involve only mechanical modifications of the prior art, yet the Supreme Court regarded the Richardson invention as a 'pioneer invention,' and, although the defendant's valves departed widely from the terms of the claims in suit, it was held that they had secured under a change in form, and by the transposition from one member to another of certain functions, the substance of the complainant's invention, and the claim was construed to cover these modifications."

Speaking generally of the attitude toward infringement:

"The court will look through the disguises, however ingenious, to see whether the inventive idea of the original patentee has been appropriated, and whether the defendants' device contains the material features of the patent in suit, and will declare infringement even when those features have been supplemented and modified to such an extent that the defendant may be entitled to a patent for the improvement."

Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 U. S. 405, 51 L. ed. 922, 28 Sup. Ct. 748.

"The next contention of the petitioner is that a court of equity has no jurisdiction to restrain the 'infringement of letters patent the invention covered by which has long and always and unreasonably been held in nonuse * * * instead of being made beneficial to the art to which it belongs.' It will be observed that it is not urged that nonuse merely of the patent takes jurisdiction from equity, but an unreasonable nonuse. And counsel concedes indulgence to a nonuse which is 'nonchargeable to the owner of the patent,' as lack of means, or lack of ability or opportunity to induce others to put the patent to use. In other words, a question is presented, not of the construction of

the law simply, but of the conduct of the patentee as contravening the supposed public policy of the law."

The court then proceeds to point out that the policy of the patent statute does not lie in mere matters of individual expediency nor have a purpose not expressed in words, but presents a right so explicitly given and so complete as to need no further explanation, and the court cites with approval its previous statement in *United States v. American Bell Telephone Co.*, 167 U. S. 224, 249:

"Counsel seems to argue that one who has made an invention and thereupon applies for a patent therefor occupies, as it were, the position of a quasi-trustee for the public; that he is under a sort of moral obligation to see that the public acquires the right to the free use of that invention as soon as is conveniently possible. We dissent entirely from the thought thus urged. The inventor is one who has discovered something of value. It is his absolute property. He may withhold the knowledge of it from the public, and he may insist upon all the advantages and benefits which the statutes promise to him who discloses to the public his invention. He does not make the law. He does not determine the measure of his rights. The legislative body, representing the people, has declared what the public will give for the free use of that invention. He can not be heard in the courts to say that it is of such value that he is entitled to a larger and longer monopoly; that he is not fully compensated for the great benefit which his invention has bestowed by the pecuniary receipts during seventeen years. No representative of the public is at liberty to negotiate with him for a new and independent contract as to the terms and conditions upon which he will give up his invention."

Morley Sewing Machine Co. v. Lancaster, (1889) 129 U. S. 263, 32 L. ed. 715, 9 Sup. Ct. 299, elsewhere cited and discussed, quotes largely from the English case, *Proctor v. Bennis*, L. R. 36 Ch. Div. 740, and includes the following from that case:

"With regard to the additions and omissions, it is obvious that additions may be an improvement, and that omissions may be improvement; but the mere fact that there is an addition, or the mere fact that there is an omission, does not enable you to take the substance of the plaintiff's patent. The question is not whether the addition is material, or whether the omission is material, but whether what has been taken is the substance and essence of the invention. That seems to me to be the true test, as propounded by the House of Lords in *Clark v. Adia*, L. R. 2 App. Cas. 315, 320."

In *Tilghman v. Proctor*, (1880) 102 U. S. 708, 26 L. ed. 279,

the court in pointing out the difference in the defendant's process which did not avoid the claim of the patent in suit said:

"Or, if the mode of effecting the continued mixture adopted by the defendants should be deemed a new and useful improvement, they might perhaps have a patent for that peculiar device without being entitled to use Tilghman's process, on which it is but an improvement. * * * in either case the process of Tilghman, modified or unmodified by the supposed improvement, underlies the operation performed in the defendants' boilers. * * * Suppose this to be so, as before said, the introduction of an improvement gives no title to use the primary invention upon which the improvement is based."

American Fibre-Chamois Co. v. Port Huron Mfg. Co., (Sixth) 72 Fed. 516, 18 C. C. A. 670.

"The first claim is for moistening and pounding 'substantially as described.' The second is for moistening with a solution of gelatin, and pounding. The first claim includes moistening with any adhesive solution. The second is confined to a gelatin solution. As the defendant does not use gelatin, or any adhesive solution, it does not infringe. We have no hesitation in thus construing this patent strictly, both because it is necessary to sustain the patent at all, and also because we think the patent has little merit, in view of common knowledge and the prior art."

In *Thompson-Houston Electric Co. v. Ohio Brass Co.*, 80 Fed. 712, 26 C. C. A. 107, Taft, Cir. J., speaking for the court of the Sixth Circuit, said:

"It is well settled that where one makes and sells one element of a combination covered by a patent with the intention and for the purpose of bringing about its use in such a combination he is guilty of contributory infringement and is equally liable to the patentee with him who in fact organizes the complete combination. The leading case on the subject is *Wallace v. Holmes*, 9 Blatchf. (U. S.) 65, 29 Fed. Cas. 79. It was cited with approval in *Cotton-Tie Co. v. Simmons*, 106 U. S. 89, 27 L. ed. 79, 1 Sup. Ct. 52, and the same doctrine was applied and extended by this court in *Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co.*, 77 Fed. 288, to a case where the article sold was not even an element of the patented combination, but was an article the use of which in connection with patented combination was a violation of the conditions of a license, and destroyed the protection the license would otherwise have afforded. The cases in the circuit courts where the same general principle has been applied are legion. We cite a few of them: *Bowker v. Dows*, 3 Fed. Cas. 1070; *Richardson v. Noyes*, 20 Fed. Cas. 723; *Travers v. Beyer*, 26 Fed. 450; *Willis v. McCullen*, 29 Fed. 641; *Alabastine Co. v. Payne*, 27 Fed. 559; *Celluloid Mfg. Co.*

v. American Zylonite Co., 30 Fed. 437. The contention of the counsel for the defendant, if we understand it, is that the effect of the decision of the supreme court in the case of Morgan Envelope Co. v. Albany Perforated Wrapping Paper Co., 152 U. S. 425, 38 L. ed. 501, 14 Sup. Ct. 627, is to do away altogether with the doctrine of contributory infringement. If this is a proper reading of the judgment of the supreme court in that case it was a somewhat startling departure from previously understood principles in the law of torts. An infringement of a patent is a tort analogous to trespass or trespass on the case. From the earliest times, all who take part in a trespass, either by actual participation therein or by aiding and abetting it, have been held to be jointly and severally liable for the injury inflicted. There must be some concert of action between him who does the injury and him who is charged with aiding and abetting, before the latter can be held liable. When that is present, however, the joint liability of both the principal and the accomplice has been invariably enforced. If this healthful rule is not to apply to trespass upon patent property, then, indeed, the protection which is promised by the constitution and laws of the United States to inventors is a poor sham. Many of the most valuable patents are combinations of nonpatentable elements, and the only effective mode of preventing infringement is by suits against those who, by furnishing the parts which distinguish the combination, make it possible for others to assemble and use the combination, and who, by the advertisement of the sale of such parts and otherwise intentionally solicit and promote such invasions of the patentee's rights. The Morgan Envelope Company Case, so far from departing from the doctrine of contributory infringement, expressly recognizes it and the authorities in which it is announced and enforced. The court held, however, that the doctrine of contributory infringement could not apply in a case in which the claim of the patent embraces a machine and something to be treated thereby which is perishable in its nature, and the alleged infringer furnishes the latter element to be used with the machine and consumed. Whether this holding is really a limitation upon the doctrine of contributory infringement, or is to be regarded only as in effect deciding that such combinations are impossible in a patent, may admit of question."

Bullock Electric & Mfg. Co. v. Westinghouse Electric & Mfg. Co., (Sixth, 1904), 129 Fed. 105, 63 C. C. A. 607.

"While it is true that the monopoly of the plaintiff's patents did not extend beyond the limits of the United States, yet it would be no defense to say that the patented article had been made in the United States only for the purpose of being sold and

used in a country to which the protection of the laws of the United States did not extend. The patentee is entitled to monopolize the making of his device in the United States as well as a monopoly of their selling or using it." (Citing several cases.)

In *Brown v. DuChesne*, 60 U. S. 183, 15 L. ed. 595, it was held that the use of an article on a foreign vessel entering a port of the United States was not an infringement, the article having been placed on the vessel in a foreign port.

In *Belknap v. Schild*, 161 U. S. 10, 40 L. ed. 599, the court quoted from an English case, *Vavasseur v. Krupp*, 9 Ch. Div. 351, 358, 360:

"The property in articles which are made in violation of a patent is, notwithstanding the privilege of the patentee, in the infringer, if he would otherwise have the property in them. The court, in a suit to restrain the infringement of a patent, does not proceed on the footing that the defendant, proved to have infringed, has no property in the article; but, assuming the property to be in him, prevents the use of those articles."

Gill v. United States, 160 U. S. 426, 50 L. ed. 480.

"This case raises the question, which has been several times presented to this court, whether an employee paid by salary or wages, who devises an improved method of doing his work, using the property or labor of his employer to put his invention into practical form, and assenting to the use of such improvements by his employer, may, by taking out a patent upon such invention, recover a royalty or other compensation for such use. In a series of cases, to which fuller reference will be made hereafter, we have held that this could not be done."

"In this connection, too, it should be borne in mind that the fact upon which so much stress has been laid by both sides, that the patentee made use of the property and labor of the government in putting his conceptions into practical shape, is important only as furnishing an item of evidence tending to show that the patentee consented to and encouraged the government in making use of his devices. The ultimate fact to be proved is the estoppel, arising from the consent given by the patentee to the use of his inventions by the government without demand for compensation."

The court also cites largely from *Solomons v. United States*, 137 U. S. 346, 34 L. ed. 669.

Some Early Illustrations.—The later cases serve best in their adaptation to the modern arts, but in a general discussion the early cases supply many interesting examples in familiar subjects and a broader treatment.

In an early English case, *Doville v. Moore*, Dav. Pat. Cas.

361, 402, the court, discussing the presence of the same principle in two machines of different forms, said:

“I remember that was the expedient used by a man in Cornwall, who endeavored to pirate the steam-engine. He produced an engine which, on the first view of it, had not the least resemblance to Boulton and Watt’s engine; where you looked for the head you found the feet, and where you looked for the feet you found the head; but it turned out that he had taken the principle of Boulton and Watt’s; it acted as well one way as the other; but if you set it upright, it was exactly Boulton and Watt’s engine. So here I make the same observation, because I observe it is stated that one acts upwards and the other downwards; one commences from the bottom and produces the lace by an upward operation, the other acts from above and produces it by an operation downwards; but that if the principle be the same, must be considered as the same in point of invention.”

In *Electric Telegraph Co. v. Brett*, 10 C. B. 338, the invention was for giving signals and sounding alarms in distant places, by means of electric currents transmitted through metallic circuits; and the defendant’s plan was to use the earth as a return circuit. It was held that this circuit would, if used in connection with machinery for signals be an improvement, but none the less an infringement. While this might have been an improvement and an additional discovery it embodied the principle at the base of the patent.

In *Higgs v. Goodwin*, 1 El., Bl. & El. 529, the plaintiff’s invention was for “treating chemically the collected contents of sewers and drains in cities, towns and villages, so that the same may be applied to agricultural and other purposes,” and for precipitating the animal and vegetable matter of sewage water by hydrate of lime. It was held that the Board of Health had not infringed the patent by applying the process to deodorized sewage water when the precipitate was not used as an article of value, but was rejected as an accidental product.

In *Hills v. Liverpool Gas Co.*, 7 L. T. (N. S.) 537, the patent was for the purification of gas by means of precipitated oxides of iron, and also of a process by which the materials used could be revived and again adapted for the same purifying process. The Lord Chancellor said that the right of the patentee was restricted to the use of the artificial precipitated oxides of iron, and the defendants using the natural product, bog ochre in its natural state, were not infringing, but that the defendant did infringe in using the process of revivification.

An interesting forerunner of *Reece v. Button-Hole Co.*, supra, was *Boville v. Keyworth*, 7 El. & Bl. 725. The patent was for

the combination of blast and exhaust in ventilating the grinding surfaces of mill-stones. It was held that such a combination could be maintained though both blast and exhaust had been previously used separately. The patentee in his patent described the upper stone as fixed and the lower as revolving, and even pointed out some advantages arising from such an arrangement. It was held that even if he had thereby limited his claim to the case in which the lower stone revolved the use of the combination of blast and exhaust in a mill where the upper stone rotates would be an infringement.

In some of the charges to juries in the early cases in the United States practical expressions of the principles of equivalents and infringement are found. For example, in *Blanchard v. Beers*, 2 Blatchf. (U. S.) 418, Fed. Case No. 1506, Nelson, J., said:

"But the question is, whether (whatever may be the mechanical construction) the latter machine contains the means of combination found in the previous machine, whether, taking the structure as you find it, you see the new idea embodied in it. * * * No man can appropriate the benefit of the new ideas which another has originated and put into practical use, because he may have been enabled by superior mechanical skill to embody them in a form different in appearance or different in reality. * * * It will be proper, therefore, for you to look into these two machines and see whether or not the change in the organization of the defendant's machine from the plaintiff's might not have been the production of the skill of a mechanic examining and studying the Blanchard machine with a view to reorganize it and adapt it to the performance of one of its functions, namely, producing an axe-handle or a wagon-spoke."

An excellent illustration from the early cases, cited by Mr. Curtis, is *Rich v. Close*, 8 Blatchf. (U. S.) 41, Fed. Cas. No. 11,757. In that case Mr. Justice Woodruff says:

"But here the patentee claims to combine a wheel and a spiral conductor, neither of which he claims to have invented, with a tube (F) to carry off the water from the surface of the wheel. Now, if the defendant had substituted an equivalent device for the tube (F), he might be an infringer, but he was not, by his patent, prevented from using the other two without any such device. His using them in a location, in reference to the flume, which rendered the tube unnecessary and useless, was not substituting an equivalent device, but was only using them without any device of any kind for the purpose indicated. The case fell, therefore, within the rule stated, namely, that when a combination of known elements or devices is patented, and the combination only, the use of any of the devices less than all is no in-

fringement. This rule is not to be construed so strictly as to conflict with the other rule above stated, and to permit the substitution of equivalent devices where the combination is substantially the same. But here the tube (F) is a distinct member of the combination for a specific useful purpose; and it can not be rejected in determining what is, in law and fact, the subject of the patent. If the wheel had been claimed, or the combination of the wheel and the spiral conductor, the defendant could not have protected himself by dispensing with the tube (F), although the plaintiff had also patented the three in combination; but, as the case stands, I see no alternative but to hold the ruling on the trial correct."

In *Young v. Lippman*, 9 Blatchf. (U. S.) 277, Fed. Cas. No. 18,160, where the patent was for an "improvement in springs for hoop-skirts," it was held to be an infringement to sell "an article of dress called a bustle," containing hoop-skirt wire made in substantially the same manner described in the patent, the bustle referred to being, "substantially a hoop-skirt of a diminished size."

The Goodyear patents offer numerous illustrations. Charles Goodyear had discovered the process of preparing india rubber. Nelson Goodyear discovered the process of mixing this rubber with sulphur and subjecting the mixture to a heat not less than 260° to 275° Fahrenheit. Edward L. Simpson invented the process of practically removing the objectionable effects of sulphur and making the vulcanite "as tasteless and odorless as a metal plate." He did this by mixing benzoin gum with the sulphur and other ingredients in connection with boiled linseed or other vegetable oil. Notwithstanding that this was a marked improvement in the art it necessarily embodied the process of Goodyear and was therefore held an infringement in *Goodyear v. Rust*, 6 Blatchf. (U. S.) 229, Fed. Cas. No. 15,584, and other cases.

In *Goodyear v. Central R. Co.*, 2 Wall. (U. S.) 356, Fed. Cas. No. 15,563, the Goodyear rubber patent was before the court. Under the patented process india rubber, sulphur and white lead were combined by the application of a high degree of heat, between 212° and 350° Fahrenheit. The court said that these ingredients might have been handed to a chemist with the request that he produce the article, without any result but with the process explained to him he might have given valuable hints. The court said:

"The chemist can now immediately suggest many changes in the process which may produce equivalent or better results. He could at once suggest that a carbonate of zinc or some other metallic oxide could probably perform the office of white lead:

that probably arsenic or magnesia or some other metal might be substituted for sulphur; that sulphur might perhaps be used better in a gaseous form; that the high degree of heat so necessary to the process could be as well or better applied by means of steam than dry heated air. Yet no one whose perceptions are not perverted can fail to see that all such changes, such interposition of chemical equivalents, though possibly improvements on the original process patented, have their foundation in the patentee's first discovery, and start by appropriating or pirating it."

Some Modern Illustrations.—*Cimotti Unhairing Co. v. American Fur Refining Co.*, 198 U. S. 399, 49 L. ed. 1100. In this case it was held that no infringement of the combination claim in the Sutton patent, No. 383,258, for an improvement upon machines for plucking furs, results from the use of a machine which, in lieu of the "fixed stretcher bar" made a distinct feature of the claim, substitutes a movable one, operated by an entirely different mechanism, capable of accomplishing a much larger amount of work within a given time.

Heap v. Greene, (First) 91 Fed. 792, 34 C. C. A. 916, Patent No. 377,151. The suit turned practically on a concluding part of a claim reading as follows:

"Devices, substantially as described, for driving said belts with varying speeds and in different directions, as described, whereby the cards are rotated simultaneously, each about its own axis and about the axis of the drum, substantially as described."

The difference between the construction of the defendant's machine and the complainant's machine related to a substitution of pinions and a gear wheel in place of the pulleys and belt which drive the napping-rollers, to drive the napping-rollers at one end only, instead of at both ends; and the use of one cone pulley instead of two. In the construction the defendant crossed his belts. The defendants also introduced an awkward rope system instead of the belt, and a number of intervening pulleys, so that it required considerable manipulation to vary the speed of the napping-rollers. It was held that all these changes were within the meaning of the claim and that the fact that the machine was made more cumbersome did not render it any the less an infringement.

Colt's Patent Firearms Mfg. Co. v. New York Sporting Goods Co., (Second, 1911) 190 Fed. 553, 111 C. C. A. 405. The claim in this case read as follows:

"13. In a firearm, the combination with a frame and a barrel mounted on said frame, of a breech block or bolt carrier, comprising a breech-bolt and a forward semi-tubular extension

to cover the barrel, and having an opening forward of the breech-bolt to permit the ejection of the shell."

The court held that this claim was not for a generic invention and said:

"It is manifest, therefore, that though he is entitled to the rewards of his contribution to the art, and to a reasonable range of equivalents, he is not entitled to the fruits of the labor of others who have endeavored to reach the same result by improvements along different lines. Other inventors have the same right as Browning to improve the combination of the frame, barrel, and breech-slide, and, if the result be accomplished by elements differing from his to the extent that they can not be regarded as clear equivalents, these inventors can not be held as infringers. In other words, the claim can not be given a broad construction. It must be confined strictly to the elements as shown and described."

And concluded that infringement of the thirteenth claim was involved in doubt and therefore confirmed the decree of the lower court. In this cause the court, in discussing one phase of the case, said:

"The complainant advances the ingenious argument that the defendant's barrel is mounted upon the frame, because the breech-bolt carrier, upon which it is actually mounted, is slidingly mounted on the frame. In support of this contention it is asserted that 'the barrel is mounted upon the frame just as truly as a rider is mounted upon a horse, in spite of the use of a saddle.'

"Undoubtedly a rider is mounted upon a horse, even though he wears breeches and has a saddle under him; but the illustration, though specious, fails, we think, for lack of resemblance. We might suggest another and, perhaps, a more relevant simile. Would it be accurate to assert that the locomotive engineer seated in his cab is mounted on the rails, because his engine is so mounted?"

Bullock Electric Mfg. Co. v. General Electric Co., (Sixth) 149 Fed. 409, 79 C. C. A. 229, Patent No. 508,637. Examples of the claims of this case may be had in the following:

"(1) A laminated armature core built up in sections, and separators attached to the laminae between two consecutive sections, as and for the purpose described.

"(5) An armature core consisting of laminae arranged side by side and separators attached to certain of the laminae to form a ventilating space or spaces in the core.

"(8) In an armature a sheet or lamina having teeth or projections for the reception of the armature coils or armature conductors, and metal separators riveted or otherwise secured there-

to, said separators extending toward the points or free ends of said teeth or projections.”

The court held this a mere carrying forward of the idea of prior devices by the use of the same means changed only in form or degree, not involving invention; and void also for insufficiency of description because, while the whole novelty lay in the dimensions or the material of the new thing, the specification referred to them merely as “thin” and of “metal.”

In contrast to this case is *Faultless Rubber Co. v. Star Rubber Co.*, (1913) 202 Fed. 927, 119 C. C. A. —, in which the following claim of patent No. 926,011 was held valid and infringed:

“1. A nursing nipple, embodying a mouthpiece, a neck, and an intermediate body portion flaring from said neck to receive the head of the bottle neck, the upper wall of said body portion projecting inwardly at an acute angle from its point of greatest width to form a substantially flat wall, the diameter of the opening from said body portion into the mouthpiece being relatively small in comparison with the diameter of said body portion.”

The court said:

“The language of the claim presents a question not free from difficulty. Such language must be sufficiently intelligible to mark the boundaries of the monopoly; and we have held that a claim was invalid which, when fully construed, called for a ‘thin’ plate. *Bullock Co. v. General Co.*, 149 Fed. 409, 79 C. C. A. 229. This case and its underlying principles suggests the serious question whether the requirement for a ‘substantially flat wall’ and a ‘relatively small’ mouthpiece opening are fatally vague, in the absence of any statement how far the wall may vary from a state of absolute flatness or what the proportions should be between the extreme body portion and the mouthpiece opening.” As indicated, the court found the statement sufficient.

Lepper et al. v. Randall, (Third) 113 Fed. 627, 51 C. C. A. 337, Patent No. 624,839, wrappers for hams. The claim in suit read as follows:

“A wrapper of the character named, formed of a mat and lacing devices on the back thereof, between the corners and center thereof, in series at an angle to each other and to the sides of the mat.”

Both the lower court and the appellate tribunal held that the straps and buckles used by the defendants were an equivalent of the complainant’s cords and hooks, and that they came within the term “lacing devices.”

In *Elbs v. Rochester Egg-Carrier Co.*, 203 Fed. 705, 120 C. C. A. —, the following claims of patent No. 722,512 were involved:

"2. An egg-carrier consisting of a case provided with partitions forming egg-receiving pockets, a removable cover formed with a flange interposed between the walls of the case and ends of the upper portions of the partitions, and means adjustably connected to the case for engaging and releasing said cover as set forth."

"6. In an egg-carrier, the combination of a case provided with partitions having the upper portions of their end edges clear from the interior of the case, and a tray-shaped cover disposed inverted in the case and having its flanges passing across the clear portions of the ends of the partitions as set forth."

Notwithstanding differences of construction urged by the defendant, infringement was found, the court saying:

"The patentee has not made a generic invention but the record contains persuasive proof that he has made a distinct improvement upon the egg-carriers shown in the prior art. The persistent effort of the defendant, and those in cahoot with it, to use the Elbs carrier, or one embodying all its advantages, is inconsistent with the theory that the claims cover nothing of importance which is not found in the prior art."

Two cases which present interesting contrasts of the result of the application of general principles of infringement and equivalents are *Lehigh Valley R. R. Co. v. Mellon*, 104 U. S. 112, 26 L. ed. 639 and *Devlin v. Paynter*, (Third) 64 Fed. 398, 12 C. C. A. 188.

In *Lehigh v. Mellon*, patent No. 58,477 was for the familiar locomotive wheel. In his specification at the conclusion the inventor combined a "disclaimer" and a claim as follows:

"I am aware of the invention described in patent to N. Hodge, November 18, 1851, but I wish it to be understood that I do not claim the invention therein described, viz.: the angular flange upon the inner edge of the wheel and the flange upon the outer edge of the wheel, but I do claim as my invention the wheel with the curved flange upon the inner edge in combination with a tire with a rounded corner to fit said curved flange, as set forth."

The court in speaking of this said:

"The claim, so far from covering an angular flange upon the wheel, expressly excludes such a flange and claims only a flange with a curved or rounded corner."

The defendants, therefore, did not infringe.

In *Devlin v. Paynter*, claim 1 of Patent No. 367,725 read as follows:

"(1) A union for steam pipes, comprising a threaded ring or nut, a member having a seat of soft metal with a concave face,

and an opposing member with a rounded or convex end, substantially as shown and described.”

The defendant reversed the arrangement of the patent putting a convex face on the head member and a concave face on the tail member. The defendant also made the convex face of soft metal, whereas in the patent the concave face was of soft metal.

The court held that this mere transposition did not avoid infringement and that the defendants had appropriated the gist of the invention, their changes not affecting either the principle of the operation or the result.

Clough v. Gilbert & Barker Mfg. Co., 16 U. S. 166, 27 L. ed. 134. The claims of patent No. 104,271 were held to be valid and infringed. They read as follows:

“(1) The bat-wing burner, perforated at the base, in combination with the surrounding tube, substantially as described.

(2) In combination with the bat-wing burner, perforated at the base, and surrounding tube, the tubular valve for regulating the supply of external gas to the burner, substantially as described.”

After pointing out various differences of operation the court refers to a difference of construction in that the Clough patent “describes” (covers) the tubular valve inside the burner tube while the reverse arrangement was used by the defendant.

The court said:

“It is true that that patent describes the tubular valves as being inside of the burner-tube. But Clough was the first person who applied a valve regulation of any kind to the combination to which he applied it, and the first person who made such combination; and he is entitled, under decisions heretofore made by this court, to hold as infringements all valve regulations, applied to such a combination, which perform the same office in substantially the same way as, and were known equivalents for, his form of valve regulation.”

The case has been hitherto placed within the class of *Winans v. Denmead* and *Reece Button-Hole Co.* in which an apparently specific term in a claim is given a wider meaning by the courts.

It is an interesting fact that when this patent came up before the court again in *Clough v. Barker*, 106 U. S. 178, 27 L. ed. 138, the position of the parties was reversed, suit being brought against Clough by the owners of the Barker patent, No. 105,678.

As an illustration of how Clough's broad patent might be infringed by Barker, and Barker's patent, on the other hand, infringed by Clough, see the following citation from the opinion of the court in the case.

“It has been held by this court, in the other suit between the

same parties, that a gas-burner made according to the description in the Barker patent infringes both of the claims of the Clough patent; the claim for the method of supplying the additional gas, and the claim for the application of a valve arrangement to regulate the supply. But, the point of the invention and patent of Barker is, that the surrounding shell or tube is so arranged that the screwing of such shell up or down causes it to act as a valve, on the outside of the pillar, to close or open the holes. As a consequence, the interior tubular valve of Clough is dispensed with, the burner is made in two pieces instead of three, is less expensive to make and, moreover, in regulating the supply of gas, the shell alone revolves and not the burner with it, as in Clough's burner, and so the flame always remains in one position. We think, from the evidence, that these modifications were new and useful, and sufficient in character to sustain a patent. The burner, in the form patented by Barker, appears to have superseded the burner in the form patented by Clough and, after Barker had introduced his burner into use, Clough commenced making, for market, burners in the same form patented by Barker." Held an infringement.

Union Match Co. v. Diamond Match Co., (Eighth) 162 Fed. 148, 89 C. C. A. 172. The court divided the claims of patent No. 538,525, into two groups. The following is an example of the first group:

"1. In a machine for boxing matches, in combination with a source of supply of the matches to be boxed, a support to hold the box in position to receive the matches from the source of supply, and means for giving the box a to and fro jarring motion, in a direction out of a vertical line, and substantially at right angles to the matches as they are to lie in the box, substantially as and for the purpose specified."

The court held that this claim was not void as covering merely the function of a machine, but that in view of the words "substantially as and for the purpose specified" the claims were limited to the means described in the specification. The court then proceeded to discuss and compare the respective mechanisms and to hold that the invention was not a primary one, etc., but in the conclusion, in effect, comes back to the claim, making a decision upon the first group, thus presenting another example of a rather circuitous mode of consideration. For the court said:

"We can not regard the method of operation by which the defendant's matches are agitated into position either as the same or as the mechanical equivalent of complainant's method of agitating the boxes themselves and thereby securing the desired parallel position of the matches inside. One is by directly

agitating, with the radial blades of an endless chain, the matches themselves when in the box; and the other is by agitating the trough and its inclosed boxes, thereby indirectly agitating the matches themselves and bringing them into a state of parallelism. The two are essentially different methods of operation. One, therefore, can not and does not infringe the monopoly of the other."

National Enameling Co. v. New England Enameling Co., (Second) 151 Fed. 19, 80 C. C. A. 485. Patent No. 527,361. The claims upon appeal read as follows:

"4. As a new article of manufacture, a metallic article having a coat of enamel of an intensely alkaline nature permeated by metallic oxides, substantially as described.

"5. As a new article of manufacture, a steel or homogenous iron article having a single coat of mottled enamel on a partly oxidized metallic surface, substantially as described.

"6. As a new article of manufacture, a metallic article having a mottled coat of alkaline enamel and within said enamel metallic oxides extending from the outer surface of the enamel inwardly, substantially as described.

"7. As a new article of manufacture, a steel or homogenous iron article having a mottled coat on a partly oxidized metallic surface and having metallic oxides extending from the outer surface of the enamel inwardly, substantially as described.

"8. An enamel for surfaces having therein a preponderance of alkaline constituents together with metallic oxides, substantially as described."

The lower court (apparently contrary to all precedent) had found, in effect, that the process claims of the patent and the broader article claims were not infringed by the defendant, but that inasmuch as the defendant produced an article similar to that of the complainant, it must have been produced by the use of an alkaline mix substantially of the character and using the ingredients set forth in the specification of the patent in suit. The circuit court of appeals said that the patent was not for the formula described in the patent, but for the process and article presented in the claims.

After showing that similar articles were made by processes old in the art and that some manufacturers did not at first know how to use those processes which had been applied to iron upon the newly produced type of steel, the court said:

"The evidence shows clearly that success or failure in the manufacture of enameled articles depends very largely not only upon the formula employed, but also upon the degree of heat used, the length of time of the exposure to the heat, and generally upon the skill and experience of the men who conduct the

operation. The mere application of a process for enameling iron to the enameling of steel involves no invention if the same result is obtained. In this case it must be borne in mind that the claims under consideration upon this appeal are not claims for a process or for an improved result. The claims are for a completed article of manufacture. If these claims are valid, they cover any article of manufacture which has the qualities described in the claims. It is of no consequence how they are produced if the articles have such qualities, and it is of no consequence whether, when produced, they are superior or inferior in quality."

And in conclusion of the concurring opinion Judge Wallace said:

"Courts lean towards reading into the claims of a patent such limitations as will save the real invention as disclosed by the specification and the prior state of the art. But when the claims are drawn in broad and nebulous terms, with the apparent purpose of enabling the patentee to monopolize an important industry, the courts should be slow in attempting to sustain their validity by narrowing them beyond the boundaries which are clearly warranted by the specification."

Durand v. Schulz, (Third, 1894) 61 Fed. 819, 10 C. C. A. 97. In patent No. 253,371 the claim read as follows:

"I claim the improvement in the manufacture of coloring matter, consisting in the production of violet coloring matters by the action of nitroso derivatives of the tertiary amines of tannin, or equivalent reaction, substantially as described."

The court quotes at length from *Merrill v. Yeomans*, *Keystone Bridge Co. v. Phoenix Iron Co.*, *Mahn v. Harwood*, *Burns v. Meyer*, *White v. Dunbar*, et al., summing up as follows:

"The above extracts from adjudged cases show how closely a patentee is held to his claim in describing the invention for which he has sought and obtained his patent, and exhibit a marked unanimity of judicial opinions in relation to this provision of the patent law. In the apt words of Judge Dallas, in rendering the decree of the circuit court (60 Fed. 392), the law prescribes 'that the claim must be taken as defining precisely what the invention covered by the patent is, and, hence, the true question is, not what the patentee might have claimed, but what he has claimed; the latter, not the former, being made the measure of his rights.'"

The patent in suit was for a process and not for the product. The defendants were charged with importing, using and selling coloring material, and not with manufacturing. The court said:

"The claim is single, and is either for a process or a product; otherwise, if the claim is divisible, one part being for a process, and another for a product, it would be a double claim, and as

such in danger of being held void for ambiguity. The applicant for a patent may separately claim both a process and a product, but can not properly claim them in one claim. They are the proper subjects of separate and distinct claims."

(For similar illustrations see *Welsbach Light Co. v. Union Incandescent Light Co.*, (Second) 101 Fed. 131, 41 C. C. A. 225.)

Blount v. Societe, Etc., (Sixth) 53 Fed. 98, 3 C. C. A. 455. The claim of patent No. 336,385, read as follows:

"A filtering compound formed of porcelain-earth baked and reduced to a powder, and pipe-clay combined in the proportions set forth, the said compound being baked, substantially as set forth."

The patentee in the specification stated that he did not limit himself to the above-named substances, "for the same result may be attained by using, for instance, silex, magnesia, or its equivalent, instead of porcelain-earth." It was held that the defendant was an infringer in using fine sand for the porcelain earth, and that there was nothing in the state of the art or the value of the invention to require a strict limitation to the words of the claim.

Hurlbut v. Schillinger, 103 U. S. 456, 32 L. ed. 1011, was upon reissue patent No. 4364, containing the following claims, of which the first was inserted by reissue:

"1. A concrete pavement laid in detached blocks or sections, substantially in the manner shown and described.

"2. The arrangement of tar-paper or its equivalent between adjoining blocks of concrete, substantially as and for the purpose set forth."

A disclaimer had been entered striking out from the specification a statement practically claiming the forming of blocks from plastic material by interposing anything between their joints while in the process of formation. The court held that the proper construction of the reissue patent was that the invention consisted in dividing the pavement into blocks, so that one block can be removed and the pavement repaired without injury to the rest of the pavement, the separation being achieved by either a permanent or a temporary interposition of something between the blocks.

The defendant used a trowel or cutting instruments to divide the upper course into blocks and the court held this to be "an equivalent of the tar-paper of the Schillinger patent, the cutting making a division which controls the cracking, and facilitates the taking up and relaying of the blocks," etc. This followed, however, a holding that the broad first claim was valid and had been infringed.

Matheson v. Campbell, (Second, 1897) 78 Fed. 910, 24 C. C. A. 384. The claim of patent No. 245,901, reads as follows:

"We claim, as a new product, the herein-described dye-stuff or coloring matter of a black color, and capable of dyeing shades of dark blue, as set forth."

In this case the court held that the translation of the chemical formula in the phrase "any sulpho-acid of any radical" is a broad statement, covering over one hundred, possibly as many as five hundred, different sulpho-acids. The court said that it had been proved and conceded that very many, in fact nearly all, of these, will not, when treated according to the patentee's process, produce the patentee's color. Continuing, the court upon this phase of the case said:

"In other words, having himself experimented only with three or four bodies out of a group of hundreds, he proposes to set himself in the pathway of future experimenters with any or all of the other bodies, and as the result of each new experiment is disclosed, will fire away at it, calculating to 'hit it if it is a deer, and miss if it is a cow.'"

It would appear at first blush that this case is in opposition to other chemical cases in which it has been held that one need not test all of the species of a family, but only a sufficient number to demonstrate the rule. But the court in this case found that the patentee had not distinguished his chemical invention by the differentiations customary in such cases. In fact, the court said that in this case the product under investigation failed to respond to the tests which the patentee had himself selected, and that he could not insist, therefore, that it was identical with his patented product.

The opinion then points out various imperfections in the patent, blunders in chemical statement, which the court could not overlook, saying that "there must be some limit to a court's function in rewriting patents."

In conclusion it was said that the case presents an instance of six tests being prescribed in a patent and an alleged infringing body responding to five of them, but failing to respond to the sixth; and the patentee having failed to show that the difference was immaterial the court was obliged to find that the defendant did not infringe. On rehearing, the court said that the inventors profess to disclose that all mono-sulpho acids, and all di-sulpho acids treated in a certain way will give a specific result, while the fact is that, so far as it appears, no mono-sulpho acid thus treated will give such result.

The case as a whole supplies an example of the difficulties surrounding many chemical cases and of the necessity of clearly differentiating between tests and characteristics which have been

fully developed and those which are merely the subject of theory and speculation.

In *Fullerton v. Anderson*, 166 Fed. 443, 92 C. C. A. 295, the patent before the court was for a process for bleaching nuts, in which a weak acid was specified as an ingredient. The court said:

“But it is said that the term ‘weak acid’ is indefinite, and that the appellant, which used diluted sulphuric acid, was not precluded from such use, since sulphuric acid is not a weak acid, and no standard of acidity is fixed by the term ‘weak acid.’ But by specifically referring to the use of vinegar, the patentee has made known the standard of acidity of the acid which will operate successfully with the solution. He declares in his specifications that he has found that, while many acids might produce the result of liberating the gas, a safe acid for the purpose is acetic acid or vinegar. In his claim he confines himself to no specific acid. The appellant has found that by the use of diluted sulphuric acid the bleaching process can be as effectually accomplished as by the use of vinegar. But it does not thereby avoid infringement. It uses a weak acid within the terms of the claims. * * * Obviously he was not required to experiment with all kinds of acids, and to state in his specifications what acids would and what would not be suitable for the purpose, and we think it does not extend the patent beyond its proper scope to say that it covers the use of any acid which, by chemical reaction, will release the chlorin in the bleaching solution. A strong acid would cause a violent and sudden evolution of chlorin, which would almost instantaneously be dissipated. A weak acid releases the chlorin gradually and continuously. There doubtless are acids known to chemistry which will not accomplish the reaction incident to the release of the chlorin, but the acids commonly known, such as acetic, sulphuric, muriatic, oxalic, and nitric acids, when diluted to the acidity of vinegar, may, it is shown, be successfully used in the process.

In the case of *Welsbach v. Sunlight*, (N. Y.) 87 Fed. 221, where the claim was drawn to cover “paraffin, or other suitable material, substantially as set forth,” the court said:

“While collodion is not chemically an equivalent of a hydrocarbon resin gum, and is not paraffin or shellac, it performs the same functions, in the same manner and with the same result. A patentee is not obliged, in his specification, to state all the known equivalents of the materials used by him. It is the patent as finally issued which the court is to construe, and upon which the patentee must stand. In this case the patentees have claimed ‘paraffin, or other suitable material, substantially as set forth.’ They have set forth that ‘other materials may be em-

ployed, as long as they set hard at ordinary temperatures, and burn away without mechanical destruction to the mantle.' The defendant uses a suitable material, known at the date of the invention to have all these properties and characteristics, and has thereby appropriated complainants' product."

Union Typewriter Co. v. Smith, (Third) 181 Fed. 966, 104 C. C. A. 430.

This case illustrates a practical application of the rule that there may not be two patents to the same inventor for the same invention, a rule announced in *Suffolk v. Hayden*, and elaborately discussed in *Miller v. Eagle*, *Thompson v. Ohio*, and other decisions. In this case patent No. 481,477 was involved and included the following claims:

"37. In a typewriter, the combination, with a series of individual pivoted type-bars carrying two or more type, of a vertically shifting frame for sustaining said bars and suitable means for shifting said frame to bring either of the type in proper position to make an impression."

"38. In a typewriter, the combination, with a series of type-bars provided with two or more type, of a vertically shifting frame for sustaining said type-bars concentrically, a series of key levers connected with said type-bars, and a series of keys for operating said levers."

The patentee had two preceding patents, namely, No. 457,258, and No. 470,990. In the divisional application which eventuated in patent No. 457,258, the inventor had disclaimed a pivot shifting-frame carrying the type-bars, saying that such a claim was the subject-matter of the application which subsequently eventuated in patent No. 470,990.

In the patent No. 470,990 there were claims which included such a pivot shifting-frame though the claims 37 and 38 were omitted therefrom.

The application upon which the patent in suit No. 481,447, was based when first filed declared that the pivoted type-bar shifting-frame therein mentioned was fully described and shown in patents Nos. 457,258, and 470,990, and that the type-bars and key-levers therein mentioned were substantially of the same construction as those of the cited patents, and that the type-bars and key-levers formed no part of the invention set forth in the later application.

Finally after the application for patent No. 481,447 was first filed and after the patent No. 470,990 had been allowed the application for patent No. 481,447, was amended to include what had not been before claimed therein by changing the specification and by adding claims 37 and 38.

The owner of the patent in suit admitted that all the elements

of the two claims 37 and 38 were found in the patent No. 470,990. It was, therefore, held that a device falling within the broad principle of claims 37 and 38 was not an infringement because the claim differed only in scope from the narrower claims of the earlier patents and were therefore invalid. It may be observed in passing that the court, in its opinion, introduces a suggestion which might be misleading to the effect that the inventor had himself recognized these claims as not within the scope of his application "for otherwise he would not have accompanied it with a supplemental oath." The meaning of the court undoubtedly was that the inventor recognized that he had not before claimed that subject-matter in his application, for it is the province of a supplemental oath to support subject-matter not within the scope of the original claims of an application, but which was described and might have been claimed.

American Specialty Stamping Co. v. New England Stamping Co., (Second) 176 Fed. 557, 100 C. C. A. 193.

The books abound in cases where the examination in the Patent Office has clarified the claims; and there are numberless instances in which litigation has been prevented by the excellent work of the Examiners and the other tribunals of the Office. As "Homer nods," so there must be unfortunate cases in the Office and in the courts.

Few cases better illustrate this and how litigation and expense may result from an inaccurate patent or one in which the real feature of invention does not plainly appear in the claims, and from inattention by a court to the fundamental principles of a suit for infringement. The invention consisted (as developed by the Court of Appeals) in a hooked handle on one side of a kettle which when seized and lifted to tip the kettle would engage an incline on the cover so as to draw back the cover slightly to allow the escape of water and steam from the spout and at the same time hold the cover in place. Similar handles for locking or binding the cover were old and common in the art.

In the Obermann patent in suit, No. 507,281, for a cooking utensil, the patentee had recited five of his prior patents. He had then presented an elaborate statement of invention with five clauses. On examination his claims were limited to one-half of one of these clauses, but the patent went out with the contradictory broad statement of invention and specification and the narrow claims, in the face of a recitation of the prior patents in the specification. During the examination one sheet of the drawings had been required to be canceled, but the subject-matter remained disclosed in a figure of the remaining drawing which appeared to have been overlooked. In a laudable en-

deavor to have the patentable novelty properly stated the Examiner suggested claim 3, containing the phrase "locking handle," not found in the specification and contrary to the real purpose of the handle as developed in this case.

The defendants had at one time made an infringing article but upon notification had ceased making the article and had manufactured a different vessel without the infringing features. That is, they manufactured one which had a handle which merely bound the cover or held it when the vessel was tipped, but did not draw it back. They had, with the object of avoiding suit for the first infringement, agreed in writing not to further infringe, and admitted the validity of the patent. About a year before the patent expired the defendants brought suit charging infringement in the manufacture of this second kettle. When the matter came up before the district judge he declined to go into the scope of the patent or infringement, because the defendants had admitted the validity of the patent, and granted, forthwith a preliminary injunction. He was reversed by the Circuit Court of Appeals which held that the defendant, in such a case, may show that he is not an infringer.

In discussing the various actions in the Patent Office upon the application the court referred to the sliding action given the cover by the operation of the so-called "locking handle," of the Examiner's suggested claim. The Examiner was unable to see how the operating handle drew the cover from over the spout. The court said:

"The Examiner's investigation of the application must have been very superficial, because the drawings quite clearly show just how the operating handle draws the cover from over the spout."

The applicant made a brief amendment again stating the operation, to which the Examiner objected, holding the operation to be "far from a reasonable one." He objected, however, thereafter to the claims because "drawn to cover merely the capabilities of the device." He drew claim 3 which he stated covered all the patentable novelty in the case. The court in caustic criticism of this, pointing out that the one prominent feature of the case was the sliding movement, said:

"It can not be supposed that even the Examiner could then suppose that the 'real point' which applicant was 'seeking to cover' was a locking handle which merely held the cover in its place without operating at all to shift its position."

The court said: "The applicant accepted the awkwardly drawn claim which the Examiner offered him," but then refers also to his securing the other claims from which he had canceled the statement that the parts effect "a backward move-

ment of the cover" leaving, however, a combination which could mean nothing but that.

Notwithstanding the attitude of the Patent Office the court held that the claims could not be construed so broadly or to cover anything but an operating handle, which shifted the cover and also held it.

Columbia Motor Car Co. et al. v. Duerr & Co. et al., (Second) 184 Fed. 893, 107 C. C. A. 215. This case involved the Selden patent No. 549,160, for a road engine, a case in which the record was so extended that it apparently had much to do with the movement to amend the equity rules with the object of limiting the record in a suit.

The patent was applied for in 1879 and granted in 1895. While the application was pending the automobile art had grown to a great commercial success, leaving far behind the structure disclosed by the patent. The court said:

"For the monopoly granted by his patent he had nothing to offer in return. The public gained absolutely nothing from his invention, whatever it was. From the view of public interest it were even better if the patent had never been granted."

Nevertheless, the court held that the patentee had acted within his rights and that the delay was not an unlawful one. It was apparent, however, and indicated by the court that they were disposed to be very careful in discussing the patent. The claim of the patent reads as follows:

"The combination with a road locomotive, provided with suitable running gear including a propelling wheel and steering mechanism, of a liquid hydro-carbon gas engine of the compression type, comprising one or more power cylinders, a suitable liquid-fuel receptacle, a power shaft connected with and arranged to run faster than the propelling wheel, an intermediate clutch or disconnecting device, and a suitable carriage body adapted to the conveyance of persons or goods, substantially as described."

The court in substance held that as this claim included in combination a "liquid hydro-carbon engine of the compression type" it referred to a type of engine in use when the application was filed and answering that definition, known as the Brayton engine, and did not cover or include the more modern engine in use by the defendants, known as the Otto. The court held that the first type of engine was the "constant pressure," while the second was the "constant volume." The court held that the claim could not be broadly new in view of the prior art, but was limited to certain adaptations, and the application of the Brayton engine, and was valid but not infringed by the modern automobile using the Otto engine. In short, the court held that the

patentee had chosen the wrong type of engine to include in his claim; and that his claim could not be broadly construed.

Diamond Rubber Co. v. Consolidated Rubber Tire Co., 220 U. S. 428, 55 L. ed. 527, 31 Sup. Ct. 444, Patent No. 554,675. The claims in suit were as follows:

"1. A vehicle wheel having a metallic rim with angularly propelling flanges to form a channel or groove with tapered or inclined sides, a rubber tire, the inner portion of which is adapted to fit in said groove or channel, and the outer portion having sides at an angle to the inner portion, the angle or corner between the outer and inner portions being located within the outer periphery of the flanges, and independent retaining wires passing entirely through the inner portions of said tire and also within the outer peripheries of the flanges, substantially as described.

2. A vehicle wheel having a metallic rim with outwardly projecting flanges at an angle to the plane of said wheel, so as to form a channel or groove having tapered or inclined sides, a rubber tire, the inner portion of which is adapted to fit in said tapered groove or channel, and the outer or exposed portions formed at an angle thereto, the angle or corner between the said portions being placed within the outer periphery of said flanges, openings extending entirely through the unexposed portion of said tire, and independent retaining wires in said openings, and a reinforcing strip of fibrous material placed at the bottom of said tire and wholly within said flanges, substantially as specified."

These are examples of specific claims directed to the precise feature of invention, a form of claim well adapted to cover an invention, which, while apparently narrow in scope is, in fact, in the language of the court in *Washburn v. Moen*, the "Barbed-Wire Fence" case, the "last step that wins." Of this the court said:

"And a right to equivalents is disclaimed. Indeed, a certain merit is made of this as exhibiting at once the simplicity and perfection of the invention and the tribute paid to its excellence by respondent by exactly imitating it, instead of attempting to evade it. It is pointed out that the coaction of the parts is so dependent upon their shape and relation that any alternation destroys their co-operation and the utility of the tire. There is strength in the contention, as we shall presently see."

The court incidentally accepts as favorable to the patent that the claims had the approval of the Patent Office.

Speaking of the suggestion that the invention was obvious that it might readily have been seen by skilful attention, the court said:

"But the law has other tests of the invention than subtle conjectures of what might have been seen and yet was not. It re-

gards a change as evidence of novelty, the acceptance and utility of change as a further evidence, even as demonstration. And it recognizes degrees of change, dividing inventions into primary and secondary, and as they are, one or the other, gives a proportionate dominion to its patent grant. In other words, the invention may be broadly new, subjecting all that comes after it to tribute (*Chicago & N. W. R. Co. v. Sayles*, 97 U. S. 554, 556, 24 L. ed. 1053, 1054); it may be the successor, in a sense, of all that went before, a step only in the march of improvements, and limited, therefore, to its precise form and elements, as the patent in suit is conceded to be. In its narrow and humble form it may not excite our wonder as may the broader or pretentious form, but it has as firm a right to protection. Nor does it detract from its merit that it is the result of experiment and not the instant and perfect product of inventive power. A patentee may be badly empirical, seeing nothing beyond his experiments and the result; yet if he has added a new and valuable article to the world's utilities, he is entitled to the rank and protection of an inventor. And how can it take from his merit that he may not know all the forces which he has brought into operation? It is certainly not necessary that he understand or be able to state the scientific principles underlying his invention, and it is immaterial whether he can stand a successful examination as to the speculative ideas involved."

As to the requirements upon the inventor and patentee the court said:

"He must not put forth a puzzle for invention or experiment to solve, but the description is sufficient if those skilled in the art can understand it. This satisfies the law, which only requires as a condition of its protection that the world be given something new and that the world be taught how to use it. It is no concern of the world whether the principle upon which the new construction acts be obvious or obscure, so that it inheres in the new construction."

The court came to the conclusion, however, that, in this case, the prosecution of the application indicated a thorough knowledge of the principles involved. Again turning to the limited character of the invention and that it was copied by the defendant:

"It is conceded, as we have said, that his invention is a narrow one—a step beyond the prior art—built upon it, it may be, and only an improvement upon it. Its legal evasion may be the easier (*Chicago & N. W. R. Co. v. Sayles*, 97 U. S. 554, 556, 24 L. ed. 1053, 1054), and hence we see the strength of the concession to its advance beyond the prior art and of its novelty and utility by the rubber company's imitation of it. The prior art was open

to the rubber company. That 'art was crowded,' it says, 'with numerous prototypes and predecessors' of the Grant tire, and they, it is insisted, possessed all the qualities which the dreams of experts attributed to the Grant tire. And yet the rubber company uses the Grant tire. It gives the tribute of its praise to the prior art; it gives the Grant tire the tribute of its imitation, as others have done. And yet the narrowness of the claims seemed to make legal evasion easy. Why, then, was there not evasion by a variation of the details of the patented arrangement? Business interests urged to it as much as to infringement. We can find no answer except that given by the tire company: 'The patented organization must be one that is essential. Its use in the precise form described and shown in the patent must be inevitably necessary.' "

The defendants had urged that the success of the Grant tire was due to certain mechanical and commercial conditions and to its being pushed on the market by advertisers. The court said:

"Here, again, in our discussion, a comparison is suggested between it and other tires, and the inquiry occurs why capital has selected it to invest in and advertise, and not one of the tires of the prior art, if it be not better than they? But the effect of advertising is mere speculation; to the utility and use of an article the law assigns a definite presumption of its character, as we have seen, and which we are impelled by the facts of this record to follow."

And again, pursuing this line, the court said:

"And we may say, in passing, the elements of a combination may be all old. In making a combination the inventor has the whole field of mechanics to draw from,"

Primary or Pioneer Inventions.—The general rule of the statute requiring that an inventor shall particularly point out that part, improvement, or combination which he claims as his invention, is liberally interpreted in favor of primary or pioneer inventions, as hitherto stated.

The rule is stated by the Supreme Court in *Morley Machine Co. v. Lancaster*, 139 U. S. 263, 32 L. ed. 715:

"Where an invention is one of primary character, and the mechanical functions performed by the machine as a whole are entirely new, all subsequent machines which employ substantially the same means to accomplish the same result are infringing, although the subsequent machine may contain improvements in the separate mechanisms which go to make up the machine."

The claims were:

"1. The combination, in a machine for sewing shank-buttons to fabrics, of button-feeding mechanism, appliances for passing a thread through the eye of the buttons and locking the loop

to the fabric, and feeding mechanism, substantially as set forth. 13. The combination, with button-sewing appliances, of a trough, appliances for carrying the buttons successively from the trough to the sewing devices, and mechanism for operating said appliances and sewing devices, as set forth."

In this leading case the invention was held to be a "pioneer invention," and therefore, though the claims are phrased in the broadest terms and do not define the specific "mechanism," they were held to sufficiently define the real invention and were sustained.

The Circuit Court of Appeals for the Sixth Circuit has elaborated this in *McCormick Harvesting Machine Co. v. Aultman*, 69 Fed. 341, 16 C. C. A. 259, in the following statement by Taft, Cir. J.:

"With respect to such a patent, the well-settled rule is that the patentee who has, by the success of his patent, pointed out the combination of functions needed to reach the new result, and has claimed the combination of mechanical parts performing those functions, may enjoin the use of another machine producing the same result where the second machine differs from the first only in a substitution, for parts or elements in the patented device, of parts or elements which, though different in form and kind, perform the same functions in substantially the same way. It may be that the substituted parts are well known equivalents of those shown in the patent for the performance of the functions to which they are respectively applied, in which case there is manifestly no inventive faculty shown in the change; or it may be that, being shown by the successful operation of the patent the exact nature of the functions to be performed by a part of the patented device, the infringer, by the use of his inventive faculty, hits upon something as a substitute which will perform the same functions more completely and satisfactorily. In the latter case, he is a tributary inventor; but he is none the less an infringer if he uses the whole machine, with his substituted part to accomplish the same new result. The rule as to infringements of pioneer inventions which point the way to new products or result is analogous to that applied in cases of infringements of process patents, in which the discoverer is only required to point out one practical method of using his process, and is permitted to claim tribute from all who thereafter use the process, whether with his apparatus or with a different or improved means."

(Citing *Morley Machine Co.*, *supra*, and *Consolidated Valve Co. v. Crosby Valve Co.*, 113 U. S. 157, 28 L. ed. 939; *Royer v. Schultz Belting Co.*, 135 U. S. 319, 34 L. ed. 2114; *Machine Co. v. Murphy*, 97 U. S. 120, 24 L. ed. 935; *Sessions v. Romadka*, 145 U. S. 29, 36 L. ed. 609; *Clough v. Barker*, 106 U. S. 166, 27 L.

ed. 134; *Winans v. Denmead*, 15 How. (U. S.) 330, 14 L. ed. 717; *McCormick v. Talcott*, 20 How. (U. S.) 402, 405, 15 L. ed. 930; *Railway Co. v. Sayles*, 97 U. S. 554, 556, 24 L. ed. 1053.)

In this case the Gorham binder was the first one in the history of the art which successfully bound grain in the field with twine automatically. The patent describes mechanism for selecting the grain wisp by wisp, compressing the bundle at the waist by the action of two feeding segments, which have the function, though not so specifically stated, of pressing and packing the bundle at the waist, through guides into a bundle receptacle, against a sturdy resistant arm, in which a flexible strap finally compresses the bundle and then trips a lever, which operates an old binding mechanism, which finally ties the twine about the compressed waist of the bundle and delivers the bundle. The claims, 3, 10, and 11, were sustained as sufficiently defining a primary invention notwithstanding the fact that certain parts had to be read into the claims to complete the full combination of parts requisite to the operation, and that reference letters were employed to designate the location and arrangement of the parts. Claims: (3) "The reciprocating segments, C4, having the feed piece C6, in combination with the guides D, as and for the purpose specified." (10) "The flexible strap, g, arranged in the receptacle G to operate trip lever H, in the manner substantially as and for the purposes described. (11) "The combination of the binding strap and cord go with the bundle receptacle G and two feeding segments C4, substantially as and for the purposes described."

The case of *Westinghouse v. Boyden*, 172 U. S. 537, 42 L. ed. 1136, has been considered.

The effect of this decision may be better appreciated, perhaps, by considering the decision of the Circuit Court of Appeals in the fourth circuit, *Boyden v. Westinghouse*, 70 Fed. 816, 17 C. C. A. 430, in which the court in most direct and unmistakable terms, announced the views afterward endorsed by the Supreme Court. The syllabi of the report of the case under discussion present the subject clearly, and are, it seems, impossible to reconcile with the long line of holdings in cases involving primary or pioneer inventions.

Claims 1, 2, and 4 of Letters Patent to George Westinghouse, Jr., No. 360,070, for fluid-pressure automatic-brake mechanism, issued March 29, 1887, though drawn to cover an invention of the highest value to the public—a pioneer in the art of quick-action air-brakes—are not infringed by a brake which does not employ the specific means described and illustrated by the complainant's patent.

Claim 2 of Letters Patent to George Westinghouse, Jr., No.

360,070, for fluid-pressure automatic-brake mechanism issued March 29, 1887, drawn to cover an invention of the highest value to the public—a pioneer in the art of quick-action air-brakes—as it “in its language describing the action of that device failed to describe any means by which the extreme reverse of the piston produced it, declaring merely that the piston ‘by a further traverse admits air directly from the main air pipe to the brake-cylinder,’ it was fatally defective, claiming only a result, which is public property, and not identifying the specific means (his own property) by which the result is achieved.”

“The distinction suggested by the circuit court between inventions employing cranks and levers visible to the senses and those employing compressed air, which operates by modes not visible to the senses, as to which latter devices the circuit court held that ‘in judging of an infringement we are to direct our attention rather to functional equivalents than to mechanical equivalents,’ we do not think well taken, even in favor of pioneer inventions.”

The fact that a patent was granted for a specific means for operating quick-action air-brakes after the grant of a pioneer patent describing and illustrating a different means is, in effect, a ruling by the Patent Office that the subsequent patent does not infringe the pioneer patent, and such a decision, while not conclusive, is entitled to great respect.

(The fourth heading is a peculiarly mistaken statement of the position of the Patent Office, which may grant a tributary as well as a dominating patent.)

The case of *Expanded Metal Co. v. Bradford*, 214 U. S. 365, 53 L. ed. 135, has, as hitherto shown, developed the original views of the courts, so that the mere presence of a functional clause clearly setting forth the new idea is not a reason for holding the claim invalid or limiting the patent to the specific construction illustrated and described, and the case of *Hobbs v. Beach*, 180 U. S. 380, 45 L. ed. 587, amongst others confirm the doctrine of the *Morley v. Lancaster* case.

The rule then in the words of the court in these cases and *Chicago v. Railway*, 97 U. S. 554, 24 L. ed. 1053; *Penfield v. Chambers*, 92 Fed. 630, 34 C. C. A. 579, is:

“Where an invention is one of a primary character and the mechanical functions performed by the machine are, as a whole, entirely new, all subsequent machines which employ substantially the same means to accomplish the same result are infringements, although the subsequent machine may contain improvements in separate mechanisms which go to make up the machine.” “If one inventor precedes all the rest, and strikes out

something which includes and underlies all that they produce, he acquires a monopoly, and subjects them to tribute."

"The more meritorious the invention, the greater the step in the art, the less the suggestion of the improvement in the prior art, the more liberal are the courts in applying in favor of the patentee the doctrine of equivalents. The narrower the line between the faculty exercised in inventing a device and mechanical skill, the stricter are the courts in rejecting the claim of equivalents by the patentee in respect of alleging infringements."

It should again be observed that the rule of equivalents has its starting point with primary or pioneer inventions, but may not be required where the claim expresses an invention in broad terms. For in such cases the infringing device or process will usually fall within the sweeping definition of the claim, rendering unnecessary any interpretation of the claim or the application of the doctrine of equivalents.

The application of the rule of equivalents comes upon the question of whether or not a given structure or process is, in fact, described by the claim of the patent in suit, and whether or not a statement in a claim may be held to embrace or intend a principle or step of the defendant's similar structure or process.

Unpatented and Secret Inventions.—An inventor has no property right in an unpatented invention which he can enforce against others. On the other hand, it has been held that "a secret in trade is fully recognized as property in equity, the disclosure of which will be restrained by injunction." (*Champlin v. Stoddart*, 30 Hun, (N. Y.) 300, 302.)

In *Peabody v. Norfolk*, 98 Mass. 452; *Yowatt v. Winyard*, Jac. & W. 394; *Bryson v. Whitehead*, 1 S. & S. 74; *Morison v. Moat*, 9 Hare 241; and *Weston v. Huermons*, 2 Vict. L. R. Eq. 121, relief by injunction was granted against former employees and others similarly situated, from practicing or disclosing various trade secrets such as process of manufacturing cloth, receipts for veterinary medicines, the mode of dyeing, and a medical recipe.

(See also, *Benton v. Ward*, 59 Fed. 411, 413.)

R. S. U. S. Sec. 4908 exempts from punishment for contempt a witness who refuses to disclose any secret invention or discovery made or owned by himself.

The advantage of secrecy is manifest. The monopoly may be preserved as long as there is secrecy. It may, however, be lost either by an independent discovery or invention by another or by the discovery of the secret from the inventor or his assigns, provided such discovery is not effected by fraudulent means.

Against this hazardous monopoly which, however, may be

of indefinite duration, the patent laws provide for securing to the inventor the exclusive right to his invention, for a limited term in consideration of a full disclosure of the invention which shall inure to the benefit of the public upon the expiration of the patent.

It must be apparent that there is a further advantage to the public in having the disclosure made because of the incentive to additional inventions by reason of specifications which are open to the public. Furthermore, there is a large class of inventions which it is impracticable to preserve in secrecy. But for the patent law there would be no inducement to make such inventions.

In *S. S. White Dental Mfg. Co. v. Mitchell*, (C. C., E. D. N. Y. 1911) 188 Fed. 1017, the complainants were endeavoring to obtain a preliminary injunction against a former employee who had agreed not to disclose a trade secret consisting of specific methods or secret processes for the manufacture of commercial oxygen. The employee had gone to another concern not in the same jurisdiction, but maintained that he had not disclosed and did not intend to disclose any of the trade-secrets, whereupon the court denied the motion. The court, however, said, in disposing of other points made by the defendant, that it was no objection to the issuance of an injunction that plaintiff failed to point out any specific methods or secret processes which it was proposed to enjoin defendant from disclosing, and the court also held that it was no defense that the manufacture, by the plaintiff, of the article of commerce to which the secrets related, was *ultra vires*, that is, that the plaintiff was not entitled under its charter to manufacture oxygen for commercial purposes outside of the dental trade.

Upon the point that an inventor has no property right in an unpatented invention which he can enforce against others, see *Schouler on Personal Property*, Vol. 1, Sec. 63, citing *Bristol v. Equitable Soc.* 132 N. Y. 264; *Morison v. Moat* (*supra.*), and *Chadwick v. Covell*.

"But one who has ideas, trade secrets, or systems of his own which can not be used or sold without disclosure, must guard his own property, if he has no patent or copyright to protect him, for if he discloses the idea or secret to another even in confidence, without contract to guard it or an agreement for recompense, such a party is entitled to use it for his own benefit without rewarding him."

Again at Vol. 1, Sec. 518, citing *Dable v. Flint*, 137 U. S. 41, 34 L. ed. 618:

"For neither an inventor nor an author, here or abroad, has any exclusive right of property in his invention or writing after

publishing it, except under and by virtue of the statutes, foreign or domestic, securing it to him, and in accordance with the regulations and restrictions of such statutes."

In *Gayler v. Wilder*, 10 How. (U. S.) 477; 13 L. ed. 504, the majority opinion said:

"* * * no suit can be maintained by the inventor against any one for using it before the patent is issued."

The common-law rule is cited in the dissenting opinion of Mr. Justice Daniel in that cause.

To the same intent is the view of the court in *Brown v. Duchesne*, 60 U. S. 195, 15 L. ed. 594, and *Marsh v. Nichols*, 128 U. S. 605, 32 L. ed. 538, in which latter case it may be noted, the court held that a patent signed by Assistant Secretary of the Interior instead of Secretary of Interior, was void.

In *Dable Grain Shovel Co. v. Flint*, 137 U. S. 41, 34 L. ed. 518, the defendant maintained that the statute providing that the user of a device sold to him prior to the grant of a patent may continue to use that device after the grant of a patent was unconstitutional. But the court held that the act was constitutional and said, in the course of the decision, that:

"The patentee has no exclusive right of property in his invention, except under and by virtue of the statutes securing it to him, and according to the regulations and restrictions of those statutes."

(See also, for further discussion, *Kirk v. United States*, 173 U. S. 49, 41 L. ed. 66; *American Hide and Leather Splitting & Dressing Machine Company v. American Tool and Machine Co.*, 4 Fish. Pat. Cas. 284, Fed. Cas. No. 302; *Morton v. New York Eye Infirmary*, 2 Fish. P. C. 320, 5 Blatchf. (U. S.) 116, 17 Fed. Cas. No. 9,865; and *Brill v. St. Louis Car Co.*, [Mo.] 80 Fed. 909. In this matter, however, attention should be paid to the principles of cases of unfair competition in trade.

In *Rein v. Clayton* (Mich.), 37 Fed. 354, a bill to enjoin the use of an invention while an application for a patent was pending was dismissed. This case contains a full discussion of the right or property in an invention at common law and cites various authorities, and was itself cited with approval by the Supreme Court in *Kirk v. United States*.

In *Chadwick v. Covell*, 151 Mass. 190, the court said:

"So far as the right to manufacture and sell the medicine goes, the plaintiff's case may be disposed of in a few words. Dr. Spencer has no exclusive right to the use of his formulae. His only right was to prevent any one from obtaining or using them through a breach of trust or contract. Any one who came honestly to the knowledge of them could use them, without Dr. Spencer's permission and against his will. (*Peabody v. Norfolk*,

98 Mass. 452; Morison v. Moal, 9 Hare, 241; Williams v. Williams, 3 Meriv. 157.)”

In Kipling v. G. P. Putnam's Sons (Second), 120 Fed. 631, 57 C. C. A. 295:

“The placing of a design on cover of book without registering as trade-mark or giving notice that it is claimed as such does not protect the mark from use by others.”

XI. AMENDING, CORRECTING OR REPEALING PATENT.

Reissue.—The principal provision for amending a patent is that of section 4916 R. S. U. S.

This section in the opening clause provides that:

“Whenever any patent is inoperative or invalid, by reason of a defective or insufficient specification, or by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new, if the error has arisen by inadvertence, accident or mistake, and without any fraudulent or deceptive intention, the Commissioner shall, on the surrender of such patent and the payment of the duty required by law, cause a new patent for the same invention, and in accordance with the corrected specification, to be issued to the patentee, or, in case of his death or of an assignment of the whole or any undivided part of the original patent, then to his executors, administrators, or assigns, for the unexpired part of the term of the original patent. Such surrender shall take effect upon the issue of the amended patent.”

The statute also provides that the reissued patent may issue in divisions, that the specification and the claims shall be subject to revision and restriction in the same manner as original applications are, and that from the date of the grant the reissued patent shall have the same force and effect as if originally filed in the corrected form.

The section specifically prohibits the introduction of “new matter” into the specification and requires that, in case of a machine patent, the model or drawing shall be amended only each by the other; but when there is neither model or drawing amendments may be made upon proof satisfactory to the Commissioner that the new matter or amendment was a part of the original invention, and was omitted from the specification by inadvertence, accident, or mistake.

A reissued patent is an amended patent. Therefore, it runs for the remainder of the term of the original patent and must be based upon the original disclosure—must be for the same invention.

A reissue may be granted to correct defects or insufficiencies in the description or in the claims of the patent. The purpose of a reissue being to correctly present the original invention, it may either claim less than was originally claimed or more than was originally claimed. When the purpose is to claim less there is seldom any question which can arise either against the granting of the reissued patent or in any subsequent litigation of the patent, but when the claims have been enlarged or broadened then it must be clear that they have not been extended beyond the original invention or beyond what it was the applicant's intention to secure by his patent.

The error in the original patent must have arisen by "inadvertence, accident or mistake." The courts and the Patent Office have varied in their interpretation of these words principally because each case has been required to be judged upon its merits.

In many cases "intervening rights" have been discussed. That is to say, the question has arisen whether or not another has proceeded in good faith upon the apparent dedication to the public by a failure to claim some part of the invention in the original patent and has, therefore, created an estoppel against the reissue applicant. In the cases of authority, intervening rights have been treated, generally, rather as evidence of dedication or a lack of diligence on the part of the reissue applicant, than as a bar per se.

It is thought that the customary summary of the "law" of intervening rights requires an emphasis of the qualifying words. For example, in *Skinner v. Carpenter*, 36 App. D. C. 178, 166 O. G. 1281, the court said as an obiter (see *Forest v. Chase*, 37 App. D. C. 179, 169 O. G. 945):

"It is well-settled law that to warrant the valid reissue of a patent there must not only have been a mistake by the patentee, with no want of reasonable diligence in its discovery, but also that no third person has in the meantime acquired the right to manufacture and sell what the patentee had failed to claim. (*Coon v. Wilson*, 113 U. S. 268, 28 L. ed. 963; *Farmers' Friend Co. v. Challenge Co.*, 128 U. S. 506, 32 L. ed. 529; *Topliff v. Topliff*, 145 U. S. 156, 36 L. ed. 658.)"

Stress should be placed upon the phrase "acquired the right to manufacture," the cited cases not resting upon the bald fact of intervention.

No individual of the public can have any right that is not general, open to all. The patentee may lose his right to reissue by his failure to claim.

He may, however, rebut the presumption of dedication. He may, by a clear showing of error arising through inadvertence, accident or mistake, establish his right to a different or broader claim for the invention he disclosed and intended claiming; and

the fact that another has taken advantage of the apparent failure to claim may not of itself defeat the right to reissue or render void the claim added by reissue, especially if there should appear an element of unfairness in the action of the party putting to service the unclaimed feature, as was evidenced, for example, in *Howe Mach. Co. v. Coffeld Motor Washer Co.*, (Fourth), 197 Fed. 541, 546, 117 C. C. A. 37; and *Bertels v. Trethaway*, (Pa.) 175 Fed. 971, 973.

And in a case where little use by others had been made of the unclaimed invention in the interval a reissue was sustained. (*Weber v. Automobile & Co.*, [Md.] 190 Fed. 189.)

On the other hand in various instances parties who have manufactured devices which clearly did not infringe the original patent, but did, *prima facie*, infringe the reissued patent have been held not liable, and this holding necessarily opened the field to the general public. See, for example, *Franklin & Co. v. Illinois Moulding Co. et al.*, 128 Fed. 48, *affd.* (Seventh), 138 Fed. 58, 70 C. C. A. 484. (And see in principle, *Casein Co. v. Collins* [Third] 174 Fed. 341, 344, 98 C. C. A. 213.)

Much of the varying discussion of reissues in the cases has turned upon the question of identity, that is, whether or not the reissue patent is for the "same invention" as the original patent. It does not alter the patent to state new uses, nor to claim the elements where a combination only has been claimed in the original, nor to add to the description for the purpose of more precisely defining the invention. A reissued patent, however, is not valid for everything that might have been claimed in the original patent nor does its validity depend wholly upon the fact that the new features attempted to be secured thereby were suggested in the models, drawings or specification of the original patent. Therefore, it will present a doubtful question if one having in the original claimed certain parts of the machine claims other separate and distinct parts not previously embraced in the claims of the original patent.

The requirement that the reissue patent shall be for the same invention as the original is followed by the provision forbidding the introduction of "new matter," that is, new substantive matter, such as would have the effect of changing the invention or introducing what might be the subject of another application for a patent. It has been held that it is new matter to introduce a process into an apparatus case, that a process is not the same invention as the apparatus for performing the process. Process patents, however, have been reissued to include the product of a process where it is clearly described in the original patent.

Diligence is required of the applicant for reissue. There is no fixed rule of laches excepting that it should not in any case ex-

ceed two years, that period being taken by analogy from the period set by Sec. 4886, R. S. U. S., with reference to public use.

The apparent divergence in the decisions of the courts may be explained generally by the circumstances of the different cases. Where there has been produced a valuable invention which has been successful or where the circumstances have made it apparently unjust to limit the patent to what was originally claimed the courts have given a wide latitude in the definition of "inadvertence, accident or mistake." Formerly the rigid rule obtained that no mistake of judgment fell within this category, but that rule has been much relaxed where it has been apparent that the "equities" of the situation were with the reissue applicant.

It is apparent that the term "same invention" makes a text upon which either the rigors of the law may be based or the beneficence of construction rested. Beginning with the more cordial views, the courts were led to the harsher application by abuses, and have finally, it is thought, fairly looked upon the statute as a remedial one, for in many cases a reissue may state in clear terms what the patent might be interpreted to mean, thus fairly informing the public of the real meaning.

Miller v. Bridgeport Brass Co. (1881), 104 U. S. 350, 26 L. ed. 783, is typical of the cases strongly applying the requirements of the statute that the error must have arisen by inadvertence, accident, or mistake and that the reissued patent must be for the same invention as the original patent.

The original patent was for a lamp having a double dome without a chimney, a peculiarity of the supposed invention being the use of the double dome as a means of dispensing with the chimney. The reissued patent was for a single dome with a chimney. The court said: "It is not only obviously a different thing but it is the very thing which the patentee proposed to avoid and dispense with."

Furthermore, the court said: "The suggestion of inadvertence and mistake in the specification was a mere pretense; or if not a pretense, the mistake was so obvious as to be instantly discernible on opening the letters-patent, and the right to have it corrected was abandoned and lost by unreasonable delay. The only mistake suggested is, that the claim was not as broad as it might have been. This mistake, if it was a mistake, was apparent upon the first inspection of the patent, and if any correction was desired, it should have been applied for immediately."

These afterthoughts, developed by the subsequent course of improvement, and intended, by an expansion of claims, to sweep into one net all the appliances necessary to monopolize a profitable manufacture, are obnoxious to grave animadversion."

In the same term of the court and immediately following the

reports was the case of *James v. Campbell* (1881), 104 U. S. 356, 26 L. ed. 786, in which was also sharply criticised the reissuing of patents for the purpose of expanding and generalizing the claim so as to make it embrace an invention not described and specified in the original. The opinion then proceeds to quote the case of *Burr v. Duryee*, 1 Wall. (U. S.) 531, 17 L. ed. 650, which in a sense may be termed a leading case on reissue.

The opposite type of cases "liberally" construing reissue patents is illustrated by *Topliff v. Topliff* (1892), 145 U. S. 156, 36 L. ed. 658, 12 Sup. Ct. 825. In this case the application for reissue was made within four months of the date of the original patent, the specification was largely reframed, the drawings changed in form, though apparently not in substance, and a slight change made in the claims, to correct a clear mistake. In the claims of the original patent relating to springs for vehicles, the connecting rod and springs had been said to be affixed to the front axle, a provision which would render it impossible to turn the vehicle and contrary to what was shown in the drawing. This case elaborately reviews various decisions and affirms the power of the Commissioner of Patents to grant a reissue for an enlarged claim upon proper conditions.

The Court of Appeals of the District of Columbia in two cases has given a practical direction to the Patent Office in sustaining applications for reissue where in the original patent the inventor has secured the claims he desired and made, but which appeared afterward to have been entirely incommensurate with the invention. (*In re Heroult*, (1907), 29 App. Cas. D. C. 42, 127 O. G. 3217; *In re Briede* (1906), 27 App. D. C. 298, 123 O. G. 322.)

In the *Briede* case the application was made seven months and four days after the original grant, and omitted a feature of the original claim and embodied an element not included in the original claim, and recited a specific operation of the device.

In the *Heroult* case the reissue application was filed something more than two years after the original grant, and several process claims were added where only the apparatus had been claimed in the original, though the novel and valuable process was described.

The sole right to surrender a patent and ask for a reissue is given (1) to the patentee if he be living and has not made any assignment of the original patent; (2) to his executor or administrator where there has been no assignment; (3) to the assignee of the original patent; (4) to the assignee of an undivided part and the patentee, who should join in the surrender.

The law requires that the application be made and the corrected specification sworn to by the inventor. When there are assignees, the petition must be accompanied by the written as-

sent of such assignees. A grantee, however, need not unite in an application for reissue, nor a mere licensee.

The effect of surrender of the original patent does not obtain until the reissue is granted. If it be granted then the original patent is cancelled; but if it be not granted the original patent is returned without change or amendment.

Disclaimers.—Section 4917, R. S. U. S. specifically provides for amending a patent by a disclaimer in the following language:

“Whenever, through inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, a patentee has claimed more than that of which he was the original or first inventor or discoverer, his patent shall be valid for all that part which is truly and justly his own, provided the same is a material or substantial part of the thing patented; and any such patentee, his heirs or assigns, whether of the whole or any sectional interest therein, may, on payment of the fee required by law, make disclaimer of such parts of the thing patented as he shall not choose to claim or to hold by virtue of the patent or assignment, stating therein the extent of his interest in such patent. Such disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office; and it shall thereafter be considered as part of the original specification to the extent of the interest possessed by the claimant and by those claiming under him after 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 it.”

Section 973 provides that costs shall not be recoverable in certain suits for an infringement of a patent unless a proper disclaimer has been entered in the Patent Office before the suit was brought.

Again Section 4922, in effect, repeats this provision by providing that a suit for infringement may be brought where the specification is too broad and a disclaimer filed when it is ascertained that the specifications embrace more than that of which the patentee was the first inventor or discoverer. The section concludes with the significant clauses:

“But in every such case in which a judgment or decree shall be rendered for the plaintiff, no costs shall be recovered unless the proper disclaimer has been entered at the Patent Office before the commencement of the suit. But no patentee shall be entitled to the benefits of this section if he has unreasonably neglected or delayed to enter a disclaimer.”

It is important to observe that the terms of the concluding clause of section 4922 might, under certain circumstances, en-

tirely preclude a patentee from securing any judgment or decree in a suit for infringement.

Corrections.—Rule 170 of the Rules of Practice provides for the correction of mistakes incurred through the fault of the Office, by reissue without charge where the mistake constitutes a sufficient legal ground for reissue, or by an indorsement upon the patent without charge an entry in the record and a printed copy attached to each copy of the specification and drawing. The legality of such a correction without reissue is sustained in principle in *Woodworth et al. v. Hall*, 1 *Woodbury & Minot* 248, and 389, 2 *Robb.* (U. S.) 495, 517 May Term 1846, *Fed. Cas.* Nos. 18,016 and 18,017; *N. W. Fire Extinguisher Co. v. Philadelphia Fire Extinguisher Co.*, 1 *B. & A.* 177, *Fed. Cas.* No. 10,337; *Reed v. Street*, 34 *O. G.* 339; *Marsh v. Nichols*, 128 U. S. 605, 32 L. ed. 538.

The authority of the Commissioner to correct in certain respects has been denied in *Edison Electric Light Co. v. United States Electric Lighting Co.*, 52 *Fed.* 300, 3 *C. C. A.* 83; *Edison Electric Light Co. v. Buckeye Electric Company*, 59 *Fed.* 691; *Edison Electric Light Co. v. Bloomingdale*, 65 *Fed.* 212. In these cases, however, the principle was in effect sustained by holding that the acceptance of the correction by the patentee and the consequent notice to the public made the correction, in fact, a part of the patent, especially where it had been acted upon by the public.

In *Reed v. Street*, *Supra*, and in *Herman v. Youngstown Car Mfg. Co. (Sixth)*, 191 *Fed.* 579, 112 *C. C. A.* 185, and cases therein cited, it has been held that a court may ignore typographic and minor errors and read the patent as if corrected.

In *Railway Register Mfg. Co. v. North Hudson C. R. Co.*, (N. J.), 23 *Fed.* 593, the patentee had refused to receive a patent different from the one for which he had petitioned and a second patent given in exchange for the first was sustained. This precedent has been frequently followed in the Patent Office, especially where the error has been of a sort difficult or impossible to state in an ordinary certificate of correction.

Repeal.—A patent can be repealed only by a suit brought by the United States. Such suit must be based upon allegation of fraud and the proof of fraud must be clear, convincing, and satisfactory, and not a bare preponderance of evidence which leaves the issue in doubt. The judgment of the Patent Office that a patent issued by it does not cover the same invention as that covered by the subsequent patent can not be reviewed in a suit to set aside the subsequent patent.

When the government brings such a suit to help an individual and has no proprietary or pecuniary interest in the result and is

not seeking to discharge its obligations to the public, the government is subject to the rules governing like suits between private litigants. In such suits the invalidity of the patent can not be urged on the ground that the invention is covered by a prior patent, nor can a mere error of judgment on the part of the patent officials in granting a patent be advanced to set aside the patent. *United States v. American Bell Tel. Co. et al.*, 167 U. S. 224, 42 L. ed. 144.

XII. TITLE, GRANT, INHERITANCE, ASSIGNMENT.

As in personal property, generally, title to a patent or an interest therein may be legal or equitable. The distinctive character of patent property has been pointed out in many cases. For example, in *Western Electric Co. v. Sperry* (Seventh) 59 Fed. 295, 8 C. C. A. 129, the court said:

“The analogy between letters-patent for inventions and grants of ordinary rights, privileges, or estates is not perfect, and fails, we think, at the turning point of the present question. By an ordinary grant there is a transfer of title or estate or ownership from one to another and the grantor, having parted with what he had, can give nothing by a second deed. The second deed is therefore necessarily ineffective, at law at least, until the first has been set aside; and the holder of the first deed, having the legal if not the equitable title, can not be a trespasser. But, by granting letters-patent for an invention, the government makes no transfer to the patentee of a right, privilege, or estate therefore vested in itself. The essential right is in the inventor before he obtains a patent. By making one grant, therefore, the government does not lose power to make another. The letters constitute, under the law, simply prima facie evidence of the patentee's right to the invention described, as being his own discovery; but whether or not he was in fact the first inventor is left an open question between the patentee and other persons, whether they have patents for the same invention or not.”

When a patent is granted to the inventor, that is, when the inventor is the patentee, he, of course, holds the legal title. But the patentee may be another because the inventor may have the patent granted directly to an assignee. Or he may dispose of a part of the patent by assignment or grant and have others joined with him in the grant. There may be thus, or as the result of subsequent conveyance, two or more joint patentees or joint owners.

Joint owners of a patent have been considered to be tenants in common and not joint tenants. No such tenant in common is responsible to any of the other owners of the patent.

However small the "undivided" interest in a patent, the owner of that interest may make, use and sell the invention or grant to others the right to do so; and he can not be held accountable in any part of the profits. His rights may be limited by contract, a customary precaution in such cases.

In suits for infringement, however, the right of action against the infringement is common to all owners and it may be required that all be joined as complainants where damages are sought in the suit, for no one of them can release a defendant.

While a patent or an interest in a patent is classed as personal property it may not be transferred except by or through the actual owner of the patent or interest in the patent. Congress has not provided any general provisions for involuntary alienation; and a patent or a patent right can not be seized and sold in execution like a personal chattel, nor does it vest in a receiver or trustee in insolvency by virtue of a judicial decree of the court as do incorporeal rights generally.

A contract of sale requires delivery of the patent as in case of any personal chattel. *Paine v. Parkhurst*, 205 Fed. 740, C. C. A. (Sixth, 1913).

There must be the presumed or actual transfer by the owner.

The title of a patentee or an owner of a patent may be alienated by the customary procedure in equity under a creditor's bill, by the direct operation of the bankruptcy laws of the United States (Act of July 1, 1898, 31 Stat. at L. 565), or the indirect operation of proceedings against an insolvent under the State laws.

While the title to a patent does not pass by creditor's bill when judgment is rendered against the patentee and execution is issued and returned nulla bona, the court may then appoint a trustee or master to execute an assignment.

Such a suit, however, is not a patent cause arising under the patent laws so as to confer jurisdiction upon a Federal court. The proceedings are the same in kind as in a creditor's bill when endeavoring to reach any other species of personal property.

Under the bankruptcy laws of the United States the title to a patent may be acquired, subject, however, to the election of the assignee in bankruptcy to refuse to accept it if, in his opinion, it be worthless or could not be utilized by him. When the proceedings are under State laws they do not have the operation of the bankruptcy laws of the United States because they do not confer upon the assignee in insolvency the legal title to the patent. A state court, however, may compel the insolvent to execute an assignment, it being within the power of a state to subject the patent rights of a solvent citizen to the payment of his debts.

Upon the death of the owner of a patent, title vests in the ad-

administrator or executor and not in the heirs. It may be remarked incidentally that a valid patent may be granted to a dead man, that is, in the name of a dead man, because the title vests by the operation of law in the legal representatives (*De La Vergne v. Featherstone*, 147 U. S. 209, 37 L. ed. 138, 13 S. Ct. 283).

Equitable titles arise in various ways by which an interest in a patent may be created otherwise than directly by assignment, grant, or mortgage. For example, in the assignee, where a patent has been granted upon an improvement subsequent to an assignment of a patent or an invention including any such improvement. Such a title may also arise where a partnership is formed or corporations are consolidated, or where an employee makes an invention for his employer, and, broadly, through facts constituting a constructive or resulting trust.

The statute, Sec. 4898, R. S. U. S. provides that every patent or any interest therein shall be assignable in law by an instrument in writing, and that a patentee, his assigns, or legal representatives may in like manner grant and convey an exclusive right under the patent for the whole or for any specified part of the United States.

The statute does not make an assignment a public document or require that it shall be recorded. It does, however, provide that an assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from its date.

The inventor has an inchoate right in his invention, and he may assign this invention either before or after he makes an application for a patent, and such assignment in either case will convey the title to the letters-patent for the invention.

If an assignment filed for record under the statute request the issue of an application to the assignee, the Commissioner of Patents may so issue. The statute is, however, permissive and not mandatory. If, therefore, the request be not specific the Commissioner of Patents is not obliged (nor has he the legal machinery) to determine any doubtful assignment and may refuse to follow such a request. The statute is also merely directory for the protection of bona fide purchasers without notice. An assignment need not be recorded as a prerequisite to validity, and between the parties and as against every one excepting a subsequent purchaser without notice an unrecorded assignment will be good.

The statutory provision requiring recording, it has been held, does not apply to any assignment executed prior to the granting of letters-patent unless the assignment be one requesting that a patent issue to the assignee (*Wright v. Randel*, 8 Fed. 591, 599; *New York Bag Co. v. Union*, 32 Fed. 783, 788; *Eastern Dynamite Co. v. Keystone Powder Mfg. Co.*, [Pa.] 164 Fed. 47, 50.)

The notice necessary to protect a prior unrecorded assignment against a subsequent assignment for valuable consideration may be actual or constructive.

By the act of March 3, 1897 (29 Stat. 692), an acknowledgment before a notary public or other officer is prima facie evidence of execution.

This act, however, has no larger scope than its apparent terms, ordinarily, and though Sec. 892 R. S. U. S. provides that written or printed copies of any records, books, papers, or drawings belonging to the Patent Office, and of letters-patent authenticated by the seal and certified by the Commissioner or Acting Commissioner thereof, shall be evidence in all cases wherein the originals could be evidence, this does not do away with the necessity, upon demand, for the production of the original document, but merely provides that the acknowledgment before a notary public or other officer shall be prima facie evidence of its execution.

This subject is discussed broadly in *Paine v. Trask (First)*, 56 Fed. 233, 5 C. C. A. 497, and cases there cited; in *Mayor of New York City v. American Railway Co. (Second)*, 9 C. C. A. 336, 60 Fed. 1016, denying the evidential force of a record of an assignment and thus reversing the rule of *Brooks v. Jenkins*, 3 McLean (U. S.) 432 and other cases discussed; and in *Standard Elevator Co. v. Crane (Seventh)*, 76 Fed. 767, 22 C. C. A. 549, in opposition to the New York case just cited and adopting the rule of *Brooks v. Jenkins*.

The preceding summary is thought to fairly state the situation, especially in view of *Eastern Dynamite Co. v. Keystone (Pa.)*, 164 Fed. 47, holding that a certified copy of the record of an assignment of a patent with the acknowledgment thereto although made evidence where the original could be evidence by R. S. U. S., Sec. 892, does not prove the genuineness or due execution of the original assignment, nor is it given such effect by the Act of March 3, 1897, noted.

The presumption of law is that he to whom the patent is issued holds the legal title, unless the contrary be shown. An assignee, however, will in any case hold the equitable title to the letters-patent which he may convert into a legal title, and, upon occasion, he may be recognized forthwith by a court as holding a title sufficient to support his right to bring suit upon the patent.

An assignment is a deed or an instrument in writing which assigns, grants, and conveys one of the following estates: (1) the whole patent comprising the right to exclude others from making, using or vending the invention throughout the United States; (2) an undivided part of such exclusive right, that is, any fraction of such whole exclusive right; (3) the exclusive right under the patent within and throughout a specified part of the

United States, conveniently termed a "grant," or "territorial grant." A transfer of any such interest is an assignment and vests in the assignee a title to the whole or a part of the patent. In the first and third cases the assignee may sue infringers in his own name. In the second case he may sue infringers jointly with the assignor.

Any transfer of any interest less than one of these is a mere license, giving the licensee no title in the patent and no right to sue in his own name for an infringement, excepting that in a suit in equity to prevent an absolute failure of justice, as where the patentee is an infringer and can not sue himself, the licensee may enforce his rights through or in the name of the owner of the patent and may even, upon occasion, join himself with the patentee as a plaintiff.

In short, the distinction which makes an instrument an assignment is that, however the right may be limited it excludes all other persons, even the patentee, from making, using or vending any like articles or machines or practicing any like process within the specified district.

Any qualification or limitation of any one of the group of three rights granted by the patent, that is, to exclude others from making, using or selling the invention covered by the patent, makes the agreement simply a license.

Property in letters-patent is, therefore, divisible only with reference to territory. The territory may be specified indirectly, as, for example, a limitation of territory may be expressed by an exclusion of other territory either named in the same instrument or another instrument.

An assignment may be absolute or it may be conditioned as by way of mortgage, because, in accordance with the principles of the law of personal property, both at law and in equity, the whole title is transferred to the mortgagee as security for the debt, subject only to be defeated by the performance of the conditions or by redemption on bill in equity within a reasonable time, and the right of possession, when there is no explicit stipulation to the contrary, goes with the right of property. A patent, being incorporeal property, the recording of a mortgage thereon in the Patent Office in accordance with the act of Congress is equivalent to a delivery of possession.

(For broad discussions see *Gayler et al. v. Wilder*, 10 How. (U. S.) 477, 13 L. ed. 504; *Littlefield v. Perry*, 21 Wall, (U. S.) 205, 22 L. ed. 577; *Waterman v. Mackenzie*, 138 U. S. 252, 34 L. ed. 923, 11 Sup. Ct. 334; *Waterman v. Shipman* (Second), 55 Fed. 982, 5 C. C. A. 371.)

An assignment conveys only the invention specifically described, but where it relates to an application broadly it will

cover all the devices claimed to be patentable in the application, not merely such as may be covered by the patent issued. An assignment of an improvement of a machine already patented does not convey an interest in the original patent. It does, however, include a reissue of the patent; and the law, therefore, requires that the assignee shall consent to or ratify a reissue application. In the absence of specific provision an assignment of letters-patent does not carry an interest in an extension of a patent.

Rights of action for past infringement of a patent are conveyed only when expressly included in the assignment or separately assigned.

An agreement to assign, whether oral or written, is an executory contract which may be enforced in a court of equity by requiring the execution of an assignment to convey the legal title. Though there has been some question of the extent to which an assignment may cover future inventions, such assignments are commonly made upon reasonable terms, and have been held not contrary to public policy. (Reece Button Hole Co. v. Globe Button-Hole Co. [First] 61 Fed. 958, 10 C. C. A. 194.)

The assignment of a patent creates an implied warranty of title in the assignor, but does not warrant that the patent is valid or that the invention set forth does not infringe prior patents.

An assignor, as against his assignee, may not dispute the validity of the patent; but he is not estopped to deny infringement or to define the scope of a patent.

On the other hand, an assignee may not dispute the validity of a patent to avoid carrying out the conditions of sale.

XIII. LICENSES, CONTRACTS AND RESTRICTIONS.

A license is a permission to make, use or sell a patented invention, generally under conditions or limitations, as of time, or place or manner of making, selling or using, and always without the grant of any interest in the patent. A license does not convey an interest in the patent, but a right under the patent. It is, it has been said, a right not to be sued for infringement by the owner of the patent.

A license may be either oral or written, and, as the basis of all licenses lies in contractual relations between the parties, a license is interpreted by the rules which govern the construction of contracts in general, including the rules governing a failure or a partial failure of consideration, specific performance, and cancellation or rescission of contracts.

A license may be limited or it may be exclusive. When it is exclusive, though it grant the exclusive right to make, use and sell the invention, it is not an assignment because it does not

grant an interest in the patent—a refinement which in such cases is ordinarily of little practical importance. The reservation of title in the patent is of advantage, however, in case of forfeiture of the license, or death of the licensee. As in assignments, so in licenses, the name given the paper does not classify it. For example, an instrument granting the sole and exclusive license to sell or use a patented article, but reserving to the inventor the exclusive right to manufacture, sell and use certain specific apparatus only for certain purposes, although called a license, was held, in legal effect, an assignment with reservations of license to the inventor (*Sirocco Engineering Co. et al. v. Monarch Ventilator Co.*, 184 Fed. 84, citing *Littlefield v. Perry*, 88 U. S. 205, 22 L., ed. 577; *Frankfort v. Pepper*, 26 Fed. 336 [C. C. A.]; *Pope v. Clark*, 46 Fed. 792 [C. C. A.])

As in other contractual relations, an implied license may arise through the acts of the owner of the patent or invention, or as a result of the terms or circumstances of the employment of the inventor. In any situation even mere acquiescence for a valuable consideration is sufficient to create a license. The terms and circumstances between an employer and an employee may entitle the employer to the ownership of the patent, to a license to make, use and sell the invention, or to a more limited license sometimes defined as "shop-right," indicating, generally, a right of the employer to use the invention in his factory, but not to make or sell the invention.

As elsewhere stated, in effect, if one has conceived an idea, he may have it developed or perfected by another. No condition of license is involved in such relations.—the invention is that of the employer. If, however, the employee invent a new idea of means or method which is not simply a development of the idea of the employer then the invention is that of the employee.

Where the proof shows an employment by one to assist in giving practical effect to the idea of the employer the presumption is that the employer is the inventor and the burden is upon the employee to show that the invention is, in fact, a distinct idea of means or method and is of his own invention. The burden of proof may be otherwise if the employee receives his employment because of his inventive skill.

Striking instances of these implied licenses are found in the cases of government employees. When employed to produce a certain invention they have no claim against the government but the government, on the other hand, would have no title to the patent unless by express agreement. By statute, R. S. U. S. Sec. 480, employees of the Patent Office may not take out or own a patent except by inheritance or bequest. They may, however,

after the term of employment ceases secure a patent upon an invention made during their employment.

In *Barber v. National Carbon Co.* (Sixth, 1904), 129 Fed. 370, 64 C. C. A. 40, the court discusses at some length the difference between the right to a use of an invention in its business by a corporation and title to an invention made by a workman in its employ. The contract was that Barber was to give his "skill, attention and inventive ability to the service of said company in and about cheapening the processes in the manufacture of carbons." The court held the effect to be a license to use by the corporation, and that it did not give title to the invention or patent.

Examples of irrevocable license to the employer by the terms of the employment are found in *Solomons v. United States*, 137 U. S. 342, 346, 34 L. ed. 667; *Lane & Bodley v. Locke*, 150 U. S. 193, 37 L. ed. 1049; *Gill v. United States*, 160 U. S. 426, 40 L. ed. 480, and cases cited in those cases and in the above quoted cases of *Barber v. National*. In all cases the duration and scope of the license must depend upon the nature of the invention and the circumstances out of which the implied license is presumed must rest upon the intention of the parties. Such an intention generally means either a license limited to the time of the employment of the inventor or a license continuing through the life of a patent or while the employer continues the business.

In *Pressed Steel Car Co. v. Hansen* (Third), 137 Fed. 403, 71 C. C. A. 207, it was held that in the absence of an express contract or agreement therefore, the relation of employer and employee under whatever circumstances, at least short of a specific employment to make an invention, does not vest the employer with the entire property right in the invention of an employee, or with anything more than a "shop-right" or an irrevocable license to use the invention.

It is a general rule that the unconditioned or the unrestricted sale of a patented article conveys to the purchaser the right to use the article anywhere and to sell it to others. That is to say, the article so sold is released from the patent monopoly and is subject as property only to the laws of the State.

This idea is found in the Revised Statutes, Sec. 4899, which provides that persons purchasing of the inventor before application may use or sell the thing purchased. Under this statute it has been held that a previously purchased machine can be no infringement during an extension of the term. (*Paper Bag Machine Cases*, 105 U. S. 766, 26 L. ed. 959.) Such licenses or contracts respecting the use of inventions or discoveries are, like all other contracts, subject to the limitations imposed by definite principles of public policy.

Under another heading it will be seen that the patentee, a pat-

ented machine, and a license to use a patented machine or invention can not be exempted from the liabilities and regulations which in the public interest attach to all persons and property under the general law of the land; and that the right to make, sell or use a patented invention is subject to the restraints imposed by the police powers of the states. That is to say, prohibited acts and prohibited occupations or business are not protected by the patent laws of the United States because conducted through instrumentalities which are the subject of patent rights.

The owner of a patented invention, however, as he may restrict a license to make, use or sell with reference to time, place or manner, may also condition a lease or sale and restrict the subsequent use of the patented article. He may, for example, make it a condition that certain materials be used with the patented article, because, not having parted with the full monopoly of the machine he may restrict the use of the article in any manner which may seem proper to him.

This principle was carried a step further in the leading case of *Heaton Peninsular Button Fastener Co. v. Eureka Specialty Co.* (Sixth, 1896), 77 Fed. 288, 25 C. C. A. 35, a case in which Judge (now Justice) Lurton and Judge (Ex-President) Taft and Judge Hammond exhaustively reviewed the law upon the subject and held that not only was he who made the contract with reference to the restricted use of the machine liable for infringement, but, further, that one who sold to the licensee unpatented staples, intended to be used with the patented machine, thereby knowingly assisting in the breach of the contract was a contributory infringer.

These questions were elaborately reviewed in the case of *Henry v. Dick*, 224 U. S. 1, 56 L. ed. 645. Probably no case has occasioned more discussion at the bar, in the press, and before the Congressional committee than this case. In the minority opinion the Chief Justice expressed a fear that the views of the majority would be the basis for an invasion of the rights of the states by the Federal courts, and that an application of the principle in business would lead to overwhelming and disastrous consequences to the public.

These prophecies and forebodings are answered in the majority of opinion which reviews the whole subject-matter at length.

Under the following heading "Infringement" this case is quoted upon the question of whether the remedy should be pursued under the contract or by a bill in the federal court charging infringement.

Upon the effect of a license the court in *Henry v. Dick*, says: "The property right to a patented machine may pass to a

purchaser with the right of use, or with no right of use, or with only the right to use in a specified way, or at a specified place, or for a specified purpose. The unlimited right of exclusive use which is possessed by and guaranteed to the patentee will be granted if the sale be unconditioned. But if the right of use be confined by specific restriction, the use not permitted is necessarily reserved to the patentee. If that reserved control of use of the machine be violated, the patent is thereby invaded. This right to sever ownership and use is deducible from the nature of a patent monopoly and is recognized in the cases."

Then in summing up on that point the court said:

"The conclusion we reach is that there is no difference, in principle, between a sale subject to specific restrictions as to the time, place or purpose of use and restrictions requiring a use only with other things necessary to the use of the patented article purchased from the patentee. If the violation of the one kind is an infringement, the other is also."

In concluding the opinion the court presses forward the necessity of a notice of a purpose and intent that the article sold should be used with the machine known to have been subject to a restricted license.

The weight of authority in the federal courts applied the same principle in case of price restriction. (See for example, *Automatic Pencil Sharpener Co. v. Goldsmith Bros.* [1911], 190 Fed. 205, and cases cited therein; *Lovell-McConnell Mfg. Co. et al. v. International Automobile League* (Second, 1913), 202 Fed. 219 (C. C. A.); *Edison v. Smith Mercantile Co.* (1911), 188 Fed. 925. *Winchester R. Arms Co. v. Olmstead*, 203 Fed. 493, C. C. A. (Seventh, 1913). An opposite view, however, is expressed in *Waltham Watch Co. v. Keene*, (D. C., S. D. N. Y., 1913), 202 Fed. 225, an opinion rendered subsequent to the conclusion of the Circuit Court of Appeals for the circuit in the above cited case, and it has finally been held by a divided court that the principle of *Henry v. Dick* does not apply in case of price restrictions, but that, as in the copyright case of *Bobbs-Merrill v. Straus*, 210 U. S. 339, 59 L. ed. 122, the remedy in such a case may not be an infringement suit in a federal court. *Bauer v. O'Donnell*, 227 U. S. —, 57 L. ed. —.)

A license to use a patented device in a specific territory or in a specific establishment or on a specified machine is binding upon the licensee and its use elsewhere is an infringement and unlawful, but a license to use and sell a machine within a specified territory authorizes the licensee to sell the product of the machine at any place outside of that territory.

The decisions of the courts, especially in *Adams v. Burks*, 17 Wall. (U. S.) 453, 21 L. ed. 700; *Hobbie v. Jennison*, 149 U. S. 355, 37 L. ed. 766; and *Keeler v. Standard Folding Bed Co.*, 157 U. S. 659, 39 L. ed. 848, have settled the rule that the sale of a

patented article by one authorized to sell it conveys to the purchaser the right to sell the patented article even in territory otherwise assigned or covered by license.

In *Keeler v. Standard Folding Bed Co.*, 157 U. S. 569, 39 L. ed. 848, the court concluded, after discussing many cases including those cited above:

“Upon the doctrine of these cases we think it follows that one who buys patented articles of manufacture from one authorized to sell them becomes possessed of an absolute property in such articles, unrestricted in time or place. Whether a patentee may protect himself and his assignees by special contracts brought home to the purchasers is not a question before us, and upon which we express no opinion. It is, however, obvious that such a question would arise as a question of contract, and not as one under the inherent meaning and effect of the patent laws.”

The concluding sentence can not, of course, be meant as broadly as it is worded in view of *Henry v. Dick*, *supra*.

(See as closely allied the discussion of *Kessler v. Eldred*, under the preceding heading, “Infringement.”)

While a license may be limited to one or more of the divisions of rights under the patent, the licensee has the right to the full enjoyment of his license as, for example, to make a machine which he has been licensed to use, to add improvements, and, under the conditions noted hereinbefore in discussing “Infringement,” to repair.

A license not expressly limited in duration continues until the patent expires or the license is forfeited through some act of the licensee, if not previously terminated by mutual consent.

A license may embody an express power of revocation by the owner; otherwise, it can not be cancelled by him without the consent of the licensee, except by an action at law for the breach of a contract, a bill in equity for the redemption of the license, or by the practical procedure of granting a license to another in the same district.

A breach of a covenant or a condition does not necessarily work a forfeiture of a license.

Generally, a license is personal to the licensee and is not transferable. It may be transferred, however, if the license contains express words to that effect and an assignable quality may be conferred by facts or circumstances, or the acts of the parties during the continuance of the license.

“It is settled law that a license to use a patent is a personal privilege, which terminates with the life of the individual licensee to which it is granted, unless the grant contains words expressly conferring the power to sell or assign. In the absence of such power, if the licensee be a natural person and dies or an artificial

person or partnership and ceases to exist, the license expires equally in either case." (*Haffcke v. Clark*, (Fourth, 1892) 50 Fed. 531, 1 C. C. A. 570.)

A licensor, as has been shown, may sue, as upon any contract, for breach of the agreement, or he may sue the licensee for infringement. On the other hand, the licensor can not invade the licensee's rights and the licensee may maintain a suit against him for infringement within the specified territory.

It is a general rule that a licensee or a grantee may not dispute the validity of the patent unless it has been pronounced invalid by a court of last resort; and that a licensee may not dispute the validity of a patent to avoid carrying out conditions of a license.

The estoppel operates only during the existence of the license and its subsequent effect is merely that of a circumstance of having once admitted the validity of a patent.

In *Babcock v. Clarkson*, 63 Fed. 607, 11 C. C. A. 351, for example, the court speaks of the nature of a species of estoppel as being, in effect, "that, when one has parted with a thing of valuable consideration, he shall not, so long as he retains the consideration, set up his own fraud, falsehood, error, or mistake to impair the value of what he has thus parted with."

The general rule of the relations of the licensor and the licensee under contract as hereinbefore set forth finds an example and is stated in *St. Paul Plow Works v. Starling*, 140 U. S. 184, 35 L. ed. 404, 408.

Some federal courts have, however, taken the view that these relations might be modified, that if the licensee should give due notice he might consider the license at an end and defend a suit for infringement. (See, for example, *Holmes et al. v. McGill*, [Second] 108 Fed. 238, 244, 47 C. C. A. 296, and cases there cited.) In an English case of importance, *Haynes v. Maltby*, 3 *Dunford & East* 438, it was held that if a licensee paid his accrued royalties and gave due notice he might from that time defend as a naked infringer.

The law does not require that licenses be recorded in the Patent Office. They may, however, be recorded.

It is the duty of the purchaser of any license right to inform himself of the nature of the licensee's ownership.

The rental due under a license is generally termed a royalty.

Royalties may be collected by an action at law or an action for accounting may be joined with a demand for equitable relief by forfeiture of the license.

As with any other contracts, state courts have jurisdiction of an action to recover royalties. If, however, any question of the validity of the patent is involved that question must usually be

decided in a federal court. This is true also with reference to the enforcement of assignments and agreements to assign or license.

There are State Court cases holding that State Courts may consider and determine questions of validity and infringement where they arise as collateral to a contract, vide:

(Page v. Dickerson, 28 Wis. 694; David v. Park, 103 Mass. 501; Rice v. Garnhart, 34 Wis. 453; Wright v. Wilson, 11 Rich. L. (S. C.) 144; Williams v. Star Stand Co., 35 Fed. 369; Creighton v. Staggarty, (N. J.) 50 Sup. Ct. 9.)

(Upon this point see the quotation from Henry v. Dick under the topic "Infringement.")

XIV. REGULATIONS OF DEALINGS IN PATENT RIGHTS AND PATENTED ARTICLES.

Under the heading "Infringement," and especially in the quotation from Henry v. Dick, the distinction between the rights and remedies under a patent franchise and the regulation of articles or machines produced in pursuance of a patent has been indicated. The distinction is well illustrated in two cases which were before the Supreme Court, respectively, in 1852 and 1854. In *Stephens v. Cady*, 14 How. (U. S.) 528, 14 L. ed. 529, the plaintiff was the owner of a copyright for a map of Rhode Island. Judgment was recovered against him in the state court in Massachusetts, execution issued, and the copper plate engraving of the map was seized and sold and bought by the defendant. The defendant used the plate to produce copies of the map. Injunction was denied by the lower court, but this decision was reversed on appeal.

The same point arose later in *Stevens v. Gladding*, 17 How. (U. S.) 477, 15 L. ed. 155, in which the court said:

"And upon this question of the annexation of the copyright to the plate, it is to be observed first, that there is no necessary connection between them. They are distinct subjects of property, each capable of existing, and being owned and transferred, independent of the other."

And again:

"But the right in question is not parcel of the plate levied on, nor a right merely appendant or appurtenant thereto; but a distinct and independent property, subsisting in grant from the government of the United States, not annexed to any other thing, either by the act of its owner or by operation of law."

It is the general rule that machines or products involving patented inventions are subject to sale under execution as is any other personal property, but that the patent may not be so sold under execution at common law.

It is the view of the law that the patent right is not a tangible property, but incorporeal, securing an exclusive right to the patentee.

In *Webber v. Virginia*, (1888) 103 U. S. 344, 26 L. ed. 565, and in various other cases, it has been held that the state may tax articles which embody a patented invention, but may not tax the patent right.

The application of this is well illustrated by a case decided by the Supreme Court of Kentucky, *Commonwealth v. Petty*, (1895) 96 Ky. 452, which held unconstitutional a statute providing that "all itinerant persons vending lightning rods, patent rights or territory for the sale, use or manufacture of patent rights, * * * shall be deemed pedlars," followed by a section requiring that the owners of the patent rights or territory for the sale of the patent rights or articles should pay double the amount of the ordinary license fee.

Under this principle a general assignment for the benefit of creditors under state laws will transfer to the assigned, machines and products embodying a patented invention, but will not transfer the patent right. This is in accordance with the principles set forth under the preceding heading, "Title—Grant, Inheritance, Assignment."

It is also within the principle that the police powers of a state may even suppress the sale or use of a machine or product dangerous to the general welfare, provided there be no discrimination, but may not suppress a condition annexed to a grant under a patent.

In two striking cases (as in others), *Patterson v. Kentucky*, 97 U. S. 501, 24 L. ed. 1115 and *Allen v. Riley*, 203 U. S. 347, 51 L. ed. 216, the subject is discussed. In the first case the owner of a patent right for an improved burning oil was convicted of the violation of a Kentucky statute prohibiting the use of any oil which did not come up to a set standard. The conviction was upheld and the right of the state to regulate such domestic affairs was affirmed, there being no distinction because of a patent right. In *Allen v. Riley* (two of the justices dissenting), it was held that the state of Kansas was within the proper exercise of state powers in requiring and compelling the filing of copies of the patent and affidavits respecting assignments in the various counties of the state in which the owner of any patent rights desired to deal in them.

In the federal courts the question of the regulation of patent rights and patent property has arisen in cases where combinations or corporations have joined their forces and have entered into agreements for the handling of patent property. Striking illustrations are found in *Bement v. National Harrow Co.*, 186

U. S. 70, 46 L. ed. 1058; *Standard Sanitary Co. v. United States*, (1912) 226 U. S. 20, 57 L. ed., — and *Virtue v. Creamery*.

Under the heading "Letters Patent, Their Construction and Scope," it is shown that the two matters are distinct, that it is no defense to a suit for infringement to assert that the patent is owned by a combination; and that there is no relation between the monopoly in restraint of trade and the limited monopoly granted the inventor in exchange for the disclosure of his invention.

Under the heading "Licenses, Contracts and Restrictions" has been discussed the allied topic of the relations of the owner, the purchaser and the public, where conditions are attached to sales and leases of patented articles.

XV. COURTS, CAUSES, PARTIES AND TRIALS.

Prior to the act against monopolies (21 Jac. I., c. 3) infringements of patent rights were cognizable in the Star Chamber only, under its general jurisdiction over all offences not covered by the common or the statute law (3 Inst. 183; Godson, 175 Coryton, 262), an exclusive jurisdiction which evidenced rather the unwillingness of the courts of common law to protect the owners of monopolies than their inability to extend relief. (For, see two cases in which monopolies were defeated at trial before Kings' Bench, the validity of all monopolies being denied except those for a new trade or a new invention, *Darcy vs. Allein* (1602), Noy, 173; *Clothworkers of Ipswich* (1615), Godbolt, 252). By the act, however, redress at common law was provided and, infringement being a tort involving consequential damage only to the patentee, the form of action applicable to it was then, and is today, trespass on the case.

This action at law, providing for an award of damages for past infringements, was soon found to be inadequate, for, in common with all such continuing wrongs, no single action can give complete redress, the injured party being put to successive actions as the new grounds of action arise. For many years under the provisions of the Statute, Jac. I. however, and the interpretation of its terms by Lord Coke, 3 Inst., 181, in confining jurisdiction to the courts of common law, the aid of equity was not invoked, and then only when the patentee had already established his right in an action at law (*Blanchard vs. Hill* (1742) 2 Atk. 484). The first reported case of relief at equity without a previous trial was *Hicks v. Ravcock*, (1783), 1 Abb. P. C. 23; 2 Dick. 647, (and see *Coryton* 319, 320; Godson, 183).

The Equity Courts first intervened to prevent a continuance of the wrong by injunction, to compel the alleged infringer to

disclose the character and extent of his infringement and to bestow such other special relief as might be necessary. The practice, at length, permitted original proceedings to be commenced in chancery by a petition for an injunction or discovery, and under the jurisdiction so obtained complete redress was given, the aid of a court of law being sought only where issues of fact required the verdict of a jury. Technicalities and complications unfit for disposition by a common-law tribunal soon destroyed this last connection and the equity courts assumed control of all actions brought by bill. There were thus provided these two distinct methods of redress—an action at law upon the case for damages, and bill in equity for an injunction, discovery, account, or any other relief to which the patentee might be entitled.

The judicial initiative was followed in 1854 by an act of Parliament (17 and 18 Vict. chap. 125) giving equity powers in such cases to courts of law.

In the United States the earlier statutes provided for an action at law only, but, as in England, the courts of equity soon began to grant auxiliary relief, until in 1819 a statute was enacted conferring original jurisdiction both at law and in equity upon the Federal Courts in all patent cases.

The principal practical differences between the two remedies are such as flow from their modes of procedure and the distinct rules under which a plaintiff is awarded compensation for an injury.

Jurisdiction.—Section 629 R. S. U. S. gave to the Circuit Court of the United States original jurisdiction of all suits at law or in equity arising under the patent laws of the United States, and Section 711 R. S. U. S. made this jurisdiction exclusive of the courts of the several states, in all cases arising under the patent laws of the United States.

These provisions of the Statutes are embodied in sections 24 and 256, respectively, of the Act of March 3, 1911, the "Judicial Code."

Section 24, of the Code, gives to the District Courts of the United States original jurisdiction of all suits at law or in equity arising in the patent, copyright and trademark laws.

While that section gives the District Courts original jurisdiction, their jurisdiction as Federal Courts is made exclusive by section 256, which provides that in all cases arising under the patent-right or copyright laws of the United States the jurisdiction vested in the courts of the United States shall be exclusive of the courts of the several states.

The same jurisdiction is conferred upon the District Courts of the several territories by section 1910 of the Revised Statutes,

and upon the Supreme Court of the District of Columbia by sections 760-764 of the Revised Statutes relating to the District of Columbia, Code, section 61.

While these sections, by their language, give jurisdiction to the Federal Courts in all patent cases, similar language in section 711, of the Revised Statutes, has been held without question to apply to such patent cases only as involve a federal question, or the existence, maintenance, or breach of a privilege granted by the patent laws of the United States.

A distinction between cases arising under the patent laws and those which involve the interpretation of contracts or matters incidental only to patents has been closely observed by the courts. It has been held that bills to subject letters-patent to an execution, to enforce or rescind licensing contracts, for breach between assignor and assignee, for the collection of royalties, for the cancelation of alleged fraudulent or forged assignment of a patent, for setting aside a contract licensing the use of a patented machine, for the specific performance or rescission of a contract for the use or sale of a patent, do not arise under the patent laws of the United States.

Where, however, the decision of the question of infringement requires the construction of a contract the case is still one involving infringement and therefore arising under the patent laws of the United States. (See also under "Infringement.")

Jurisdiction—Court of Claims.—It has been held in a long line of decisions of the courts that the government can not technically commit infringement or be reached by process, but that it may be sued in the Court of Claims for compensation as provided in the statutes and especially in R. S. U. S. 1059, providing that "all claims founded upon any law of Congress, or upon any regulation of an Executive Department, or upon any contract, expressed or implied, with the government of the United States," and in addition to that act, the so-called Tucker Act of 1887, section 1, first paragraph, 24 Stat. L. 505, giving jurisdiction to that court of "all claims founded upon the Constitution of the United States."

Provisions have also been made for reference by Congress to the Court of Claims for findings of fact.

The first of these statutes is the first section of the Act of 1883, commonly known as the Bowman Act, 22 Stat. L. 485, by which the facts found by the court were to be reported to the Committee or to the House of Congress, by which the case was transmitted for consideration.

The other statute giving a similar jurisdiction is the fourteenth section of the Tucker Act, 24 Stat. L. 505. In this case,

however, the reference must be by one House of Congress of a bill pending therein "providing for the payment of a claim."

The Tucker Act was amended in 1910, 36 Stat. L. 837, 838 to provide that the court is to "report to such House the facts in the case and the amount, where the same can be liquidated, including any facts bearing upon the question whether there has been delay or laches in presenting such claim, or applying for such grant, gift, or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed, or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy, together with such conclusions as shall be sufficient to inform Congress of the nature and character of the demand, either as a claim, legal or equitable, or as a gratuity, against the United States and the amount if any legally or equitably due from the United States to the claimant."

There may be a reference by Congress to the Court of Claims for findings of fact even where no suit would lie under the general jurisdiction of the court or on which no judgment of the court could be rendered. *Forehand vs. United States*, 23 C. Cls. 477.

In addition to these provisions for suit against the United States under the statutes named suit might also be brought against an officer of the government but with no prospect, under the decisions, of enjoining the officer against the future use of property in the possession of the government or requiring him to account for a past infringement for the benefit of the government.

However, by an Act approved June 25, 1910, 36 Stat. at L. 851 suit may now be brought in the Court of Claims to cover reasonable compensation for infringement of a patent in the United States providing the owner of the patent or one who would be the beneficiary of such a suit be not in the employment of the government of the United States, or his assignee, and providing that the device was not discovered or invented by any such employe during the time of his employment or service.

Jurisdiction of Parties and Service—The question of locality is of paramount importance in the determination of jurisdiction. An action at law is transitory in its nature and formerly could be brought in any district in which the defendant was an inhabitant or could be found.

The jurisdiction and the manner of service in suits for patent infringement are governed by the act of March 3, 1887, 27 Stat. at L. 695 as now substantially repeated in the Judicial Code, Chap. 4, sec. 48, which reads as follows:

"In suits brought for the infringement of letters-patent the

District Courts of the United States shall have jurisdiction, in law or in equity, in the district of which the defendant is an inhabitant, or in any district in which the defendant, whether a person, partnership, or corporation, shall have committed acts of infringement and have a regular and established place of business. If such suit is brought in a district of which the defendant is not an inhabitant, but in which such defendant has a regular and established place of business, service of process, summons, or subpoena upon defendant may be made by service upon the agent or agents engaged in conducting such business in the district in which suit is brought."

In accordance with the customary practice, if the defendant appears or waives the privilege a suit may proceed in any district. Service on an agency is determined by the fact of whether or not that agency constitutes a regular and established place of business.

Ordinarily a foreign corporation may be served through its agency or regular and established place of business only where the infringement has been in that district. The fact that the agent merely receives orders or advertises within the district has been held not to give the court jurisdiction. If, however, the sale is consummated in the district by the agent then he may be there served.

The question of sufficiency of service under the act may be raised by motion to set aside the service, and where proof is necessary to establish the facts in an action at law, by plea to the jurisdiction, or by special answer. It may not be raised by demurrer and requires a special appearance, as general appearance is a waiver of the point.

It will be later seen in discussing actions in equity that by the new equity rules demurrers and pleas have been abolished and for them has been substituted the more elastic motion to dismiss or presentation by answer.

The provisions for suit in states containing more than one district and districts containing more than one division embodied in various chapters of 20 and 21, stat. at L., are covered by sections 52 and 53 of the Judicial Code, providing, in substance in section 52, that when a state contains more than one district, every suit not of a local nature, in the District Court thereof, against a single defendant, a habitant of such state, must be brought in the district where he resides; but if there are two or more defendants residing in different districts of the state, it may be brought in either district, and a duplicate writ issued; in sec. 53, when the district contains more than one division, every suit not of a local nature against a single defendant must be brought in the division where he resides; but if there are two or more

defendants residing in different divisions of the district it may be brought in either division.

Parties.—The plaintiff in actions at law must be the legal owner of the patent at the date of the infringement; except where suit is brought upon an assignment which couples with the ownership of the patent a right of action for past infringements (*Game-well Fire-Alarm Telegraph Co. vs. City of Brooklyn*, (1882), 14 Fed. 255). Licensees and those who, under contract with the legal owners, have acquired an equitable interest in the patent can not become plaintiffs in an action at law. And this is true of the licensee however he may be guaranteed (*Birdsell vs. Shaliol* (1884), 112 U. S. 485, 28 L. ed. 768); but it is a part of the implied agreement between a licensor and a licensee that the former will protect the latter against these wrongful invasions of his rights by instituting such proceedings as may become necessary for that purpose, and if the legal owner of the monopoly refuse to perform this duty, or is inaccessible, the licensee may sue at law for damages in his name. Though the nominal plaintiff may claim indemnity against the costs and expenses of the suit, he can not compromise with the defendant.

The privilege of action does not extend to the personal representative of the licensee, for a license expires at the death of the licensee. The equitable owners of patents or interests therein may obtain relief in equity, but must join the legal owners.

The patentee, while owner, must sue in his own name and alone, for acts of infringement committed during his ownership. If joint owners, suit must be joint. An assignee must sue alone, whether his title be acquired before or after issue, provided the legal title be whole and complete. So with the grantee.

In case of the death of the owner of a patent it has been observed the title vests in his personal representative and not in the heirs or devisees, who though beneficially entitled to the proceeds of his suit are, with reference to the patent property, mere cestuis qui trust. They can not, therefore, be plaintiffs in an action at law and such a suit must be brought by the personal representatives for acts of infringement subsequent to the death of the owner. Such a suit may also include acts committed prior to the death of the owner where they have not been the subject of disposition in a preceding suit.

Inasmuch as an administrator or executor is, under the act of Congress, a trustee in relation to the patented invention or property, he may sue in any district without qualifying in the Probate Court of the state in which the district is comprised (*Goodyear vs. Hullihen*, 2 Hughes, 1 U. S. 492, Fed. Cas. 573).

It has been shown elsewhere that there may be an assignment of the right of action for past infringement; but such as-

signment must be express and does not follow from the assignment of the patent. (See also Part XI.)

It is a general rule that objections of nonjoinder or misjoinder of plaintiffs in actions at law are not favored by the courts; and where there is a clear title of record must be made in due season to be regarded.

The defendant in actions at law must be the person guilty of the act of infringement; and all infringers are liable as defendants, no exceptions being made on the ground of infancy, lunacy or coveture.

As in all actions for torts the nonjoinder or misjoinder of defendants is immaterial unless the act be such as was inseparable and could not have been performed by the record defendants alone. And in accordance with the doctrine of this country the plaintiff can have no more than full compensation and can not further pursue the defendants not joined. The death or bankruptcy of a defendant does not abate the action, nor does the marriage of a feme sole defendant affect the suit, except to introduce new parties to the record.

Trial and Pleadings.—It is intended here to briefly state general principles applied to an action at law—and the basis of an action in equity because both of these proceedings are hereinafter separately treated.

An ordinary declaration on the case is sufficient. It must, of course, contain all the averments necessary to support the evidence of the plaintiff's right and its violation. That is, he must aver (1) The invention of the patentable subject-matter by the patentee or his assignees; (2) The grant of letters-patent covering the invention; (3) The legal title of the plaintiff; (4) The infringement by the defendant; (5) The resulting damage to the plaintiff.

These averments must, of course, be certain. Under the first the inventive act must be alleged to be such as to answer the requirements of patentable novelty as recited in the familiar section R. S. U. S. 4886, 4887, 4888. The art or article may be described by the title given in the patent; and though customary it is not essential to allege citizenship of the patentee.

Under the second the allowance and issue by the Patent Office must be alleged and profert made of the patent, which should be indicated by the date and number, and if reissued its history should be traced.

Under the third the averment of title must be made certain upon the records of the Patent Office.

Under the fourth the making, using or selling must be stated broadly as a violation of the right claimed in the patent.

It is common, but not essential, to state the acquiescence of

all others in the patentee's right, and the great worth and value of the patent.

The fifth averment is necessary, but purely formal.

All that is required of a declaration is that it must put the defendant in possession of the facts upon which the plaintiff's claim is based, and must leave open to the defendant every legal defense which he has a right to make. In some cases, as, for example, where the same person owns the original invention and improvements thereon, the one act of infringement may violate all, and consequently the declaration may refer in its averments to all the patents collectively.

The pleadings of the defendant in an action for infringement are either in abatement, by demurer, or in bar. Dilatory pleas are not favored by the modern court, and, the pleas must be formal and seasonable; demurrers, when general, go to the substance and are not sustained if the five essential averments include all material points. The liberality of the courts toward defects of form leaves little room for special demurrers.

A plea in bar in actions for infringement assumes the form of the general issue, with notice of special matters, or of a special plea.

Defenses.—The various defenses which may be employed in a patent suit are not separately detailed in the statutes. Following a custom which has obtained heretofore it is found helpful to arrange these defenses in twenty-nine separate clauses. All of these are applicable to either an action at law or a suit in equity excepting the last two which are peculiar to a suit in equity.

These defenses all arise upon those statutes which define the statutory clauses of invention, the statutory bars, the requirements of an application, the mode of determining the prior inventor, the limitation of patent rights, etc., which have been heretofore discussed and on sec. 4920 R. S. U. S. which specifically defines certain special matters which may be pleaded and proved on trial on the condition that the plaintiff has been given thirty days notice in writing.

The collated defenses have been somewhat variously stated by different writers, though taken as they are from the statutes, all must agree in the general application.

It should be observed that any or all of these defenses may be applied in any cause where they are applicable.

1. That the subject-matter of the letters-patent is not embraced within the classes of invention as recited in sec. 4886, R. S. U. S.

Examples of these are found in the familiar jail, house and business methods cases, where the courts held that the subject-matter of patents of that nature are not contemplated by the

classification of the statutes. This classification has many apparent exceptions, as in a recent case involving a roof. *Reter-Conley Mfg. Co. v. Aiken* (Third), 203 Fed. 699, C. C. A. There have been many patents granted on parts of house structure and similar inventions.

2. Want of invention.

This is a defense which pervades a suit at law, or in equity and may be applied in two ways. First, that the patent did not involve the exercise of invention or of the inventive faculty. Second, that the difference between the patent and the prior state of the art does not amount to invention but involved merely mechanical skill or the exercise of ordinary judgment to those skilled in the art.

It is this defense which has the widest application and in which have most frequently occurred under the former practice instances of demurrer to the bill of complaint and judicial notice. As stated by various courts and as specifically defined by Judge Townsend in *Brickill vs. City of Hartford*, 57 Fed 216, 217:

“Want of invention appearing on the face of the patent may be taken advantage of under the general issue without notice, or under any other plea, or without any plea.”

Again in *Hunt Bros. Packing Co. vs. Cassidy*, 3 C. C. A. 252, 53 Fed. 257, 259, it was said:

“The question as to whether, considering the previous state of the art, no invention was made by the patentee, may be raised without notice.”

It was observed in the same clause, however, that the question of anticipation could not be raised without notice specifying the anticipating invention.

3. Want of patentable novelty.

This defense includes the essential statutory bars recited in 4886, that is, anticipation of the invention by a prior knowledge or a use of the invention, a prior patent or publication, or because of want of invention as indicated by the “prior state of the art.”

Section 892, R. S. U. S., provides that certified copies of papers, record, books or drawings may be issued by the Patent Office. Sec. 894, R. S. U. S., provides for the introduction in evidence of printed copies of specification and drawings of patents. These may be certified though it is customary to stipulate that they be used without certification.

Under section 893, R. S. U. S., foreign letters-patents may be proved by certified copies, certified by the Commissioner of Patents. In accordance with the usual rules of evidence a publication is strictly required to be introduced in whole. However, an extract from such a book certified by the Commissioners of Patents to be a true copy from a book in the library of the

Patent Office received on a certain day may be admitted in defense. *Travers vs. American Cordage Co.*, 64 Fed. 771.

4. Prior foreign patent on application filed more than twelve months before the domestic application for the same invention. In designs four months Section 4887, R. S. U. S.

5. Want of utility.

This matter has been hitherto discussed under an appropriate heading and the defense is one which must be clearly proved to avoid a patent.

6. Abandonment of the invention to the public. This also is a defense which must be clearly proved.

7. That delay in filing an application for a patent for an invention disclosed to the public by a rival has created equitable estoppel or constructive abandonment of the invention.

8. That the claims of the patent in suit are for new matter not embraced in the original disclosure of the application.

9. That the patentee was not the first inventor of the invention claimed.

10. That the patentee surreptitiously or unjustly obtained the patent for that which was in fact the invention of another, who was using reasonable diligence in adapting and perfecting the same.

11. That, where the application was made by one as the sole inventor, it was in fact the joint invention of the sole applicant and one or more others.

12. That, where the application was made by joint inventors, it was, in fact, the sole invention of one of them.

13. That for the purpose of deceiving the public, the description and specification filed in the Patent Office was made to cover less than the whole truth relevant to the invention, or was made to cover more than was necessary to produce the desired effect.

14. That the description of the invention in the specification is not in such full, clear, concise and exact terms 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.

15. That the patent does not particularly point out and distinctly claim the invention.

16. That the invention claimed is substantially identical with an invention claimed in a prior patent to the same inventor.

17. In case of a reissued patent, that the reissue was improvidently granted, and was not granted in accordance with the statute 4896, R. S. U. S.

18. Unreasonable neglect or delay in filing a necessary disclaimer.

19. That the patent has been repealed.

20. Expiration of the patent before the right of action accrued.

21. That the patentee made or sold machines or articles embracing the invention without marking them "patented" or without notifying the defendant of the infringement.

22. That the complainant has no title or that his title is not sufficient to enable him to maintain the suit.

23. Co-ownership or license under the patent.

24. A release from or for the complainant discharging the defendant of liability in whole or in part.

25. Non infringement.

26. Estoppel.

27. Statute of Limitation.

28. Res adjudicata.

29. Lack of jurisdiction, in equity causes.

30. Laches—in equity causes.

Appeal and Error.—The final judgment at law in a patent suit may be reviewed by the appropriate Circuit Court of Appeals on writ of error.

The judgment of the Circuit Court of Appeals in an appeal in equity is final in patent matters and may not be reviewed by the Supreme Court of the United States, except upon certification of a question by the court of appeals or upon a writ of certiorari from the Supreme Court.

In equity, the appeal must be taken within six months after the entry of the decree.

If from an interlocutory decree, the order granting or continuing or refusing to dissolve an injunction under the seventh section of the Act of March 3, 1891, the appeal must be taken within thirty days, and is given precedence in the appellate court.

Writs of certiorari have been seldom granted in patent causes by the Supreme Court, which appears to rest its reasons for granting the writ not upon the mere fact of different opinions in different circuits, but rather upon the character and importance of the question presented.

XVI. ACTIONS AT LAW.

Much of the preceding topic applies directly to actions at law, the consideration of the peculiar distinctions of suits in equity being reserved for a subsequent section.

An action at law was, prior to 1819, as heretofore stated, the remedy for wrongs to patentees. In recent years actions at law in patent causes have been the exception; but lately there has been in some circuits a tendency to turn to this legal remedy, upon which from the beginning our system of jurisprudence has been founded.

These considerations appear to make desirable a discussion

of some features of this topic upon principle, and to excuse the presentation of the topic more in extenso than the relative number of recently reported patent law cases would at first blush seem to require.

Statutory Basis.—The statutory provision for an action at law in patent causes began with section 4 of the law of 1790 and was followed by section 5 of 1793, section 3 of 1800, section 14 of 1836, and section 55 of 1870.

The law as it now stands is found in section 4919, R. S. U. S., which reads as follows:

“Damages for the infringement of any patent may be recovered by action on the case, in the name of the party interested, either as patentee, assignee, or grantee. And whenever in any such action a verdict is rendered for the plaintiff, the court may enter judgment thereon for any sum above the amount found by the verdict as the actual damages sustained, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs.”

In passing it may be observed that section 723, R. S. U. S., provides that if the remedy at law is plain, adequate and complete the Equity Courts of the United States shall not take jurisdiction, being in this declaratory of the general principles governing the distinction between jurisdiction at law and in equity.

Damages.—Inasmuch as this specific statute relates to damages that topic will be treated before proceeding with a general discussion of Trial by Jury, Practice and Procedure, etc.

Under heading XIX the relation of profits and damages with especial reference to accounting in equity is treated. Preceding that some phases of the principle of assessing damages in patent suits fall within this topic.

There are certain general principles peculiar to actions at law which have been presented in typical cases. For example, in *Birdsall vs. Coolidge*, 93 U. S. A. 64, 23 L. ed. 802, Mr. Justice Clifford said:

“Juries, in an action at law for the infringement of a patent, are required to find the actual damages sustained by the plaintiff in consequence of the unlawful acts of the defendant. Power is given to the court, in such a case, to enter judgment for any sum above the amount of the verdict, not exceeding three times the amount of the same, together with costs; but the jury are strictly limited in their finding to the actual damages which the plaintiff has sustained by the infringement. 16 Stat. at L. 207, 5 Stat. at L. 123; R. S., sec. 4919, p. 960.

“Damages are given as a compensation, recompense or satisfaction to the plaintiff, for an injury actually received by him from the defendant. Compensatory damages and actual damages

mean the same thing; that is, that the damages shall be the result of the injury alleged and proved, and that the amount awarded shall be precisely commensurate with the injury suffered, neither more nor less, whether the injury be to the person or estate of the complaining party. 2 Greenl. Ev. (10th ed.), sec. 253. * * *

“Where the suit is at law, the measure of damages remains unchanged to the present time, the rule still being, that the verdict of the jury must be for the actual damages sustained by the plaintiff, subject to the right of the court to enter judgment thereon for any sum above the verdict, not exceeding three times that amount, together with costs. 16 Stat. at L. 207.

“Damages of a compensatory character may also be allowed to the complainant suing in equity, in certain cases, where the gains and profits made by the respondent are clearly not sufficient to compensate the complainant for the injury sustained by the unlawful violation of the exclusive right secured to him by the patent. Gains and profits are still the proper measure of damages in equity suits, except in cases where the injury sustained by the infringement is plainly greater than the aggregate of what was made by the respondent; in which event the provision is, that the complainant ‘shall be entitled to recover, in addition to the profits to be accounted for by the respondent, the damages he has sustained thereby.’ * * *

Evidence of an established royalty will undoubtedly furnish the true measure of damages in an action at law, where the unlawful acts consist in making and selling the patented improvement, or in the extensive and protracted use of the same, without palliation or excuse; but where the use is a limited one and for a brief period, as in the case before the court, it is error to apply that rule arbitrarily and without any qualification. *Packet Co. vs. Sickles*, 19 Wall. (U. S.) 617, 22 L. ed. 204; *Wall. (U. S.) 320*, 18 L. ed. 78.”

In *Burdell vs. Denig*, 92 U. S. 716, 23 L. ed. 764, Mr. Justice Miller speaking for the court said in noting the objections to the prayer:

First. In cases where profits are the proper measure, it is the profits which the infringer makes, or ought to make, which govern, and not the profits which plaintiff can show that he might have made.

Second. Profits are not the primary or true criterion of damages for infringement in an action at law. That rule applies eminently and mainly to cases in equity, and is based upon the idea that the infringer shall be converted into a trustee, as to those profits, for the owner of the patent which he infringes, a principle which it is very difficult to apply in a trial before a

jury, but quite appropriate on a reference to a master, who can examine defendant's books and papers, and examine him on oath, as well as all his clerks and employes.

"On the other hand, we have repeatedly held that sales of licenses of machines, or of a royalty established, constitute the primary and true criterion of damages in the action at law.

"No doubt, in the absence of satisfactory evidence of either class in the forum to which it is most appropriate, the other may be resorted to as one of the elements on which the damages or the compensation may be ascertained; but it can not be admitted, as the prayer which was refused implies, that in an action at law the profits which the other party might have made is the primary or controlling measure of damages. *Packet Company vs. Sickles*, 19 Wall. (U. S.) 617, 22 L. ed. 204."

In *Seymour vs. McCormick*, 16 How. (U. S.) 480, 14 L. ed. 1024, the court said:

"Experience had shown the very great injustice of a horizontal rule equally affecting all cases, without regard to their peculiar merits. The defendant who acted in ignorance or good faith, claiming under a junior patent, was made liable to the same penalty with the wanton and malicious pirate. This rule was manifestly unjust. For there is no good reason why taking a man's property in an invention should be trebly punished, while the measure of damages as to other property is single and actual damages. It is true, where the injury is wanton or malicious, a jury may inflict vindictive or exemplary damages, not to recompense the plaintiff, but to punish the defendant.

"In order to obviate this injustice, the patent act of 1836 confines the jury to the assessment of 'actual damages.' The power to inflict vindictive or punitive damages is committed to the discretion and judgment of the court within the limit of trebling the actual damages found by the jury.

"It must be apparent to the most superficial observer of the immense variety of patents issued every day, that there can not, in the nature of the thing, be any one rule of damages which will equally apply to all cases. The mode of ascertaining actual damages must necessarily depend on the peculiar nature of the monopoly granted. * * *

We think, therefore, that it is a very grave error to instruct a jury 'that as to the measure of damages the same rule is to govern, whether the patent covers an entire machine or an improvement on a machine.' "

In brief, a verdict for damages in an action at law may be only for the actual damages sustained because of the infringement and during the infringement charged, and not for exemplary damages.

The damages are measured by the actual loss to the plaintiff and this loss may be measured in any way, as by license fees, and even by the profits derived by the infringer where no other method is at hand. The test, however, is what the plaintiff lost and not what the defendant has profited.

The expenses of litigation are not included in the damages and interest runs only from the time of liquidation. That is, from the time of ascertainment of the amount of damages.

It has been indicated that the court under the statute may enter judgment for any sum above the verdict, not exceeding three times the amount of the verdict; and the court may take into account the aggravated features of infringement and the expense of the litigation.

Trial by Jury.—The seventh article of the amendments to the constitution reads as follows:

“In suits at common law where the value in controversy shall exceed \$20, the right of trial by jury shall be preserved, and no fact tried by a jury shall be otherwise examined in any court of the United States than according to the rules of common law.”

(See notes in Paschal's Annotated Constitution, Third Edition, pages 266, 267, and 476.)

The spirit of this amendment rather than the wording gave great concern to the courts in their early interpretation of the practice and the general conduct of a trial by jury in a civil cause in the Federal Courts.

In *Parsons vs. Bedford*, 3 Pet. (U. S.) 433, 7 L. ed. 732, 737, the court had before it a case in which no bill of exceptions had been tendered to the court and no points of law brought under review. There was an application to record the evidence with the obvious purpose of establishing an error of the verdict in matters of fact. The Supreme Court said that even if such a construction of the language of the Act of 1824 following the 7th Article of Amendment of the Constitution had been given to the Act of Congress the court entertained serious doubt of its constitutionality. The court then said:

“The terms of the present act may well be satisfied by limiting its operation to modes of practice and proceeding in the court below, without changing the effect or conclusiveness of the verdict of the jury upon the facts litigated at the trial. Nor is there any inconvenience from this construction; for the party has still his remedy, by bill of exceptions, to bring the facts in review before the Appellate Court, so far as those facts bear upon any question of law arising at the trial; and if there be any mistake of the facts, the court below is competent to redress it by granting a new trial.”

In *Justices vs. United States*, 76 U. S. 274, 19 L. ed. 658, 661, 662, the court discussed the 7th Article of Amendment holding that it applied to a trial of a cause by a jury in a state court and that the Act of Congress of March 3, 1863, relating to habeas corpus was not in pursuance of the Constitution in providing for a removal of a judgment in a state court in which a case was tried by a jury to a Circuit Court of the United States for a retrial on the facts and law. The court quotes from the 81st number of the *Federalist* where Mr. Hamilton first suggested that the courts had full power to provide that on appeal to the Supreme Court there should be no reexamination of the facts where the cause had been tried by a jury according to the common-law mode of proceeding.

In *Hodges vs. Easton*, 106 U. S. 408, 27 L. ed. 169, 171, the court reverses the lower court for practically splitting a verdict. That is, the Supreme Court held that the lower court could not submit a part of the facts to the jury and itself determine the remainder without a waiver by the defendant of a verdict by the jury.

This view of the obvious purpose of the 7th Article of Amendment of the Constitution is again stated by the Supreme Court in *Bayliss vs. Travelers Ins. Co.*, 113 U. S. 316, 28 L. ed. 989, 991. But in this case the court concluded with a loose illustration, saying:

“This constitutional right this court has always guarded with jealousy.”

Then citing *Hodges vs. Easton*, *supra*, and three cases in which the court had held that an involuntary nonsuit could not be granted against the acquiescence of the plaintiff. As is shown under another heading the Supreme Court has thrice at least since that time expressly stated that an involuntary nonsuit without the acquiescence of the plaintiff is not an invasion of the constitutional right of a trial by jury and in *Coughran vs. Bigelow*, *post*, even went so far as to say that that had never been the reason for the practice as stated in *Elmore vs. Grymes*, *post*, and other cases denying the right of an involuntary nonsuit without the acquiescence of the plaintiff.

So in *Kennon vs. Gilmer*, 131 U. S. 22, 33 L. ed. 110, 113, the court after referring to the 7th Article of Amendment to the Constitution and its applicability to Montana and other territories, said:

“But this court has no authority to pass upon any question of fact involved in the consideration of the motion for a new trial. And, in a case in which damages for a tort have been assessed by a jury at an entire sum, no court of law, upon a motion for new trial for excessive damages and for insufficiency of the evi-

dence to support the verdict, is authorized, according to its own estimate of the amount of damages which the plaintiff ought to have recovered, to enter an absolute judgment for any other sum than that assessed by the jury."

These cases and this discussion are pertinent because they properly state the real distinction to be observed in contradistinction to cases such as *Elmore vs. Grymes*, 1 Pet. (U. S.) 741, 7 L. ed 224. That is to say, so long as a court does not re-examine the facts or balance the evidence there is no infringement of the constitutional right to a trial by jury. It would seem then reasonable for a Federal Court to nonsuit a plaintiff, to direct a verdict, or to grant a judgment *non obstante veredicto*, because in none of these cases is there any re-examination of the facts by the court. However, as to the latter the Supreme Court (four justices dissenting) has held against the great weight of authority in the Federal Courts that a judgment *non obstante veredicto* may not be rendered in a Federal Court.

Practice and Procedure. (See herein under "Judgment Non Obstante Veredicto.") **State Laws and Decisions.**—

The act of September 24, 1789, chap. 20, 1 Stat L. 92, now section 721, R. S. U. S., provides that,—

"The laws of the several states, except where the Constitution, treaties or statutes of the United States otherwise require or provide, shall be regarded as rules of decision in trials at common law, in the courts of the United States, in cases where they apply."

This section is incidentally discussed to a sufficient extent in the following consideration of the Conformity Act.

The Conformity Act.—Section 914 (act of 1872, R. S. U. S.), reads as follows:

"The practice, pleadings, and forms and modes of proceeding in civil cases, other than equity and admiralty causes, in the circuit and district courts, shall conform, as near as may be, to the practice, pleadings, and forms and modes of proceeding existing at the time in like causes in the courts of record of the State within which such circuit or district courts are held, any rule of court to the contrary notwithstanding."

This act is the successor of the temporary process act of 1789, chap. 21, which was continued by act of May 2, 1790, and made permanent by act of May 8, 1792, chap. 137.

The temporary act requires that,—“until farther provisions shall be made, and except where by this act, or other statutes of the United States, it is otherwise provided, the forms of writs and executions, except their style, and modes of process, in the circuit and district courts in suits at common law, shall be the

same in each State, respectively, as are now used in the Supreme Courts of the same."

The permanent act of 1792 substituted for the words "and modes of process," the words "and the forms and modes of proceeding," and added a proviso making the adoption of the state law "subject, however, to such alterations and additions as the said courts respectively shall, in their discretion, deem expedient, or to such regulations as the Supreme Court of the United States shall think proper, from time to time, by rule to prescribe to any circuit or district court concerning the same."

This addition or proviso gave wide discretion to the circuit and district courts and delegated also to the Supreme Court a large measure of legislative power.

Subsequent legislation was required to cover states subsequently admitted to the Union. There was a special act of 1824, chap. 181, applying to the state of Louisiana, (see *Parsons vs. Bedford*, 3 Pet. 444, 7 L. ed. 732), and a general act of May 19, 1826, § 1, Chap. 68, 4 Stat. 278, applied to all states admitted to the Union after 1789, and which adopted the practice of the states as existing in 1828, with power in the Supreme and Circuit and District Courts to vary the same by rule.

This law of 1828 was re-enacted August 1, 1842, 5 Stat. 499. (See *Beers vs. Haughton*, 9 Pet. 361, 9 L. ed. 145.)

The law of 1842 made no prospective provision for states subsequently to be admitted; but a provision in a later admission act that "all the laws of the United States which are not locally inapplicable, shall have the same force and effect" within the new state as in the old one, was declared effective to adopt this process act in *Smith vs. Cockrill*, 6 Wall, 756, 18 L. ed. 973, 974.

The law of 1872, the Conformity Act, Sec. 914, R. S. U. S., above quoted, was the first to require federal procedure to conform "as near as may be" to the state procedure "existing at the time in like causes in the courts of record of the state."

Under the previous conformity acts changes in state laws were not in force unless adopted by rule of court. Under the law of 1872 where they are applicable they are at once operative in the Federal Courts "any rule of court to the contrary notwithstanding." *Rosenbach vs. Dreyfuss*, 2 Fed. 23; *Hudson vs. Parker*, 156 U. S. 281, 39 L. ed. 424; *Osborne vs. Detroit*, 28 Fed. 385.

In Rose's Code of Federal Procedure, page 834, it is said,—

"In the main R. S. 914 is obligatory and peremptory. Its manifest purpose was to secure a stricter conformity; and it was especially effective to that end in the older states where the Federal Courts had often resisted the innovations of the reformed procedure and thus compelled practitioners to study

two distinct systems of remedial law," citing *Indianapolis R. R. vs. Horst*, 93 U. S. 300, 23 L. ed. 898; *Amy vs. Watertown*, 130 U. S. 304, 32 L. ed. 946; *Nudd vs. Burrows*, 91 U. S. 441, 442, 23 L. ed. 289, 290; *Baltimore & O. R. R. vs. Hamilton*, 16 Fed. 181; *Carlisle vs. Cooper*, 64 Fed. 475, 12 C. C. A. 235; *Republic Ins. Co. vs. Williams*, 3 Bliss. 370, Cas. No. 11,707.

These decisions and, for example, the striking case of *Shepard vs. Adams*, 168 U. S. 618, 42 L. ed. 602, alone, indicate, however, that while Section 924 is in the main obligatory and peremptory it is so clearly only in matters of pleading, practice and modes of procedure which can be accepted to institute a case and present it to the jury, and that it does not extend in all cases to the relation of the judge to the jury, nor the conduct of the judge in the administration of the trial, nor to any matter affecting jurisdiction or in any degree impairing the power of the Federal Court as conferred by Congress, nor to the rules of procedure subject to federal statutes; and, furthermore, the statute is not clear in its application to such features of a trial as a non-suit, a direction of a verdict, and judgment non obstante verdicto. (See *Rose's Code of Federal Procedure*, page 834 (b) 835, and pages 837-839, (e) (f)¹.

[**Note.**—It would be impracticable within the scope of this heading to review the many authorities which either directly support this conclusion or tend toward it. Inasmuch as these authorities have not been collected heretofore it seems advisable to cite them here. In addition to *Nudd vs. Burrows*, *Amy vs. Watertown*, *Indianapolis vs. Horst*, and other cases cited immediately above, see also *Ex parte Chateaugay Ore & Iron Co.*, 128 U. S. 544, 32 L. ed. 508, 511, 512; *Roberts vs. Lewis*, 144 U. S. 653, 657, 36 L. ed. 582; *Mexican Central Railway Company Limited vs. Pickney*, 149 U. S. 192-194, 37 L. ed. 699; *Liverpool & L. & G. Ins. Co. vs. N. & M. Friedman Co.*, (C. C. A. 6th Circuit, 1904) 133 Fed. Rep. 713, 716; *Parker vs. Ogdensburgh & L. C. R. Co.*, (25 C. C. A. 205, 2d Circuit) 79 Fed. Rep. 817; *Western Union Tel. Co. vs. Burgess*, (47 C. C. A. 168, 6th Circuit), 108 Fed. Rep. 26; *Detroit United Ry. vs. Nichols*, (C. C. A. 6th Circuit, 1908) 165 Fed. Rep. 289, 294; *Consumers' Cotton-Oil Co. vs. Ashburn*, (C. C. A. 5th Circuit, 1897) 81 Fed. Rep. 331; *Patting vs. Spring Valley Coal Co.*, (C. C. Ill. 1899), 93 Fed. Rep. 98; *Chicago M. & St. P. Ry. Co. vs. Metalstaff et al.* (41 C. C. A. 669, 8th Circuit, 1900). 101 Fed. Rep. 769; *Wall vs. Chesapeake & O. Ry. Co.*, (37 C. C. A. 129, 7th Circuit, 1899), 95 Fed. Rep. 398, 402; *Van Doren vs. Pennsylvania R. Co.* (35 C. C. A. 282, 3d Circuit, 1899), 93 Fed. Rep. 260, 268-270; *City of Manning vs. German Ins. Co.*, (46 C. C. A. 144, 8th Circuit, 1901), 107 Fed. Rep. 52, 57; *Chappell vs. United States*, 26 C. C. A. 660, 4th Circuit, 81 Fed. Rep. 764 767; *City of St. Charles vs. Stookey*, (C. C. A., 8th Circuit, 1907), 154 Fed. 772, 778; *Toledo, St. L. & W. R. Co. v. Reardon* (C. C. A., 6th Circuit, 1908), 159 Fed. 366, 368; *Chicago & N. W. Ry. Co. vs. Kendall* (C. C. A., 8th Circuit, 1909), 167 Fed. 62; *Laurel Oil & Gas Co. vs. Galbreath Oil & Gas Co.* (C. C. A., 8th Circuit, 1908), 165 Fed. 162; *May vs. County of Mercer* (C. C. Kentucky, 1887), 30 Fed. 246; *Secretary of Treasury of United States* (C. C. New York, 1891), 45 Fed. 396; *Booth vs. Denike* (C. C. Texas, 1894), 65 Fed. 46, 47; *Lowry vs. Mt. Adams & Eden*

Park Incline Plane Ry. Co. (C. C. Ohio, 1895), 68 Fed. 827, 829; Sherry vs. Occanic Steam Nav. Co. (C. C. New York, 1895), 72 Fed. 565, 566; Ewing vs. Burnham (C. C. Vermont, 1896), 74 Fed. 384; Hughey vs. Sullivan (C. C. Ohio, 1897), 80 Fed. 72; New York Continental Jewell Filtration Co. vs. City of Sullivan (C. C. Indiana, October 4, 1911), 111 Fed. 179, 181; Hein vs. Westinghouse Air Brake Co. (C. C. Illinois, 1908), 164 Fed. 79; DeValle DaCosta vs. Southern Pac. Co. (C. C. Mass., 1909), 167 Fed. 654, and the authorities cited in Slocum vs. N. Y. Life Ins. Co. (U. S.), 33 Sup. Ct. 523.

Many of these cases take as their text the words as near as "may be," generally presenting the view that this phrase is clearly one permitting a discretion in the application of the State practice under the Conformity Act.]

Patent Causes, "Like Causes."—The question has arisen whether or not patents, trademarks, and copyrights are "like causes" within the meaning of Section 914, R. S. U. S., as to which the State practice is to be applied.

This point seems now to be concluded by the pronouncement of the Supreme Court in *Campbell vs. Haverhill*, 155 U. S. 610, 614, 616; 39 L. ed. 280, 282 (1895). The court in this case was discussing especially R. S., Section 721. In Section 721 the general phrase is "in cases where they apply." It was argued that the causes of actions created by Congressional legislation and enforceable only in the federal courts were not covered by this section so as to make the laws of the state applicable to a suit cognizable only in the federal courts. In one place the court said,—

"Perhaps under the final words of section 721, 'in cases where they apply,' the court may have a certain discretion with respect to the enforcement of state statutes such as was exercised by this court in several cases arising under § 914, respecting pleadings and forms and modes of proceeding."

The discussion of the court was as follows:

"It is insisted, however, that, by the express terms of section 721, the laws of the several states should be enforced only 'in cases where they apply,' and that they have no application to causes of action created by Congressional legislation and enforceable only in the federal courts. The argument is, that the law of the forum can only apply to matters within the jurisdiction of the state courts, and that the recognition given by Congress to the laws of the several states does not make such laws applicable to suits over which the state courts have no jurisdiction, because for want of jurisdiction over the subject-matter of the suit the tribunals of the state are powerless to enforce the state statutes with respect to it; in other words, that the states, having no power to limit such remedy or to legislate in any manner with respect to the subject-matter. But this is rather to assert a distinction than to point out a difference. Doubtless

such an argument would apply with peculiar emphasis to statutes, if any such existed, discriminating against causes of action enforceable only in the federal courts; as if they should apply a limitation of a year to actions for the infringement of patents, while the ordinary limitation of six years was applied to all other actions of tort. In such case it might be plausibly argued that it could never have been intended by Congress that section 721 should apply to statutes passed in manifest hostility to federal rights of jurisdiction, but only to such as were uniform in their operation upon state and federal rights and upon state and federal courts."

"Recurring then to the main proposition above stated, it may be well questioned whether there is any sound distinction in principle between cases where the jurisdiction is concurrent and those where it is exclusive in the federal courts. The section itself neither contains nor suggests such a distinction. The language of the section is general, that the laws of the several states shall be regarded as rules of decision in every case to which they apply, and it is at least incumbent upon the plaintiff to show that, for some special reason in the nature of the action itself, the section does not apply. But why should the plaintiff in an action for the infringement of a patent be entitled to a privilege denied to plaintiffs in other actions of tort? If states can not discriminate against such plaintiffs, why should Congress by its silence be assumed to have discriminated in their favor? Why, too, should the fact that Congress has created the right, limit the defences to which the defendant would otherwise be entitled? Is it not more reasonable to presume that Congress, in authorizing an action for infringement, intended to subject such action to the general laws of the state applicable to actions of a similar nature? In creating a new right and providing a court for the enforcement of such right, must we not presume that Congress intended that the remedy should be enforced in the manner common to like actions within the same jurisdiction?"

The view of the Supreme Court in this case reaches the conformity act in principle and was accepted as a rule of practice in an interstate commerce cause in the circuit court for Iowa, *Edmunds v. Illinois Cent. R. Co.* (1887), 80 Fed. 78.

In *Coffey vs. United States*, 117 U. S. 233, 29 L. ed. 890, 891 (1896), the Supreme Court placed all causes in personam under the conformity act.

Not only are patent, trademark and copyright causes included under the classification in personam, but patent causes (the most distinctive) are technically so placed by R. S. Section

4919, "Damages for the infringement of any patent may be recovered by action on the case."

Prior to *Coffey vs. United States*, an action to recover a penalty under United States statutes had been held (1879) to be a "like cause" in *United States vs. Elliott*, 1879, 25 Int. Rev. 319, Fed. Cas. No. 15,043; and so of an action in ejectment *McArthur vs. Williamson* (1891), 45 Fed. 155.

In the first case the action was in the form of an information in the nature of an action of debt which the court regarded as an action in tort.

In the second case it was held that ejectment is not merely a personal action in Ohio, but involves also question of title; and though such action, pending in a Federal Court in that state, when abated by the death of a party, can not be revived under the provisions of the Code of Civil Procedure of Ohio by virtue of Rev. Stat. U. S. Section 914.

In two circuit court cases prior to *Campbell vs. Haverhill* and *Coffey vs. United States*, viz.: *Myers vs. Cunningham* (C. C. Ohio, 1890), 44 Fed. 346, 349, and *Marvin vs. Aultman & Co.* (C. C. Ohio, 1891), 46 Fed. 338, Judge Ricks and Judge Jackson agreed that patent causes are not "like causes." The opinions, however, are not well considered, and rely largely upon a citation from *Walker on Patents* (3d edition), which was not based upon authority and was modified in the 4th edition.

These two cases are clearly over-balanced by *Cottier et al. vs. Stimson* (C. C. Oregon), 18 Fed. 689; *May vs. County of Mercer* (C. C. Kentucky, 1887), 30 Fed. 246, and *Celluloid Mfg. Co. vs. American Zylonite Co.* (C. C. N. Y., 1888), 34 Fed. 744, all patent causes.

It has been thought that it is this last named case to which Judge Ricks refers in *Myers vs. Cunningham*, but, if so, certainly the reasons of Judge Lacombe were not properly measured by Judge Ricks, for nothing can be clearer than the holding of Judge Lacombe construing sections 4919 and 914 R. S. together and holding that the action on the case must be that of the New York procedure and not the archaic common-law action in the case.

Additional weight is given the *Celluloid* case by the fact that in *Johnston vs. Klopsch*, 88 Fed. 692, a copyright case, Judge Lacombe, in 1898, held that R. S. Section 914 applied and cited *Celluloid vs. Zylonite* as authority.

Inasmuch as the federal trade-mark statutes are not essentially substantive law, but only declaratory, probably nothing can be gained from an investigation of trade-mark cases. There would, in short, be no argument even such as was advanced in *Myers vs. Cunningham*, against the practically self-evident

classification of trade-mark causes as "like causes" under the conformity act.

Copyright causes are brought under specific provisions of the Revised Statutes, especially sections 4952, 4963-4970, which are discussed at length in *Globe Newspaper Company vs. Walker*, 210 U. S. 356.

There are specific forfeiture or penalty clauses in the copyright statutes and a civil action at common-law for money damages can not be maintained against infringers.

It has been shown, however, that penalty and forfeiture causes, excepting those in rem have been held to come within the provision of R. S., Section 914. An instance of this is *Johnston vs. Klopsch*, 88 Fed. 692 (C. C. N. Y., 1898), in which a patent case was cited as authority, thus coupling copyright and patent causes, both cognizable in the federal courts only, as "like causes" within the meaning of R. S., Section 914.

Granted the proper inclusion of copyright causes, the inclusion of patent causes is strengthened by the specific character of R. S. Section 4919, making provision for recovery of damages for infringement of patent by action on the case.

This section has been concurrent with all the conformity acts. It was coupled in the same revision with R. S., Section 914, and the two must be construed together.

It said, in effect, that whatever might be the character of an equity patent cause, damages for the infringement of a patent should be tried by a familiar cause of action, one of the most familiar of the causes of common-law and of the civil causes of the several states. Such a case, in so far as the practice, pleading and forms or modes of proceeding are concerned, not only was to resemble but was, in fact, to be an action on the case.

The only plausible argument against the application of R. S., Section 914, would be that answered in the *Celluloid* case, herein cited. That is to say, that the terms of section 4919, R. S., require the adoption of the archaic form or procedure of the common-law action on a case, modified only by the rule of a given circuit in force before the passage of the Act of 1872.

Even in the absence of the authorities cited, it seems that the mere statement of this proposition refutes it. There is no rule which binds federal courts to the common-law procedure and this interpretation would not be a reasonable construction of the statutes.

On the other hand, it is not only reasonable but logical and in accordance with accepted principles that, reading the two statutes in *pari materia*, the "action on the case" of Section 4919, R. S., should be construed to mean an action on the case

as would be if the cause were being tried in a court of record of the state within which the circuit or district court is held.

If on the other hand, it be argued that it is not a "like cause" because the substantive law is different, because there is no similar cause in the state courts, and if Section 4919, R. S., be ignored, it merely is an argument giving unlimited power to the federal courts to follow any mode or practice not forbidden by Congress or rule of the Supreme Court.

Briefly, if there could be any doubt in the matter it would operate merely to add to the power of the federal courts in granting nonsuits or judgments non obstante veredicto to the defendant or directing a verdict, provided such case were not prohibited by an order or decision of the Supreme Court of the United States.

Nonsuits.—But for the argument in the majority opinion in *Slocum vs. New York Life Insurance Co.*, 228 U. S. 364, (1913) it would appear that there could be no question that the cases of *Oscanyan v. W. R. Arms Co.*, 103 U. S. 261, 26 L. ed. 539; *Central Transportation Co. v. Pullman's Palace Car Co.*, 139 U. S. 24, 35 L. ed. 55, 61; *Meehan vs. Valentine*, 145 U. S. 611, 36 L. ed. 839; and *Coughran vs. Bigelow*, 164 U. S. 301, 307, 18, expressly and completely abandoned the previous rulings of the Supreme Court of the United States and now not only affirm but require the practice of granting nonsuits to the defendants against the will of the plaintiff in a proper cause.

This (Judge Lacombe and Judge Hough say) has been the accepted practice in the 2d circuit without question since the *Central Transportation Company* case.

How readily this change of practice was accepted in the 2d circuit may be evidenced by a reference to *Gunther vs. Liverpool & London & Globe Ins. Co.*, 34 Fed. 501. Whether Judge Lacombe in this case really had in mind a judgment notwithstanding the verdict or a judgment of nonsuit is immaterial. He referred to *Oscanyan vs. W. R. Arms Co.*, 103 U. S. 261, 26 L. ed. 539, 541, with an impatience against the rigid unreasoned previous rule even stronger than that expressed by the Supreme Court in the *Oscanyan* case, classing the former practice, excluding nonsuits, as "sticking in the bark of mere verbal 'dialectics'."

It has been expressly and strongly endorsed, for example, in two cases in the fourth circuit, namely, *People's Bank vs. Aetna Ins. Co.*, 20 C. C. A. 630 (1896), 74 Fed. 507, 511; and *Sloss Iron & Steel Co. vs. South Carolina & G. R. Co.*, 29 C. C. A. 50 (1898), 85 Fed. 133, 138.

In the first, after citing the quotation from the *Oscanyan* case in *Central Transportation Company vs. Pullman's Palace Car Co.*, the court said:

“Even if the contention of the plaintiff in error be correct, which we do not find, that, under the ‘practice and mode of proceeding’ in the courts of South Carolina, a nonsuit was not authorized in this case, nevertheless, it is submitted that it was not the intention of the legislation now known as Section 914 of the Revised Statutes, which requires the courts of the United States to conform ‘as near as may be’ to the practice existing in the courts of the state within which the trial is held, to change the now universal rule of procedure in the federal courts, to which we have alluded, and which has been commended by the Supreme Court, since the passage of the enactment mentioned.”

Judge Goff went on then to apply the general statement which had reference to directing a verdict in the much quoted opinion of Justice Miller in *Pleasants vs. Fant*, 22 Wall. (U. S.) 116, 122.

In the second case, *Sloss Iron & Steel Co.*, Judge Purnell, who was sitting with Circuit Judge Goff, said:

“If the court is satisfied that, conceding all the inferences which the jury could justifiably draw from the testimony, the evidence is insufficient to warrant a verdict for the plaintiff, the court should say so to the jury. *Pleasants vs. Fant*, 22 Wall. (U. S.) 122; *People’s Bank vs. Aetna Ins. Co.*, 74 Fed. 507, 20 C. C. A. 630. This is a well-established rule in the Federal Court. It is essentially different from the rule in the courts of many of the states, but is uniform in the courts of the United States; and it has been decided by this court that Section 914, Rev. Stat., does not require the federal courts to change this rule of procedure so as to conform to the practice existing in the courts of the states. The action of the circuit judge, who presided at the trial of this case, in ordering that the defendant have judgment of nonsuit, was in conformity with the decisions of the Supreme Court of the United States and the decisions of this court.”

This case also plainly shows that in the fourth circuit the court not only accepted the ruling of the Supreme Court readily but could see no distinction in theory between the reasonings governing a direction of a verdict and those suggesting a judgment of nonsuit for the defendant.

The reasons for the present rule were, in fact, stated in the first case establishing the old rule, *Elmore vs. Grymes*, (1 Pet. (U. S.) 471, 7 L. ed 224, 226) in the dissenting opinion of Mr. Justice Johnson.

Much the same idea was expressed in the *Oscanyan vs. W. Arms Co.*, 103 U. S. 261, 26 L. ed. 539, 541. In that case also was plainly shown the effect of the reasons advanced in cases discussing more generally trial by jury with reference, for ex-

ample, to directing a verdict, as in *Merchant's Bank vs. State Bank*, 77 U. S. 637, 19 L. ed. 1015, and *Pleasants vs. Fant*, 89 U. S. 122, 22 L. ed. 780, 782, 783.

It should be again observed, however, that while not so decided, it appears to be the view of the Supreme Court as now constituted that nonsuits are not permissible in federal courts. *Slocum v. N. Y. Life Ins. Co.*, 228 U. S. 364.

Directing a Verdict.—It is a well-settled practice for the court in proper cases, to direct the jury to render a verdict for the defendant in patent causes, as well as in other civil causes in the federal courts.

In patent causes the courts have exercised this prerogative in matters of invention, anticipation, novelty and infringement.

See for example: *Market Street Cable Railway Company vs. Rowley*, 155 U. S. 621, 625, 39 L. ed. 284, and cases there cited; *Roberts vs. Bennett*, 136 Fed. 193, 195, 69 C. C. A. 533 (second), and cases cited; *Western Electric Co. vs. Robertson et al.*, 142 Fed. 471, 478, 73 C. C. A. 587 (second), and cases cited, especially *Singer Company vs. Cramer*, 192 U. S. 256, 47 L. ed. 437; *Connors vs. Ormsby*, 148 Fed. 13-14, 78 C. C. A. 181 (first), and cases cited.

For convenience of classification it may be said that on the bald question of Invention this practice has been followed in *Fond du Lac County vs. May*, 137 U. S. 395, 34 L. ed. 714; Anticipation, in *Market Street Railway vs. Rowley*, 155 U. S. 621, 39 L. ed. 284; and Infringement, in *Black Diamond Coal Co. vs. Excelsior Coal Co.*, 156 U. S. 261, 39 L. ed. 173; *Overweight C. Elevator Co. vs. Improved Order Red Men's Hall*, 94 Fed. 155, 36 C. C. A. 125.

It may be of advantage to consider the discussions of the court in sustaining and applying the rule that the federal courts may, in civil causes, direct a verdict for the defendant.

In *Parks vs. Ross*, 11 How. (U. S.) 362, 13 L. ed. 730, 736, Mr. Justice Grier said that a jury has no right to assume the truth of any material fact, without some evidence legally sufficient to establish it. He then proceeded to say:

“Hence the practice of granting an instruction like the present, which makes it imperative upon the jury to find a verdict for the defendant, and which has in many states superseded the ancient practice of a demurrer to evidence. It answers the same purpose, and should be tested by the same rules. A demurrer to evidence admits not only the facts stated therein, but also every conclusion which a jury might fairly or reasonably infer therefrom.”

In *Improvement & R. R. Co. vs. Munson*, 81 U. S. 442, 20 L. ed. 867, 872, the Supreme Court established a point of prac-

tice which has been growing. The court said through Mr. Justice Clifford:

“Formerly it was held that if there was what is called a scintilla of evidence in support of a case the judge was bound to leave it to the jury, but recent decisions of high authority have established a more reasonable rule; that in every case, before the evidence is left to the jury, there is a preliminary question for the judge, not whether there is literally no evidence, but whether there is any upon which a jury can properly proceed to find a verdict for the party producing it, upon whom the onus of proof is imposed. *Jewell vs. Parr*, 13 C. B. 916; *Toomey vs. L. & B. R. R. Co.*, 3 C. B. N. S. 150; *Wheelton vs. Hardesty*, 8 Ell. & Bl., 266; *Schuchardt vs. Allen*, 1 Wall. (U. S.) 368, 17 L. ed. 646.”

In *Pleasant vs. Fant*, 89 U. S. 116, 22 L. ed. 780, 782, a much quoted case, the opinion was rendered by Mr. Justice Miller.

In discussing the duty of courts to protect parties from unjust verdicts by instructing juries in the rule of law by which evidence was to be examined and applied, and when necessary by setting aside a verdict which is unsupported by evidence or contrary to law, Mr. Justice Miller said:

“In the discharge of this duty it is the province of the court, either before or after the verdict, to decide whether the plaintiff has given evidence sufficient to support or justify a verdict in his favor. Not whether on all the evidence the preponderating weight is in his favor; that is the business of the jury; but conceding to all the evidence offered the greatest probative force which according to the law of evidence it is fairly entitled to, is it sufficient to justify a verdict? If it does not, then it is the duty of the court after a verdict to set it aside and grant a new trial. Must the court go through the idle ceremony in such a case of submitting to the jury the testimony on which plaintiff relies, when it is clear to the judicial mind that if the jury should find a verdict in favor of the plaintiff that verdict would be set aside and a new trial had? Such a proposition is absurd, and accordingly we hold the true principle to be that if the court is satisfied that, conceding all the inferences which the jury could justifiably draw from the testimony, the evidence is insufficient to warrant a verdict for the plaintiff, the court should say so to the jury. In such case the party can submit to a nonsuit and try his case again if he can strengthen it, except where the local law forbids a nonsuit at that stage of the trial, or if he has done his best he must abide the judgment of the court, subject to a right of review, whether he has made such a case as ought to be submitted to the jury; such a case as a jury might justifiably find for him a verdict.

Tested by these principles we are of opinion the circuit

court ruled well. If plaintiff had secured a verdict on the testimony before us, we think that court ought to have set it aside as not being warranted by the evidence."

This case is also cited as having announced the doctrine of *Improvement Co. vs. Munson*.

In *Herbert vs. Butler*, 97 U. S. 319, 24 L. ed. 958, the Supreme Court, through Mr. Justice Bradley, cited *Improvement Co. vs. Munson* and *Pleasants vs. Fant*, affirmed the right of a judge to direct a verdict for the defendant.

In *Bowditch vs. Boston*, 101 U. S. 16, 25 L. ed. 980, 981, court said through Mr. Justice Swayne:

"It is now a settled rule in the courts of the United States that whenever, in the trial of a civil case, it is clear that the state of the evidence is such as not to warrant a verdict for a party, and that if such a verdict were rendered the other party would be entitled to a new trial, it is the right and duty of the judge to direct the jury to find according to the views of the court. Such is the constant practice and it is a convenient one. It saves time and expense. It gives scientific certainty to the law in its application to the facts and promotes the ends of justice. *Merchant's Nat. Bank vs. State Nat. Bank*, 10 Wall. (U. S.) 604, 19 L. ed. 1008; *Improvement Co. vs. Munson*, 14 Wall. (U. S.) 442, 20 L. ed. 867; *Pleasants vs. Fant*, 22 Wall. (U. S.) 116, 22 L. ed. 780.

The rule in the English courts is substantially the same. *Ryder vs. Wombwell*, L. R. 4 Exch. 32; *Giblin vs. McMullen*, L. R. 2 P. C. 335. In the latter case it was said, 'In every case, before the evidence is left to the jury, there is a preliminary question for the judge, not whether there is literally no evidence, but whether there is any upon which a jury can properly proceed to find a verdict for the party introducing it, upon whom the onus of proof is imposed.'"

Independently of the reasons, this is, of course, as previously indicated, an accepted doctrine in the federal courts. See *Blount vs. Grand Trunk Ry. Co.* (9 C. C. A. 526, 61 Fed. 375, 379 (sixth), and cases cited. Taft, Judge.

In *Franklin Brass Co. vs. Phoenix Assur. Co.*, 65 Fed. Rep. 773, 13 C. C. A. 124, the principle is stated with numerous decisions.

Judgment Non-Obstante Veredicto.—In many cases the federal courts had sanctioned judgment non-obstante veredicto, especially when in conformity with state practice. See for example: *B. & O. R. R. vs. McCune*, 174 Fed. 991, C. C. A. (Third, 1909); *Casey vs. Pa. Asphalt Paving Co.*, 109 Fed. 744; *Shumaker vs. Security Life & Annuity Co.*, 159 Fed. 112; *Keiper vs. Equitable Life Assurance Society*, 159 Fed. 206; *German Insurance vs. Frederick*, 58 Fed. 144, 7 C. C. A. 122; *City of*

Fort Scott vs. W. G. Eads Brokerage Company, 117 Fed. 51, 54 C. C. A. 437.

The Supreme Court of the United States, however, in *Slocum vs. N. Y. Life Insurance Company*, 228 U. S. 364, 57 L. ed. (1913), held that a Circuit Court of Appeals, when reversing a judgment of a circuit court, entered on a general verdict in favor of plaintiff, because of error in refusing to instruct the jury that the evidence was insufficient to sustain a verdict for plaintiff, can not direct, although in accordance with a state practice as defined in Pennsylvania Laws 1905, Chap. 198, that judgment on the evidence be entered notwithstanding the verdict, but must award a new trial, in order to conform to the provision of the seventh amendment of the Constitution of the United States (heretofore quoted). This opinion elaborately discusses trial by jury in federal courts, four of the justices dissenting. Few cases better illustrate the narrow margin between the differences of opinion in this tribunal upon the principles of trials.

The point has been reaffirmed in *Pederson vs. D., L. & W. R. R. Company* (U. S. —), (33 Sup. Ct. 648, May 26, 1913), reported July 1, 1913.

It therefore appears that a federal court may set aside a verdict and grant a new trial, and may direct a verdict, but may not grant a judgment notwithstanding the verdict, this distinction being intended to maintain the seventh amendment of the Constitution and preserve the right of trial by jury.

New Trials.—Motions for new trials in the courts of the United States, it is well established, are not subject to state statute or practice (*Duke vs. St. Louis Co.*, 172 Fed. 684; *Missouri Pacific Railroad Company vs. Chicago and Alton Railroad Company*, 132 U. S. 191; *Fishburn vs. Chicago, Milwaukee & St. Paul Railway Company*, 137 U. S. 60), and are addressed to the sound discretion of the court.

In *Usher vs. Scranton Railway Company*, 132 Fed. 405, a case arising in the Circuit Court for the Middle District of Pennsylvania, the court said as to a motion for a new trial:

“But the appeal is to the discretion of the court, to which it is difficult to set bounds, the controlling consideration being what is just and right. * * * It (the reason for a new trial) may have been informally presented, but if wanting in form, it was not in substance, which is the main thing.”

Trial by Judge.—Section 649, R. S. U. S., provides that issues of fact in civil cases in any circuit court may be tried and determined by the court without the intervention of a jury, whenever the parties to the suit or their attorneys of record shall file with the clerk a stipulation in writing waiving a jury.

Section 700, R. S. U. S., provides that if any issue of fact is thus tried and determined by the court without the intervention of a jury, the exceptions made to the rulings of the court upon the trial and duly presented by bill of exceptions may be reviewed by the appellate court on error or appeal; and that when the finding is special the review may extend to the sufficiency of the facts which are found to support the verdict. Under Section 649 the finding of the court upon the facts may be general or special, and has the same effect as the verdict of a jury.

Prior to the present Judicial Code the district courts were restricted by Section 566, R. S. U. S., so that they could try issues of fact only by a jury, except in equity, admiralty, and maritime causes, and as specifically provided in the bankruptcy laws. Under the new code, however, the jurisdiction of the circuit courts having been given to the district courts the provision of trial by judge and the other provisions of a similar nature apply to the district courts, excepting in cases in which the district courts had original jurisdiction prior to the application of the new judicial code.

It is not within the province of this discussion to further elaborate the extent of review in cases tried by a judge or the relations of the judge to such causes, those being special topics within the province of other treatises.

Trial by Referee or Auditor.—Where all the parties consent it has been held, for example, in *Ramsey*, 158 Fed. 488, and *Newcomb vs. Wood*, 97 U. S. 581, 24 L. ed., 1085, that a judge may refer either the facts of a case or both the facts and law to a referee or auditor, whose findings will be treated as the findings of a jury. The judge may refuse to confirm the report, leaving the case for a jury trial, but he may not decline to accept the findings, or himself find the facts and enter judgment thereupon.

Evidence.—The authority for the presentation of evidence has been heretofore presented, but it may be noted that special federal statutes in a large measure control the presentation of evidence, admission of documents, restoring records and judgment, citation of laws, etc., as in R. S. U. S., Secs. 883-896, 899-901, 905-908.

Bill of Exceptions.—As hereinbefore indicated, it is a familiar principle of a trial at law that a review upon the admission or rejection of evidence or objections to a charge, or of objections to the proceedings may be had by bill of exceptions, preserving for review the exceptions to the rulings of the trial court taken at the time of the trial.

Conclusion.—It is not within the province of this topic to further discuss the practices with respect to bill of exceptions,

or the charge to the jury, of the verdict or granting or refusing, or remittitur or judgment, attachments, removal of causes, appellate proceedings, etc., what is discussed being intended to present essentially those points of proceedings and practices which peculiarly distinguish a federal action at law, especially in such causes as patent causes.

XVII. ACTIONS IN EQUITY.

The single purpose of actions at law in patent causes is to recover damages for past infringements. The basis of actions in equity in patent causes is to secure an injunction of future infringements.

Incidental to the injunctive relief is the power of the court to order an accounting of the defendant's profits and an assessment of damages sustained by the complainant by reason of the infringement, and, even without the element of a prayer for injunction, equity has such jurisdiction where some impediment prevents a resort to legal remedies, or where special circumstances render a legal remedy difficult, inadequate or incomplete. An equity court may ascertain both the profits of the defendant and the damages to the complainant, or having ascertained the profits to be in excess of the damages may proceed no further in assessing the damages but may, where no profits are shown, decree damages, and where damages only are ascertained, and where they exceed the profits, may grant a decree for the amount of the damages or for any sum not exceeding three times that amount (R. S., Sec. 4921, 4919; *Root vs. Lake Shore & Michigan Southern R. Co.*, 105 U. S. 189, 26 L. ed. 975).

The rule of law requiring that all co-owners should join in a suit in an action at law is applicable also in an action in equity for the infringement of a patent. Where the legal title is in one person and the equitable title in another ordinarily both should join, but the owner of the equitable title alone may proceed if in such case a decree against him would operate also against the holder of the legal title. Conversely, the owner of the equitable title need not join if his interest be confined to a share of the proceeds of the patent or if he has given appropriate written authority to the holder of the legal title. The defendant may demand either that the equitable owner or that the legal owner join, if necessary for the protection of the rights of the defendant. Any such co-complainant thus brought in may upon motion remove himself from the case by disclaiming all interest in the subject of litigation.

The defenses which apply to matters at law for infringement of a patent apply in the same matters in actions in equity.

There are two defenses, however, which are peculiar to equity. They are nonjurisdiction and laches. Nonjurisdiction is always available but should be preferably pleaded, or made the subject of a motion, and is especially applicable where the patent has expired before the bill was filed or where the complainant had no title when the bill was filed. However, if these affirmative conditions exist, the expiration of the patent before the hearing, or the sale of the patent by the complainant before the hearing, or the intervention of some principle of public policy, or delay by the complainant in proceeding, while preventing the granting of an injunction does not remove the jurisdiction of the court over the case if the bill properly states a case for an injunction and contains a proper prayer for relief. If, on the other hand, a bill does not state a proper case for an injunction though containing a prayer for such a writ, equity jurisdiction will not attach and the bill will be dismissed whenever the lack of jurisdiction is brought to the attention of the court.

When a bill is filed just before the expiration of a patent so that a motion for an injunction may not be duly noticed and heard by the court until after the patent has expired, the court will dismiss the bill of complaint; and where it is apparent that no permanent injunction can possibly be obtained in the case by reason of the expiration of the patent the bill may be dismissed in pursuance of a proper motion. It is only when the bill shows that it was filed after the patent had expired that the court will dismiss the bill without reference to any pleading. Otherwise lack of jurisdiction must be presented by motion or answer. It was customary under the former practice to present the defense by a demurrer because then the bill might be dismissed with costs, and the same result should now be reached by motion.

The defense of laches is one of circumstances and within the discretion of the court, and the essence of the matter is that it must appear upon the whole that it would be inequitable to permit the plaintiff to assert his rights in the face of a flagrant lack of diligence by him or his assignor. Mere delay in filing suit is not necessarily laches. It may not have harmed the defendant and it may have been without fault on the part of the complainant, or because he was testing the matter in some other suit, or it may have occurred with the constant knowledge of the defendant that he was liable to such a suit. As one writer says, "it is neglect and not patience that constitutes laches." The defense of laches may be presented by motion or answer, or at the hearing without any pleading to support it, because the proofs produced in the case may be in themselves sufficient to raise the defense.

In any case where a bill is filed at a late date it should contain excuses for the delay, and these excuses should be embodied in the proofs to serve in the case point is raised at the hearing.

One of the devices commonly employed in the early days, both in England and the United States, was that of having questions of fact tried in a court of law and of giving full equity relief only after the validity of the patent, the rights of the plaintiff, and the infringement had been established by the action at law. See, for example, *Ogle vs. Ege*, 18 Fed. Cases 619, Case No. 10, 462, (1826); *Woodworth vs. Edwards*, 2 Robb. 610. (1847); *Wilson vs. Barnum*, 30 Fed. Cas. 101, Case No. 17,786.

In the case of *Cochrane vs. Deener*, 94 U. S. 780, 24 L. ed. 139, the Supreme Court having held that the powers of the Supreme Court of the District of Columbia are in patent causes the same as those of the circuit courts (or what would now be the district courts) held also that whether a patent case shall be decided by a court of equity upon its merits, or tried as in a court of law, is a matter of discretion and not of jurisdiction, and that the action of the court below in assuming jurisdiction did not furnish a ground for appeal. All these matters were elaborately discussed in the case of *Root vs. Lake Shore & Michigan Southern Railway*, 105 U. S. 189, 26 L. ed. 975 (1882), which held that a court of equity having jurisdiction for the purpose of administering the equitable relief sought by the patentee may determine directly and for itself, in the same proceeding, all questions incidental to the exercise of its jurisdiction, notwithstanding they may be questions affecting legal right and legal titles. This matter is well stated by Judge Thayer in *Wise vs. Grand Avenue Ry. Co.*, 33 Fed. 277. In overruling a demurrer the court said:

"A patentee is not compelled to sue at law and establish the validity of his patent in the forum as a condition precedent to obtaining equitable relief, although the chancellor may in his discretion require a suit at law to be brought and tried, before awarding an injunction, if he doubts the validity of the patent. But, as a matter of practice, courts of equity rarely, if ever, require a suit at law to be brought to establish the validity of a patent, preferring usually to hear and determine for themselves all questions that may arise affecting the validity of the same. These questions have all been so well settled that a reference to the authorities is all that is deemed necessary on these points of the demurrer. *Root vs. Lake Shore & Michigan Southern R. Co.*, 105 U. S. 189, 26 L. ed. 975; *Cochrane vs. Deener*, 94 U. S. 780, 24 L. ed. 139; *Goodyear vs. Day*, 2 Wall. Jr. 296; *Sickles vs. Gloucester Co.*, 3 Wall. Jr. 186."

Another device of the ancient practice was a feigned issue.

While this was exceptional and in some cases refused in a patent cause, it was allowed in the well-known case of *Foote vs. Silsby*, 9 Fed. Cas. 384, Case No. 4,919, (1850). Under the present practice, though rarely employed, a jury may be impaneled to pass upon questions of fact arising in a cause in equity. This is under the provisions of the Act of February 16, 1875, providing for a jury of not less than five and not more than twelve persons (18 Stat. at l. 315, chap. 77, sec. 1, 1 U. S. Comp. Stats., 526).

This, however, is a matter of discretion with the court. *Keyes vs. Pueblo Smelting & Refining Co.*, 31 Fed. 560; *International Tooth Crown Co. vs. Hank Dental Association*, 111 Fed. 916.

It must be observed, however, that equity will not interpose in any case in which there is remedy at law. This is in accordance with the general principles of equity and has also been the law from the beginning in the United States and is now the law in the provisions of Section 723 of the Revised Statutes, re-enacted in Section 256 of the Judicial Code.

The former equity practice required a knowledge of the application of various pleadings under the equity rules.

These rules were abolished November 4, 1912, and the new equity rules became operative February 1, 1913.

The announced purpose of the new equity rules was to simplify the practice and to expedite suits in equity and lessen their cost. They put an equity cause within the control of the court at every stage, provide that, as a rule, the court shall actually hear the cause and, especially, direct the examination of witnesses in open court. The rules have abolished technical pleadings, as demurrers and pleas, and have substituted for these the more elastic motion. The rules as now operative present a framework of practice more clearly resembling that of common-law practice than did the system established by the old rules.

Rules 1 and 2 provide that the district court is always open for certain purposes, and for orders at chambers, and that the clerk's office shall be practically always open. By rule 3 the clerk is required to keep an "Equity Docket," an "Order Book" and an "Equity Journal," whose purposes are fairly indicated by their titles.

By rule 4 the old provision of noting an order in the Equity Docket or Order Book is abolished, and, if orders be filed without prior notice to or in the presence of the parties to be bound then the clerk is to give notice by mailing a copy of such order to the parties interested and note the mailing in the Equity Docket.

Rule 5 is substantially, with verbal changes, the preceding rule 5 with reference to motions granted of course by the clerk.

By rule 6 a motion day is to be established at regular times

and places not less than once each month, with latitude, however, for the court to make additional provisions.

Rule 7 defines process, mesne and final, being substantially the former rule but having its meaning modified by other rules hereinafter considered.

Rule 8 is substantially a former rule, relating to enforcement of final decrees with some additions of familiar equity practice.

Rule 9 provides for a writ of assistance, Rule 10 for a decree for deficiency in foreclosure, etc., and Rule 11 for process in behalf of and against persons not parties.

Rule 12 covers issue of subpoena and time for answer. It provides that "at the bottom of the subpoena shall be placed a memorandum, that the defendant is required to file his answer or other defense in the clerk's office on or before the twentieth day after service, excluding the day thereof; otherwise the bill may be taken pro confesso."

This and similar provisions of the rules are evidently impracticable in many patent causes, for validity searches often require more time than that of the rule, and the frequently difficult investigations of statutory bars require additional time for proper defense. The complainant may have been preparing for many months or even years and it will be essential that sufficient time shall be allowed for such examination by the defendant. It is to be presumed that under the authority given by the rules the judges of the courts will permit the proper extension of time. However, in all cases under the equity rules it is required that the leave be obtained in advance and it will at least be expected that prompt application be made for any extension.

Rule 13 defines the manner of serving subpoena. Rule 14 provides for an alias subpoena, and Rule 15 covers the serving of the process, these three rules being the preceding equity rules having the same numbers.

Rule 16 requires the defendant to answer promptly on penalty, in case of default, of a decree pro confesso as substantially indicated in the preceding rules 7 and 12. Rule 17 is the old equity rule 19, providing that a decree pro confesso is to be followed by a final decree, and for setting aside a default upon proper motion.

The effect of this rule is, however, different in view of the Judicial Code which abolishes the original jurisdiction of circuit courts and fixes the term of the district courts. This rule, therefore, requires the careful attention of the solicitor to causes in various districts because of the different terms in the several districts, these terms necessarily varying by reason of the different volume of work.

Rule 18 reads as follows: "Unless otherwise prescribed by

statute or these rules the technical forms of pleadings in equity are abolished.”

The only pleadings named in the present rules are the bill and answer and motions. The qualification in rule 18, referring to provisions of the statutes, is declaratory of the principles of Sections 913 and 917, R. S. U. S. These sections read as follows:

“The forms of mesne process and the forms and modes of proceeding in suits of equity and of admiralty and maritime jurisdiction in the circuit and district courts shall be according to the principles, rules, and usages which belong to courts of equity and of admiralty, respectively, except when it is otherwise provided by statute or by rules of court made in pursuance thereof; but the same shall be subject to alteration and addition by the same courts, respectively, and to regulation by the Supreme Court, by rules prescribed, from time to time, to any circuit or district court, not inconsistent with the laws of the United States.”

“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 forms of writs and other process, the modes of forming and filing proceedings and pleadings, of taking and obtaining discovery, of proceeding to obtain relief, of drawing up, entering, and enrolling decrees, and of proceeding before trustees appointed by the court, and generally to regulate the whole practice, to be used, in suits in equity or admiralty, by the circuit and district courts.

By rule 19 the judge may permit amendments at any stage of the proceedings and in any manner which in his opinion does not effect the substantial rights of the parties.

By rule 20 the judge on motion or of his own motion may order a complete revision of the proceedings and may require a further and particular statement in the pleadings.

By rule 21 the former exceptions for scandal or impertinence are to be taken care of by means of motion or upon the initiative of the court.

Rule 22 provides that if an action at law be erroneously begun as a suit in equity it shall be forthwith transferred to the law side and be there proceeded with, only such alterations in the proceedings as shall be essential.

Following this is rule 23, making it imperative upon the court that matters ordinarily determinable at law when arising in a suit at equity are to be disposed of in the equity cause.

Rule 24 provides that the signature of counsel, that is, the individual signature shall be appended to every pleading in the cause. The individual signature indicates that the solicitor has read the pleading signed by him, that he believes there is good

ground for the pleading, that there is no scandalous matter, and that it is not interposed for delay.

Under rule 25 the contents of a bill of complaint are set forth and while this rule practically recites what has hitherto been good practice it may be quoted as an authoritative definition of what a bill shall be:

“Hereafter it shall be sufficient that a bill in equity shall contain, in addition to the usual caption:

First, the full name, when known, of each plaintiff and defendant, and the citizenship and residence of each party. If any party be under any disability that fact shall be stated.

Second, a short and plain statement of the grounds upon which the court's jurisdiction depends.

Third, a short and simple statement of the ultimate facts upon which the plaintiff asks relief, omitting any mere statement of evidence.

Fourth, if there are persons other than those named as defendants who appear to be proper parties, the bill should state why they are not made parties—as that they are not within the jurisdiction of the court, or can not be made parties without ousting the jurisdiction.

Fifth, a statement of and prayer for any special relief pending the suit on final hearing, which may be stated and sought in alternative forms. If special relief pending the suit be desired the bill should be verified by the oath of the plaintiff, or someone having knowledge of the facts upon which such relief is asked.

Rule 26 covers joinder of causes of action, and permits a wide latitude.

It has been customary in patent suits to join mechanical patents capable of conjoint use, and even mechanical and design patents; and, where the single act of infringement permitted the charge, to allege infringement of a patent and a trade-mark, or infringement of a patent and unfair competition. It may be assumed that the new rule looks to a joinder of causes which are germane.

Rule 27 is substantially the old rule 94 relating to a stockholders bill.

Rule 28 provides for amendment of bill as a matter of course and for an amendment after pleading by consent of defendant by leave of the court.

Rule 29 relates to the presentation of defenses and reads as follows:

“Demurrers and pleas are abolished. Every defense in point of law arising upon the face of the bill, whether for misjoinder, nonjoinder, or insufficiency of fact to constitute a valid cause of action in equity, which might heretofore have been made by de-

murrer or plea, shall be made by motion to dismiss or in the answer; and every such point of law going to the whole or a material part of the cause or causes of action stated in the bill may be called up and disposed of before final hearing at the discretion of the court. Every defense heretofore presentable by plea in bar or abatement shall be made in the answer and may be separately heard and disposed of before the trial of the principal case in the discretion of the court. If the defendant move to dismiss the bill or any part thereof, the motion may be set down for hearing by either party upon five days' notice, and, if it be denied, answer shall be filed within five days thereafter or a decree pro confesso entered.

Rule 30 defines the contents of an answer and the presenting of counter-claims. It may be for convenience quoted in paragraphs as follows:

1. "The defendant in his answer shall in short and simple terms set out his defense to each claim asserted by the bill, omitting any mere statement of evidence and avoiding any general denial of the averments of the bill,"

2. "but specifically admitting or denying or explaining the facts upon which the plaintiff relies,"

3. "unless the defendant is without knowledge, in which case he shall so state, such statement operating as a denial."

4. "Averments other than of value or amount of damage, if not denied, shall be deemed confessed, except as against an infant, lunatic or other person non compos and not under guardianship,"

5. "but the answer may be amended, by leave of the court or judge, upon reasonable notice, so as to put any averment in issue, when justice requires it."

6. "The answer may state as many defenses, in the alternative, regardless of consistency, as the defendant deems essential to his defense."

7. "The answer must state in short and simple form any counter-claim arising out of the transaction which is the subject-matter of the suit,"

8. "and may, without cross-bill, set out any set-off or counter-claim against the plaintiff which might be the subject of an independent suit in equity against him,"

9. "and such set-off or counter-claim, so set up, shall have the same effect as a cross-suit,"

10. "so as to enable the court to pronounce a final judgment in the same suit both on the original and cross-claims."

Rule 31 abolishes replications and puts the cause at issue ordinarily upon the filing of the answer. In case of set-offs or counter-claims requires a reply within ten days after the filing

of the answer unless a longer time be allowed by the court. And provides for other defendants affected, and for a decree pro confesso on the counter-claim, in case of default thereon.

Rule 32 provides for a new or supplementary answer within ten days.

Rule 33 applies a motion to test sufficiency of defense as follows:

“Exceptions for insufficiency of an answer are abolished. But if an answer set up an affirmative defense, set-off or counter-claim, the plaintiff may, upon five days’ notice, or such further time as the court may allow, test the sufficiency of the same by motion to strike out. If found insufficient but amendable the court may allow an amendment upon terms, or strike out the matter.”

Rule 34 provides that either party may, with the permission of the court, file a suitable supplementary pleading upon reasonable notice to allege material facts occurring subsequent to the former pleading or of which the pleader was ignorant.

Rule 35 is the preceding rule 58 relating to the form of bills of revivor and supplementary bills.

Rule 36 recites, in accordance with the present practice, the officers by whom pleadings may be verified.

Rule 37 requires every action to be prosecuted in the name of the real party in interest, with appropriate provisions for executor, administrator, guardian, trustee, etc., and provides for intervention as follows:

“Every action shall be prosecuted in the name of the real party in interest, but an executor, administrator, guardian, trustee of an express trust, a party with whom or in whose name a contract has been made for the benefit of another, or a party expressly authorized by statute, may sue in his own name without joining with him the party for whose benefit the action is brought. All persons having an interest in the subject of the action and in obtaining the relief demanded may join as plaintiffs, and any person may be made a defendant who has or claims an interest adverse to the plaintiff. Any person may at any time be made a party if his presence is necessary or proper to a complete determination of the cause. Persons having a united interest must be joined on the same side as plaintiffs or defendants, but when any one refuses to join, he may for such reason be made a defendant.”

Any one claiming an interest in the litigation may at any time be permitted to assert his right by intervention, but the intervention shall be in subordination to, and in recognition of, the propriety of the main proceeding.

Rule 38 provides for suit by representatives of a class.

Rule 39 for proceeding with a cause under certain circumstances in the absence of the persons who would be proper parties.

Rules 40, 41, and 42 are the familiar provisions relating to nominal parties, suits to execute trusts or wills or to make the heir a party and joint and several demands.

Rule 43 provides for meeting an objection of defect of parties, and rule 44 for a decree saving the rights of the absent parties in case of a tardy objection by the defendant.

Rule 45, with reference to revivor in case of the death of a party, reads as follows:

"In the event of the death of either party the court may, in a proper case, upon motion, order the suit to be revived by the substitution of the proper parties. If the successors or representatives of the deceased party fail to make such application within a reasonable time, then any other party may, on motion, apply for such relief, and the court, upon any such motion, may make the necessary orders for notice to the parties to be substituted and for the filing of such pleadings or amendments as may be necessary."

Rules 46 to 56 inclusive relate to the manner of taking testimony.

Rule 46 provides that testimony shall usually be taken in open court and reads as follows:

"In all trials in equity the testimony of witnesses shall be taken orally in open court, except as otherwise provided by statute or these rules. The court shall pass upon the admissibility of all evidence offered as in actions at law. When evidence is offered and excluded and the party against whom the ruling is made excepts thereto at the time, 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 shall not reverse the decree unless it be clearly of opinion that material prejudice will result from an affirmance, in which event it shall direct such further steps as justice may require."

Rule 47 relates to depositions in exceptional instances and reads as follows:

"The court, upon application of either party, when allowed by statute, or for good and exceptional cause for departing from the general rule, to be shown by affidavit, may 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 the notice and terms specified in the order.

All deposition taken under a statute, or under any such order of the court, shall be taken and filed as follows, unless otherwise ordered by the court or judge for good cause shown: Those of the plaintiff within sixty days from the time the cause is at issue; those of the defendant within thirty days from the expiration of the time for the filing of plaintiff's depositions; and rebutting depositions by either party within twenty days after the time for taking original depositions expires."

The reference in this rule to the statute means, of course, that class of statutes in which no discretion is left to the court. The statutes on this subject run from R. S. U. S. Sec. 862 to 891, inclusive.

Sec. 862 gives to the Supreme Court the power of prescribing the mode of proof in equity causes, except as provided by statute.

Sec. 863, commonly known as the *de bene esse* statute, provides for the deposition of witnesses living at a greater distance than one hundred miles from the place of the trial. Permission of the court is not required under the statute and the deposition may be taken before the clerk of the district court or any notary public not disqualified by being counsel or attorney of either of the parties or interested in the event of the cause. It has been for years good practice under this statute to give reasonable notice of the time and place of meetings, the names of the witnesses to be examined, and the notary public before whom they are to be examined. Upon occasion, as for example, where there is difficulty in giving notice the court may direct the time and may also require the occurrence of witnesses.

By sec. 864 the testimony is to be reduced to writing or type-writing, or taken stenographically and then written out by the notary public or by some person under his supervision.

Sec. 865 prescribes the method of transmitting testimony by the officer. Sec. 866 empowers notaries public to take depositions, etc.

The Act 27 Stat. 1. 7, provides that in addition to the mode prescribed by the above cited statutes, it shall be lawful to take depositions or testimony of witnesses in the mode prescribed by the laws of the state in which the court is held.

It is obvious that if this statute be followed the state statute must determine to what extent the leave of the court must be obtained.

Sec. 866 R. S. U. S. puts under the direction of the court the taking of testimony *dedimus potestatem* and *in perpetuam*. Sec. 867 relates to depositions taken by leave of the court *in perpetuan rei memorian*. Sec. 868 prescribes the mode of taking depositions under *dedimus potestatem*. Sec. 869 relates to *subpoena duces decum*; Sec. 870 that the witnesses shall be required

to attend, and the fee to be tendered. Sec. 871, for taking the testimony of a witness found within the District of Columbia to be used in a suit pending in any state or territory or foreign court; Sections 872 and 873 pertain to the taking of testimony in the District of Columbia; and Sec. 874 to witness fees therein.

Sec. 875 relates to letters rogatory which are, of course, within the direction of the court.

Sec. 876 provides, in effect, that even if a witness lives more than one hundred miles from the place of trial he may still be subpoenaed to attend the trial if he lives within the district.

However, under the terms of Sec. 863 a witness may be examined *de bene esse* if he resides more than one hundred miles from the place of trial whether he resides within the district or not.

While the statutes do not expressly empower the court to permit the depositions of named witnesses to be taken before an examiner or other officer that part of rule 47 is not in contravention of the statute and is clearly within the latitude given the Supreme court by Sec. 872, R. S. U. S.

The rule seems to be somewhat vague in its concluding clause providing for rebutting depositions of either party within twenty days.

Rule 48 relating to the testimony of expert witnesses in patent and trade-mark cases reads as follows:

“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 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.”

It has not yet been determined whether or not an expert living more than one hundred miles from the place of trial may testify under the provision of the *de bene esse* statute. Sec. 863 R. S. U. S.

Rule 49 provides that all evidence offered before an examiner or like officer together with any objections shall be saved and returned to the court, and provides that the depositions shall be upon questions and answers or in the form of a narrative. The

opening clause of this rule affirms the practice which has existed under *Blease v. Garlington*, 92 U. S. 1, 23 L. ed. 521.

Rule 50 provides for the appointment and the fees of a stenographer to which, however, it would seem section 864 R. S. U. S. governing the mode of taking testimony *de bene esse* must be an exception.

Rule 51 is substantially paragraph 3 of the amendments to old rule 67. Inasmuch as it details the manner of taking testimony it may be repeated:

“Objections to the evidence, before an examiner or like officer, shall be in short form, stating the grounds of objection relied upon, but no transcript filed by such officer shall include argument or debate. The testimony of each witness, after being reduced to writing, shall be read over to or by him, and shall be signed by him in the presence of the officer; provided, that if the witness shall refuse to sign his deposition so taken, the officer shall sign the same, stating upon the record the reasons, if any, assigned by the witness for such refusal. Objection to any question or questions shall be noted by the officer upon the deposition, but he shall not have power to decide on the competency or materiality or relevancy of the questions. The court shall have power, and it shall be its duty, to deal with the costs of incompetent and immaterial or irrelevant depositions, or parts of them, as may be just.”

Rule 52 relates to the attendance of witnesses before a commissioner, master, or examiner, upon the lines of old equity rule 78. The essential difference is that the rule now is founded upon the general purpose that testimony of witnesses shall be taken in open court, and the rule makes an exceptional case one in which the testimony is taken out of court.

Rule 53 provides for notice of taking testimony in accordance with rule 47 where the testimony is taken before an examiner or other named officer under order of court. Rule 54 provides for cross-examination orally before the court or before an examiner or like officer, or for a new deposition with notice in case no notice has been given. The rule also declares the law in providing that depositions may be taken under sections of the revised statutes 863-865-866-867.

Rule 55 provides that the deposition shall be deemed published when filed.

Rule 56 provides that on the expiration of time for taking and filing depositions the case goes on the trial calendar, which, in effect, would mean that in the absence of extensions the case shall be placed on the trial calendar ninety days from the filing of the answer, a feat impossible of execution in many patent causes.

Rule 57 is another of the rules which may be drastic in operation. It relates to continuance and provides that a case may be taken from the trial calendar by consent of both parties and may be reinstated upon application of either party at any time within a year.

Rule 58 is a modification of the old equity rules 41-42-43. It relates to discovery, interrogatories, instruction, production of documents and admission of genuineness. The rule has a new provision in that it permits interrogatories in behalf of either the complainant or the defendant and for a sworn answer to each interrogatory with no provision for waiving oath. How far these provisions will be of moment in patent causes can only be determined by considerable experimentation.

Rule 59 provides for reference to a master, making that reference exceptional, not usual, and providing that it shall be presented to the master for hearing within twenty days succeeding the time at which the reference was made, unless a longer time be granted.

Rule 60 details the proceedings before a master, being a repetition of the old rule 75.

Rule 61 repeats the old rule 76 relating to a master's report and that documents shall be identified but not set forth.

Rule 62 is, with slight modification, the previous equity rule 77 and defines the powers of a master in regulating proceedings before him.

Rule 63 is, with slight alteration, the previous equity rule 79 and defines the form of accounts before a master.

Rules 64 and 65, respectively, relating to the use before a master of former depositions and the examination before a master of claimants, repeat the old equity rules 80-82.

Rule 66 provides for the return of the master's report, exceptions, and hearing thereon, a period of twenty days being allowed, being thus, in slight particulars, an amendment of the old equity rule 83.

Rule 67 qualifies the old equity rule 84 by fixing the costs on exceptions to a master's report at five (5) dollars on every exception allowed. Rule 68 is, with slight modifications, old equity rule 82 relating to appointment and compensation of masters.

Rule 69 is substantially the old equity rule 88 providing for a petition for rehearing. As before it requires that no rehearing shall be granted after the term at which the final decree shall have been entered and recorded, if an appeal lies to the Circuit Court of Appeals or the Supreme Court; otherwise, in the discretion of the court at any time before the end of the next term.

Rules 70-71-72 providing for suits by and against incompetents, form of decree, and correction of clerical mistakes in orders and decrees, are the old equity rules 87-86-85.

Rule 73 is substituted for the old rule 55 and reads as follows:

"No preliminary injunction shall be granted without notice to the opposite party. Nor shall any temporary restraining order be granted without notice to the opposite party, unless it shall clearly appear from specific facts, shown by affidavit or by the verified bill, that immediate and irreparable loss or damage will result to the applicant before the matter can be heard on notice. In case a temporary restraining order shall be granted without notice, in the contingency specified, the matter shall be made returnable at the earliest possible time, and in no event later than ten days from the date of the order, and shall take precedence of all matters, except older matters of the same character. When the matter comes up for hearing the party who obtained the temporary restraining order shall proceed with his application for a preliminary injunction, and if he does not do so the court shall dissolve his temporary restraining order. Upon two days notice to the party obtaining such temporary restraining order, the opposite party may appear and move the dissolution or modification of the order, and in that event the court or judge shall proceed to hear and determine the motion as expeditiously as the ends of justice may require. Every temporary restraining order shall be forthwith filed in the clerk's office."

Rule 74 provides for modifying, restoring, or suspending an injunction during the pendency of the appeal, and is the same as the old equity rule 93.

One of the most striking provisions of the new rules is rule 75 with reference to a record on appeal which reads as follows:

In case of appeal:

"(a) It shall be the duty of the appellant or his solicitor to file with the clerk of the court from which the appeal is prosecuted, together with proof or acknowledgment of service of a copy on the appellee or his solicitor, a proëcipe which shall indicate the portions of the record to be incorporated into the transcript on such appeal. Should the appellee or his solicitor desire additional portions of the record incorporated into the transcript, he shall file with the clerk of the court his proëcipe also within ten days thereafter, unless the time shall be enlarged by the court or a judge thereof, indicating such additional portions of the record desired by him.

"(b) The evidence to be included in the record shall not be set forth in full, but shall be stated in simple and condensed form, all parts not essential to the decision of the questions presented by the appeal being omitted and the testimony of witnesses being stated only in narrative form, save that if either party desires it, and the court or judge so directs, any part of the testimony shall be reproduced in the exact words of the witness. The duty of so condensing and stating the evidence shall rest

primarily on the appellant, who shall prepare his statement thereof and lodge the same in the clerk's office for the examination of the other parties at or before the time of filing his proëcipe under paragraph a of this rule. He shall also notify the other parties or their solicitors of such lodgment and shall name a time and place when he will ask the court or judge to approve the statement, the time so named to be at least ten days after such notice. At the expiration of the time named or such further time as the court or judge may allow, the statement, together with any objections made or amendments proposed by any party, shall be presented to the court or the judge, and if the statement be true, complete and properly prepared, it shall be approved by the court or judge, and if it be not true, complete or properly prepared, it shall be made so under the direction of the court or judge and shall then be approved. When approved, it shall be filed in the clerk's office and become a part of the record for the purposes of the appeal.

“(c) If any difference arise between the parties concerning directions as to the general contents of the record to be prepared on the appeal, such difference shall be submitted to the court or judge in conformity with the provisions of paragraph b of this rule and shall be covered by the directions which the court or judge may give on the subject.

It has in the second paragraph, especially, a provision which is certain to be exceedingly difficult in many patent causes.

Rule 76 is also a new rule with reference to record on appeal, reduction and preparation, costs, correction of omissions, and is especially interesting as imposing costs on the solicitor where redundant or immaterial matters are included in the transcript. It reads as follows:

“In preparing the transcript on an appeal, especial care shall be taken to avoid the inclusion of more than one copy of the same paper and to exclude the formal and immaterial parts of all exhibits, documents and other papers included therein; and for any infraction of this or any kindred rule the appellate court may withhold or impose costs as the circumstances of the case and the discouragement of like infractions in the future may require. Cost for such an infraction may be imposed upon offending solicitors as well as parties.

If, in the transcript, anything material to either party be omitted by accident or error, the appellate court, on a proper suggestion or its own motion, may direct that the omission be corrected by a supplemental transcript.

Rule 77 puts into a rule what has been a familiar practice in equity causes, that is, of substituting for a record on appeal an agreed statement.

Rule 78 provides for affirmation in lieu of oath following old equity rule 71.

Rule 79 provides that additional rules may be adopted by the district court, being substantially old equity rule 8^o.

Rule 80 provides that when the time expires on a Sunday or legal holiday, such time shall extend to and include the next succeeding day that is not a Sunday or a legal holiday.

Rule 81 abrogates the old rules and makes these rules effective for all cases pending or thereafter brought, from February 1, 1913.

XVIII. INJUNCTIONS.

The general principles applicable to a consideration of other property rights apply to injunctions in patent cases.

Injunctions may not be granted until the patent is issued. (See Part XIV—Secret Inventions.)

In the application for preliminary injunction it must be made to clearly appear that the patent is valid and is infringed.

The customary basis of application for preliminary injunction, is that the patent has been adjudicated and held valid after a trial and a final hearing, or that its validity has been recognized by that part of the public directly interested.

While there are exceptions in which the circumstances may make the infringement appear to be flagrant and such as should be at once restrained, the customary rule requires in the absence of a prior adjudication a long continued acquiescence in the claims of patentee, under circumstances where it would be in the interest of a part of the public not to admit the monopoly of the patent.

It follows that a preliminary injunction will ordinarily be refused where a prior adjudication has been against the patent and especially where there has been a final adjudication against the patent after a full hearing upon substantially the same ground.

A preliminary injunction is customarily denied where there has been laches on the part of the plaintiff; where the defendant is bona fide working under a similar patent; where the patent is about to expire; or where the granting of the injunction would work a great injury to the defendant and its refusal would injure the plaintiff in a less degree. It is customary in many cases to either substitute for injunction an indemnity bond from the defendant conditioned for the payment of all damages awarded; or to grant a preliminary injunction conditioned that the complainant shall give bond to indemnify the defendant in case the suit fails.

As has been heretofore shown, validity and infringement are different considerations. The mere fact that a patent has been

held valid does not, of course, in any event, lead to the conclusion that the defendant is necessarily infringing.

In any case, the granting or refusal, or the modifying or dissolving of an injunction rests in the sound discretion of the court.

An application for a preliminary injunction is based upon a motion and accompanying affidavits referring to and supplementing the bill of complaint. The defendant may file answering affidavits and it is customary for the complainant, when he desires, to then file reply affidavits.

In the consideration of a motion for a preliminary injunction there is strong reason for refusing to grant an injunction when the dispute involves a difficult question of law or fact, when the character and credibility of witnesses must be measured, and when on the whole the motion presents a question impracticable to settle upon the basis of mere affidavits.

The customary provisions for the punishment or violation of a writ or mandate granting an injunction obtained as in other matters and is further considered in Part XX herein.

The following quotations from some leading opinions of the courts sum up the relations of injunctions to patent causes.

Blount v. Societe, etc., 53 Fed. 98, 3 C. C. A. 455. In this case the court quotes from an English case as follows:

“That there are two points on which the court must satisfy itself. First, it must satisfy itself, not that the plaintiff has certainly a right, but that he has a fair question to raise as to the existence of such a right. The other is whether ‘interim’ interference, on a balance of convenience or inconvenience to the one party and to the other, is or is not expedient.”

And from a case of a Circuit Court of the United States as follows:

“In order to support a motion for an injunction, the bill should set forth a case of probable right, and a probable danger that the right would be defeated without the special interposition of the court.”

Then presenting the topic the court says:

“In such suits the plaintiff’s application for a provisional or pendente lite injunction should present a title to the patent sued on, the probable validity of such patent, and infringement thereof by the defendant.”

Passing then to the province of the Circuit Court of Appeals, the court said:

“But while this court, on appeals like the present, may not properly pass upon the merits of the controversies involved in the litigation, it may incidentally consider the questions relating to the validity and infringement of the patent, as well as all other

facts bearing upon the propriety of sustaining or dissolving the injunction awarded."

And again on the general topic:

"Where all persons, other than the owner of the patent, have for several years refrained from making, using, or selling the patented article, for the reason that it is patented, when it would be for their interest to adopt it, such acquiescence raises a fair presumption of its validity, sufficient to warrant the issuance of a preliminary injunction to restrain its infringement. So, too, if the patentee has long licensed the use of his invention, which no one has, for periods varying from two to eight years, assumed to use or sell without such license, there is such acquiescence as lays the foundation for a preliminary injunction.

* * * * *

"An interlocutory decree granting an injunction in another case is a good foundation on which to base an application for a preliminary injunction in any other court."

In *Electric Mfg. Co. v. Edison*, 61 Fed. 334, 10 C. C. A. 106, the court said:

"We have held in *Standard Elevator Co. v. Crane Elevator Co.*, 9 U. S. App. 556, 6 C. C. A. 100, and 56 Fed. 718, that, in the absence of prior adjudication or public acquiescence, a preliminary injunction should not be granted unless the rights of the patentee be clear, and the infringement be without reasonable doubt."

* * * * *

"Where, however, the patent has been strenuously contested, and its validity determined by a competent tribunal, we think a strong presumption arises in favor of the patent which imposes upon the contestant the burden of attack. Of course such prior adjudication does not conclude the question of right, even as to the defenses passed upon, except as between parties and privies. Such a judgment is not within the principles of *res judicata*. It is effective, however, to impress upon the patent such additional presumption of validity that demands of a contestant a quantum and force of evidence beyond that passed upon in the prior adjudication, sufficient to convince the court of the probability that, had such further evidence been presented and considered upon the former hearing, a different result would have been reached.

* * * * *

"It may be difficult to formulate a rule that will comprehend all the conditions which could be presented, but we think it safe to say that in general, where the validity of a patent has been sustained by prior adjudication upon final hearing, and after bona fide and strenuous contest, the matter of its validity upon motion for preliminary injunction is no longer at issue, all de-

enses, except that of infringement, being reserved to the final hearing; subject, however, to the single exception that, where a new defense is interposed, the evidence to support it must be so cogent and persuasive as to impress the court with the conviction that, if it had been presented and considered in the former case, it would probably have availed to a contrary conclusion. In the consideration of such new defense of anticipation, regard should be had to the rule that such a defense is an affirmative one; that the burden of proof is upon him who asserts it; and that the grant of letters patent is prima facie evidence that the patentee is the first inventor of the device described therein, and of its novelty."

In *Wilson v. Consolidated Store Service Co.*, 88 Fed. 286, 31 C. C. A. 533, the court quotes from its decision in *Davis Electric Works v. Edison Electric Light Co.*, 60 Fed. 276, 282, 8 C. C. A. 615, 621.

"The fundamental basis of jurisdiction in equity in relation to patent rights and trade-marks is the necessity of protecting established enterprises from the great uncertainty caused by infringements, and by the difficulty of measuring the direct and indirect losses if infringements continue."

An excellent summary of reasons which may obtain for refusing a preliminary injunction is given in *Hall Signal Co. v. General Ry.*, 153 Fed. 907, 82 C. C. A. 653.

"First. The five patents in suit relate to a difficult, complex and abstruse subject, namely, the transmission of signals on railways by electricity. Because of its complicated character and the innumerable details involved it is peculiarly a case where the court should have the benefit of the opinions of those skilled in the art tested and clarified by cross-examination.

"Second. The patents have never been adjudicated or judicially construed.

"Third. The defendants assert that the patents are invalid for lack of novelty and invention and that the claims of three of the patents are not infringed.

"The answer sets up twenty-one American and eight prior English patents and alleges four instances of prior use. It is also contended that if the patents are sustained the prior art renders a broad construction of the claims impossible.

"We do not intend to pass upon these defenses further than to say that we can not consider them as wholly devoid of merit. On the contrary we have examined the prior art sufficiently to be convinced that it is quite possible that at final hearing the court may feel constrained to limit the claims to a much narrower construction than is now asserted by the complainants. It is enough to say that the patents may emerge from the supreme

test of the trial with some of the claims invalidated and others so limited as to avoid infringement.

"Fourth. We think the complainants have failed to prove a case of acquiescence which may be regarded as a substitute for an adjudication. There has been no general long continued public acquiescence.

"The railroads are the complainants' only customers and for many years The Hall Company's only competitor was the Union Switch & Signal Company. In a technical sense, therefore, there was no public. It is not the case of a patented device going into long continued general use in circumstances which compel the conviction that infringements would have occurred were it not for a settled conviction on the part of those who might profit by infringing that the patent is valid.

"It is true that the general policy of the Union Company was not to infringe, but we are not at all convinced that this course was adopted through fear of the Wilson patents.

"The Union Company and the Hall Company were active rivals in business, the former advocating and installing the so-called normal safety system and the latter the normal danger system. Every consideration, not only of honesty in competition but of self-interest also, would induce the Union Company to exploit its own system, which it thoroughly understood and in the efficiency of which it had implicit confidence. To assert that its course, which was the natural one for honorable men to adopt, was due solely to the Wilson patents, is, we think, carrying the doctrine of acquiescence beyond the limits set by former adjudications.

"Fifth. We are not convinced that the complainants will suffer irreparable damage if the cause be allowed to take the usual course. That the defendants are amply responsible is conceded and if the complainants' contention is sustained and the patents construed to cover broadly the "normal danger system" there should be no difficulty in recovering the full amount of profits and damages.

"Sixth. The attitude of the court may be stated in a single sentence: We think the record presents too many elements of doubt to warrant the issuing of a preliminary injunction."

Acme Acetylene Appliance Co. v. Commercial Acetylene Co., 192 Fed. 321, 112 C. C. A. 573.

The court quotes from Judge Severens in *Interurban Ry. & T. Co. v. Westinghouse E. & Mfg. Co.*, 186 Fed. 170, 108 C. C. A. 302, as follows:

"And when there has been a prior adjudication sustaining a patent and the infringement thereof in the same or another circuit, where the validity of the patent has been contested upon

full proofs, the circuit court should, upon a motion for preliminary injunction, sustain the patent, and leave the determination of the question of its validity to be determined upon the final hearing."

In *Grand Rapids v. Warren*, 196 Fed. 892, C. C. A. the court quotes Judge Taft in *Societe Anonyme du Filtre v. Allen*, 90 Fed. 815, 33 C. C. A. 282, as follows:

"We are not prepared to say that, even in the absence of any direct evidence at all as to the infringement, a court might not, on a motion for a preliminary injunction, infer infringement from the disingenuousness of defendant's witnesses and their reluctance to disclose all the facts. * * * The question for the court upon this hearing is whether the court below exceeded the limits of a sound judicial discretion in refusing an injunction to the complainant. We may answer this question in the affirmative, without deciding that, had the court entered an order for the injunction, that order should be reversed. The function of the court of appeals, in hearings like this, is such that it may properly affirm an order refusing a preliminary injunction in one case and an order granting it in another on substantially the same evidence, because it is easy to conceive a case presenting upon a preliminary hearing such an evenly balanced controversy that the court above would affirm the action of the court below, whether one way or the other, when that action involves the exercise, not of exact judicial judgment, but merely judicial discretion."

* * * * *

Upon the question of infringement on the general situation of the case, the court said:

"As regards the evidence on the question of infringement, there was presented to the trial court a question of fact, substantial, serious, doubtful, and of great importance to the appellee, whose decision in its favor would entitle it to ultimate relief. That it would not ultimately succeed was not reasonably clear. The situation was such that the trial court might properly conclude that injury certain, great, and irreparable would result to the appellee through interference with, and impairment of, appellee's business and a multiplicity of suits and their attendant expense, if its motion were denied and the final decision should be in its favor, while the inconvenience and loss to the appellants, should the injunction be allowed to go, would be comparatively small and insignificant, for they could be abundantly indemnified by a proper bond. The court, under such circumstances, could rightly maintain the status quo pending the suit by granting a provisional injunction, or by exacting a proper bond from the appellants to protect the appellee from loss.

And in determination of the matter:

“We have concluded to remand, with direction that the injunction be dissolved upon the execution of a bond by the defendants below, with satisfactory security, in such sum as shall be determined by the court below, conditioned to account for and pay all damages resulting from the manufacture or sale of the alleged infringing device after the dissolution and prior to a final decree sustaining the patent and finding infringement. But, if the appellant declines to give such bond, the injunction will be dissolved unless the complainant shall execute a bond in a sum to be settled by the court below, with good security, conditioned to pay all damages which shall result from the wrongful suing out of the injunction.”

Appeals.—Section 7 of the Act of March 3, 1891 (26 Stat. L. 826), as twice amended, provides for an appeal from an injunction granting or continuing an interlocutory order or decree, but the appeal is to be had only by the party enjoined. *Ex parte National Enameling Co.*, 201 U. S. 156, 50 L. ed. 707.

XIX. ACCOUNTING, PROFITS AND DAMAGES.

The broad principles governing the assessing of damages and the measuring of profits have been heretofore presented.

While in an action at law damages may be obtained, in equity the complainant may recover the amount of the gains and profits of the defendant and, in addition may have assessed the damages sustained. It has been specifically held that in measuring profits the proper expenses of making and marketing are to be deducted from the selling price, but no losses, insurance, and interest upon capital invested in the plant, nor compensation for personal services.

For many years the attitude of the courts in many cases made it generally impossible to obtain an adequate money remedy in a patent cause. The requirements upon the plaintiff were more exacting than in any ordinary cause, and the practice offered a premium to defendants who confused in a mass of details the gains and profits derived.

Recently, however, the courts have broadened the rules so that a fairer accounting may be possible.

In *Wales v. Waterbury Mfg. Co.*, 101 Fed. 126, 41 C. C. A. 250, the court said:

“The master found that the patented buckle was “the best and only known buckle that could have sold pencil-holders, and no part of the profits would have been made except for it.”

* * * * *

“In disallowing the profits upon the combined buckle and

lever he did so apparently in deference to the rule that where the articles which have been made and sold by the infringer contain not the patented invention alone, but other inventions or improvements, the profits for which he is to account are not the total profits, but those only which are attributable to the presence of the patented invention. This has always been the rule, and it is manifestly a just one upon principle; but it is often difficult of practical application, and the courts have sometimes applied it so that it has not produced an equitable result. In many cases where it is obvious that the patented invention has contributed a great part of the profits realized from selling the infringing article or apparatus embodying unpatented features it is practically impossible for the complainant to establish affirmatively the proportionate part."

* * * * *

"An infringer is a trustee *ex maleficio* for the owner of the exclusive rights protected by the patent, and a trustee who has confused the profits made by the use of the trust property with those made from his own property and commingled them so that they can not be segregated must account for the whole. (Lupton v. White, 15 Ves. 432; Hart v. Ten Eyck, 2 Johns. Ch. 108; Central Nat. Bank v. Connecticut Mut. Life Ins. Co., 104 U. S. 54, 26 L. ed. 693.) On the other hand, such a rule would work unjustly in many cases, as where the patented feature is of an insignificant part of the machine or article, and it is probably because of its manifest inequity in such cases that the courts have placed upon the complainant the burden of proof. Thus in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, where the patent was for an improvement in a mop-head and the defendant sold mops which contained the patented improvement, but otherwise were the common unpatented article, it would have been unreasonable to permit the complainant to recover the profits on the entire mops, and because he had not given evidence to apportion the profits between the patented features and the other features of the mop the court decided that he had not established any basis for the recovery of profits. The court in that case quoted with approval the proposition stated in the following terms:

"The patentee must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented features and the unpatented features, and such evidence must be reliable and tangible, and not conjectural and speculative; or he must show by equally reliable and satisfactory evidence that the profits and damages are to be calculated on the whole machine, for the reason that the entire

value of the whole machine as a marketable article is properly and legally attributable to the patented feature.”

* * * * *

“If the improvement is required to adapt the machine to a particular use, and there is no other way open to the public to supply the demand for that use, then it is clear that the infringer has, by his infringement, secured the advantage of a market he would not otherwise have had, and that the fruits of this advantage are the entire profits he has made in that market.”
Sessions v. Romadka, 145 U. S. 29, 36 L. ed. 609.

“It seems the defendants did not manufacture these fasteners for sale, but did manufacture them for use on the trunks made and sold by them. Obviously, their profits upon the entire trunk would not be a proper measure of damages, since the fasteners were only an inconsiderable part of the trunk, and profits upon the entire article are only allowable where such article is wholly the invention of the patentee, or where its entire value is properly and legally attributable to the patented feature. Seymour v. McCormick, 16 How. 480; Mowry v. Whitney, 14 Wall. 620; Littlefield v. Perry, 21 Wall. 205; Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291. This court has, however, repeatedly held that, in estimating damages in the absence of a royalty, it is proper to consider the savings of the defendant in the use of the patented device over what was known and in general use for the same purpose anterior to the date of the patent.”

“We see no reason why this measure of damages should not be applied to this case. The only argument to the contrary is that the instances in which this court has applied this rule are confined to those wherein the defendant has made use of the complainant’s invention in the operation and conduct of his business, and that it ought not to be extended to cases in which the defendant manufactures and sells the devices. Without questioning at this time the soundness of this contention, we think this case falls within the former rather than within the latter category.”

* * * * *

“In such a case it makes no difference whether their general business has been conducted at a profit or loss, or whether they have derived an additional profit from the sale of trunks equipped with this device over those not so equipped, although the presumption would be, from the saving made by them in the use of this device, that an additional profit upon the sale of the trunks was made, unless it were shown that the use of this device in some way resulted in a diminution of profits upon the entire manufacture.”

Rude v. Westcott, 130 U. S. 152, 32 L. ed. 888.

“It is undoubtedly true that where there has been such a number of sales by a patentee of license to make, use and sell his patents as to establish a regular price for a license, that price may be taken as a measure of damages against infringers. That rule was established in *Seymour v. McCormick*, 16 How. 480, and affirmed in *Corporation v. Ransom*, 23 How. 487; *Packet Co. v. Sickles*, 19 Wall. 611, 617; *Birdsall v. Coolidge*, 93 U. S. 64; and *Root v. Railway Co.*, 105 U. S. 189, 197. Sales of licenses, made at periods years apart, will not establish any rule on the subject and determine the value of the patent. Like sales of ordinary goods, they must be common, that is, of frequent occurrence, to establish such a market-price for the article that it may be assumed to express, with reference to all similar articles, their salable value at the place designated. In order that a royalty may be accepted as a measure of damages against an infringer, who is a stranger to the license establishing it, it must be paid or secured before the infringement complained of; it must be paid by such a number of persons as to indicate a general acquiescence in its reasonableness by those who have occasion to use the invention; and it must be uniform at the places where the licenses are issued.”

Yesbera v. Hardesty Mfg. Co., 166 Fed. 1201, 92 C. C. A. 46 (Sixth).

“And if the books had not been lost or destroyed, in proof of which there was nothing but the vague suggestions of these witnesses, no one who reads this record could fail to agree with the master in his final conclusion. The master’s report of the proceeding before him fills 230 or more pages of the printed record, and shows a long but unavailing endeavor to elicit from the defendant the proof which would have made it easily possible for the master to make a right and just report upon the subject of the reference. It may be that more stringent measures might have been taken to enforce the order of the court, if, as the master believed, the defendant had the control of the missing books and records. But the defendant can not complain of that. His failure or refusal to produce the most satisfactory evidence leaves his case exposed to the presumption that if produced it would tell against him, and compels the court to rely on the less definite and certain evidence which the record may supply. This is a rule by which the courts are governed. If they fail to observe it, the rights of parties may utterly fail of protection.”

* * * * *

“Then as to the subject of damages. The master found that none were proved. The foundation of the claim in that regard is that the complainant’s selling price was \$2 for each stool of the common size, and about \$2.25 for the larger. To the extent of a

price of \$1.70, the complainant has already been compensated in profits. It might probably be conceded that the plaintiff could have made and sold the stools which the defendant made and sold. But it does not follow that it could have sold them at the price of \$2 and \$2.25."

* * * * *

"The law certainly does not permit the duplicating the same elements of damages (we use that term in its generic sense) upon both grounds for recovery, and, when they have been allowed upon one ground, the court should be careful to see that they are not given upon the other."

* * * * *

"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 the plaintiff's invention, as the master well said. 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."

Westinghouse et al v. N. Y. Brake Co., 140 Fed. 545, 72 C. C. A. 61 (Second.)

The general rule governing recoveries in infringement cases is stated, quoting Judge Blatchford, 15 Blatch. 70, Fed. Cas. No. 5,248, in *Garretson v. Clark*, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, in the following language:

"The patentee must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented features and the unpatented features, and such evidence must be reliable and tangible, and not conjectural and speculative; or he must show by equally reliable and satisfactory evidence that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine as a marketable article is properly and legally attributable to the patented feature."

The court then points to the substantial modification of the rule in *Wales v. Waterbury* (supra) and gives examples under the second part of the rule, applying the principle as follows:

"Inasmuch as the complainants did not attempt to separate or apportion the defendant's profits and their own damages between the patented and the unpatented features of the quick-action triple valve, it was incumbent upon them to prove that the entire value of the defendant's quick-action valve as a marketable article was properly and legally attributable to the patented features. What they did prove, and all they proved, was that purchasers of triple valves generally demanded some

form of quick-action valves, and that, except to a very limited extent, purchasers could not be found for valves without these features. This falls short of proof that only the patented form could supply the demand, and does not meet the requirements of the second branch of the rule."

In *Westinghouse Electric Co. v. Wager*, 225 U. S. 604, 56 L. ed. 1222 (1912) the Supreme Court, perceiving the chaotic condition caused by the varying application of conflicting "rules" did much to advance the application of the law to its apparent end.

The position of the court is evidenced by the following:

"The statute makes the decision of the circuit court of appeals final in patent cases, and the plaintiff's petition for the writ of certiorari herein was not granted for the purpose of re-examining the court's ruling that defendant's Type M transformer was not an infringement of claim 4 of the Westinghouse patent. The writ was issued in view of the holding that, though the master found that the defendant had made a profit of \$132,000 from the sale of infringing transformers, the plaintiff could yet only recover one dollar because it failed to separate the profits made by its patent from those made by the defendant's addition.

"1. The question as to who has the burden of proof, in cases like this, is one of great practical importance and constantly arises in patent cases. There has been much controversy on the subject and a conflict in the decisions. The authorities cited in the briefs of the two litigants, and others bearing on the subject, have been examined, but we shall not undertake to separately review them, for they disagree not so much as to the rule as to its application. It will be sufficient for the present purposes to say that—

"(a) Where the infringer has sold or used a patented article, the plaintiff is entitled to recover all of the profits.

"(b) Where a patent, though using old elements, gives the entire value to the combination, the plaintiff is entitled to recover all the profits. (*Hurlbut v. Schillinger*, 130 U. S. 472.)

"(c) Where profits are made by the use of an article patented as an entirety, the infringer is liable for all the profits—
"unless he can show—and the burden is on him to show—that a portion of them is the result of some other thing used by him. (*Elizabeth v. Paving Company*, 97 U. S. 127.)"

"(d) But there are many cases in which the plaintiff's patent is only a part of the machine and creates only a part of the profits. His invention may have been used in combination with valuable improvements made, or other patents appropriated by the infringer, and each may have jointly, but unequally, contributed to the profits. In such case, if plaintiff's patent only

created a part of the profits, he is only entitled to recover that part of the net gains. He must, therefore—

“give evidence tending to separate or apportion the defendant’s profits and the patentee’s damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative; or he must show, by equally reliable and satisfactory evidence, that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine, as a marketable article, is properly and legally attributable to the patented feature. (Garretson v. Clark, 111 U. S. 121.)”

The real controversy arises in applying this principle to those cases where it is impossible to separate the single profit into its component parts.

“4. Having, by books and other data, proved to the satisfaction of the master the existence of profits, the plaintiff had 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. But plaintiff offered evidence tending to establish a legal equivalent. It had proved the existence of a fact which, whether treated as a rule of evidence or as a matter of substantive law, would entitle it to a decree for all the profits. The method was different from that mentioned in the second branch of the rule in the Garretson Case, 111 U. S. 121, but the plaintiff had now presented proof to demonstrate its right to the whole of the fund because of the fact that the defendant had inextricably commingled and confused the parts composing it. This result would not be in conflict with the principle which in the first instance imposed the burden of proof on the plaintiff, but merely gave legal effect to a new fact which as a matter of law entitled the patentee to a particular judgment. It presented a case where the court was called on to determine the liability of a trustee *ex maleficio*, who had confused his own gains with those which belonged to the plaintiff. One party or the other must suffer. The inseparable profit must be given to the patentee or infringer. The loss had to fall on the innocent or the guilty. In such an alternative the law places the loss on the wrongdoer.

“5. It is said, however, that the rule does not apply to patent cases. Why it should be limited does not appear.”

* * * * *

“6. 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 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 can not appeal to a court of conscience to cast the loss upon an innocent patentee and by judicial decree repeal the provision of Revised Statutes 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 fact 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 employes 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 of the Sixth Circuit in Brennan v. Dowagiac, 162 Fed. 476, where the Garretson Case was distinguished."

XXI. COSTS, CONTEMPT AND FINES.

Costs.—The ordinary rules governing the taxation of costs at law and in equity prevail in a patent cause, except as modified by delay in filing disclaimer under the provisions of the statute (*supra*). Costs do not include copies of patents, records, drawings and exhibit models, except in some cases plaintiff's model of the patent in suit.

Contempt.—Actual service of an order of injunction upon the person enjoined is not requisite. Actual notice is sufficient to lay a foundation of a proceeding for contempt.

It is the duty of an enjoined defendant to see that his employes do not violate the injunction; and a continuance of an

injunction by a reorganized company or one who knowingly assists in violating the injunction presents a case of contempt.

In various cases the courts have held in contempt those who violate the spirit of the injunction, though not the letter. It is a violation of an injunction to sell an enjoined article outside of the jurisdiction of the court granting the injunction. In brief, no excuses will ordinarily be accepted by the court which amount merely to an evasion of the injunction or a reargument of the cause. As a matter, of course, the injunction lives only through the life of the patent.

On the hearing of a charge of contempt, substantially the same questions of identity are presented as would be involved in determining infringement.

It is a general rule that the fine assessed for the violation of an injunction is within the discretion of the court. The fine may be distributed, that is, a part or all may go to the complainant as compensation for his time and outlay in prosecuting the motion.

Although, the contempt consists in the violation of an injunction granted by a court of equity, the proceeding for its punishment is "a new and distinct proceeding, and is quite independent of the equities of the case in which the decree is founded," so that an appeal is not an appropriate remedy for obtaining a review.

Inasmuch as a proceeding to punish for contempt is in its nature a criminal proceeding, it may be classified as a misdemeanor and may be reviewed by writ of error. Recently the courts in interpreting the decision in the Gompers case, 221 U. S. 492, have held that where a man is ordered to do something the court, on application to punish for contempt, may imprison him until he obeys the order. However, if the court orders one not to do something and he disobeys, the court can not imprison him nor punish him by fine for the benefit of the United States.

It has been held and practiced, especially in the second circuit, that the utmost measure of the fine the court may impose is the exact amount of money the complainant can show he has lost by the specific act of which he complains.

This still leaves open an opportunity where there has been flagrant contempt of the court for the District Attorney to institute a criminal action.

To all intents and purposes, this view of the law puts such a burden upon the complainant as to in a great measure destroy the value of the proceeding to the successful complainant in a suit in equity.

CASES ON PATENTS.

PART I.

ORIGIN AND NATURE OF PATENTS.

Monopolies in England—Common Law—Statute of Monopolies—Constitutional Provision—Early Patent Laws of United States—Distinguishing Principles of That Law—Secret Inventions—Statutory Basis of Patent Contract—Patent Monopoly Not One in Restraint of Trade—Grant of Exclusion in Exchange for a Disclosure.

1. SOME PATENTS, LICENSES, CHARTERS AND PRIVILEGES GRANTED IN QUEEN ELIZABETH'S REIGN.

(From notes by Lord Treasurer Burghley, as given in *Murdin's Cecil or Burghley Papers*, 99, 747, ff. 1.)

Dec. 1, 1565. The Queen's Majesty granted a license to the Duke of Norfolk for carrying of wool out of Norfolk.

August, 1585. A privilege granted to Thomas Wilkes, clerk of the council, to bring in white salt within the ports of Lynn and Boston.

January, 1586. The grant to Sir Thomas Wilkes renewed, with including of Hull, with proviso, that if he shall not make sufficient provision thereof, it shall be lawful for any other to bring in salt.

April, 1587. A privilege granted to Richard Young of London for making starch only upon bran of wheat, paying £40 yearly.

Nov. 17th, 1588. A license to Bevis Bulmer for twelve years for the use of an instrument for cutting of iron into small rods.

December, 1588. A license to William Stubbes for transporting out of Ireland one thousand packs of linen yarn.

January, 1589. A license to John Spillman to buy linen rags for making of white paper.

May, 1589. A license to Lord Hunsdon to transport 20,000 broadcloths for the space of six years, paying the custom after six months' shipping.

September, 1589. A license to Thomas Proctor and William Peterson to make iron and lead, with sea-coal and turf.

September, 1589. A prohibition for the execution of the exemplification of her Majesty's grant of the penalty for sowing flax and hemp.

December, 1592. A grant to Dr. Lopaz for bringing in anise-seed and sumach.

May, 1593. A gift of her Majesty of £800 to Sir John Pakington without account.

March, 1594. A grant to Edw. Darcy of the Privy Chamber for searching and sealing all kinds of buffs.

March, 1596. A joint patentship to Thomas Windebank and Thomas Lake for writing letters patents.

November, 1596. A grant to William Carre, Esq., for brewing and selling beer for the space of seven years within the cities of London and Westminster, and the counties of Suffolk, Essex, Kent, Middlesex, Surrey and Sussex.

2. SOME ITEMS OF "A NOTE OF MONOPOLIES, 1603."

(By Lodge: Illustrations of British History, 1791, vol. iii, pp. 159 ff.)

"Monopolies."

33 Eliz. A grant to Reybold Hopton only, and no other, to make flasks, touch-boxes, powder-boxes, and bullet-boxes, for 15 years.

40 Eliz. A grant to Ede Schetts, and his assignees only, and no other, to buy and transport ashes and old shoes for seven years.

41 Eliz. A grant that Brigham and Wimmes shall only have the pre-emption of tin. Etc., etc.

"Other Monopolies for One Man Only and No Other."

To register all writings and assurances between merchants, called policies.

To print the *Psalms of David*.

To print the law.

That one man and no other shall make writs of subpoena in Chancery. Sir Thomas George. Etc., etc.

Licenses and Dispensations to One Man Only, of the Whole Penalty of Penal Laws, and Power Given to License Others.

[18] Eliz. A license to Sir Edward Dyer, to pardon and dispense with tanning of leather, contrary to the statute of 5 Eliz., and to license any man to be a tanner.

36 Eliz. A license to Roger Bineon, and others, to take the whole forfeiture of the statute of 5th and 6th of Edw. VI, for pulling down gig-mills. Etc., etc.

Impositions.

41 Eliz. A grant to Bevis Bulmer to have an imposition of sea-coal, paying £6,200 rent for 21 years.

41 Eliz. A license to trade the Levant seas with currants only, paying £4,000 per annum.

New Inventions.

Only and no Other, so as They Were Never Used in England Before.

To inn and drain [] grounds.

To take water fowl.

To make devices of safe-keeping of corn.

To make a device for soldiers to carry necessary provisions.

3. LISTS OF PATENTS GRANTED BETWEEN THE PARLIAMENTS OF 1597 AND 1601.

(As given by Townshend, p. 239.)

Currants, Iron, Powder, Cards, Horns, Ox shin-bones, Train Oil, Lists of cloth, Ashes, Bottles, Glasses, Bags, Shreds of gloves, Anise-seed, Vinegar, Sea-coals, Steel, Aqua vitæ, Brushes, Pots, Salt, Saltpeter, Lead, Accedence, Oil, Transportation of leather, Calamine-stone, Oil of blubber, Fumothoes, or dried pilchards in the smoke, And divers others.

4. BACON'S SPEECH, NOVEMBER 20, 1601.

(Townshend, pp. 231-2.)

For the prerogative Royal of the prince: For my part, I ever allowed of it; and it is such as I hope I shall never see discussed. The queen, as she is our sovereign, hath both an enlarging and restraining liberty in her prerogative; that is, she hath power by her patents, to set at liberty things restrained by statute-law or otherwise: And by her prerogative, she may restrain things that are at liberty.

For the first: She may grant *non-obstantes*, contrary to the penal laws; which truly, in my own conscience, are as hateful to the subject as monopolies. For the second: If any man out of his own wit, industry, or endeavor, find out anything beneficial for the commonwealth, or bring any new invention, which

every subject of this realm may use; yet in regard of his pains, travail, and charge therein, her Majesty is pleased (perhaps) to grant him a privilege to use the same only by himself, or his deputies, for a certain time: This is one kind of monopoly. Sometimes there is a glut of things, when they be in excessive quantities, as of corn; and perhaps, her Majesty gives license to one man of transportation. This is another kind of monopoly. Sometimes there is a scarcity or small quantity; and the like is granted also.

These, and divers of this nature, have been in trial, both in the Common-Pleas, upon actions of trespass, where if the judges do find the privilege good for the commonwealth, they will allow it, otherwise disallow it. And also, I know, that her Majesty herself, hath given command to her attorney-general, to bring divers of them (since the last Parliament) to trial in the Exchequer. Since which, fifteen or sixteen to my knowledge, have been repealed: Some upon her Majesty's own express command, upon complaint made unto her by petition; and some by *quo warranto*, in the Exchequer.

But, Mr. Speaker (said he pointing to the bill), this is no stranger in this place; but a stranger in this vestment. The use hath been ever, by petition to humble ourselves to her Majesty, and by petition to desire to have our grievances redressed; especially, when the remedy toucheth her so nigh in prerogative. All can not be done at once, neither was it possible, since the last Parliament, to repeal all. If her Majesty makes a patent, or a monopoly, to any of her servants; that we must go and cry out against: But if she grants it to a number of burgesses, or corporation, that must stand; and that, forsooth, is no monopoly.

I say, and I say again, that we ought not to deal, or meddle with, or judge of her Majesty's prerogative. I wish every man, therefore, to be careful in this point. And humbly pray this House to testify with me, that I have discharged my duty, in respect of my place, in speaking on her Majesty's behalf; and do protest, I have delivered my conscience, in saying what I have said.

5. (FROM LETTER OF ELIZABETH'S SECRETARY, CECIL, FORWARDING TO PARLIAMENT HER PROCLAMATION OF NOVEMBER 28, 1601.

"I dare assure you from henceforth there shall be no more granted, they shall all be revoked. And because you may eat your meat more savoury than you have done, every man shall have salt as good and cheap as he can buy it or make it without

danger of that patent which shall presently be revoked. The like benefit shall they have who have cold stomachs both for *aqua vitæ* and *aqua composita*, and the like; and they that have weak stomachs, for their satisfaction, shall have vinegar and alegar, and the like, set at liberty. Train oil shall go the same way, oil of blubber shall march in equal rank; brushes and bottles endure the like judgment. The patent for pouldavy (sail cloth) if it be not called in, it shall be. Woade, which as I take it, is not restrained either by law or statute, but only by proclamation (I mean from the former sowing) though for the saving thereof it might receive good disputation, yet for your satisfaction the Queen's pleasure is to revoke that proclamation; only she prayeth thus much, that when she cometh on progress to see you in your counties, she be not driven out of your towns by suffering it to infect the air too near them. They that desire to go sprucely in their ruffs may, at less charge than accustomed, obtain their wish. The patent for starch which hath been so prosecuted shall now be repealed."

(Quoted by Coryton, pp. 28, 29.)

6. ELIZABETH'S PROCLAMATION CONCERNING MONOPOLIES NOVEMBER 28, 1601.

(Brit. Mus. Proc. Coll., G. 6463-388.)

BY THE QUEEN :

A proclamation for the reformation of many abuses and misdemeanors committed by patentees of certain privileges and licenses, to the general good of all her Majesty's loving subjects.

Whereas her most excellent Majesty having granted divers privileges and licenses (upon many suggestions unto her Highness, that the same should tend to the common good and profit of her subjects), hath since the time of those grants received divers informations of sundry grievances lighting upon many of the poorer sort of her people (by force thereof) contrary to her Majesty's expectation at the time of those grants: All which being duly examined, by such as her Majesty hath directed to consider and report the state of such complaints as have been made in that behalf, it doth appear that some of the said grants were not only made upon false and untrue suggestions contained in her letters patents, but have been also notoriously abused, to the great loss and grievance of her loving subjects (whose public good she tendereth more than any worldly riches):

And whereas also upon like false suggestions, there have been obtained of the lords of her Highnesss Privy Council divers letters of assistance, for the due execution of divers of the

said grants, according to her Highness's gracious intention and meaning.

Forasmuch as her most excellent Majesty (whose care and providence never ceaseth to preserve her people in continual peace and plenty) doth discern that these particular grants ensuing; namely, of or in any wise concerning salt, salt upon salt, vinegar, aqua vitæ, or aqua composita, or any liquor concerning the same, salting and packing of fish, train oil, blubbers or livers of fish, poidavies and mildernix, pots, brushes and bottles, and starch, have been found in consequence so far differing from those main grounds and reasons which have been mentioned in the grants and have also in the execution of the said letters patent been extremely abused, contrary to her Highness's intention, and meaning therein expressed: She is now pleased of her mere grace and favor to all her loving subjects, and by her regal power and authority to publish and declare (by virtue hereof) all the said grants above mentioned and every clause, article, and sentence (in the letters patents thereof contained) to be void. And doth further expressly charge and command all the said patentees, and all and every person and persons claiming by, from, or under them, or any of them, that they or any of them do not at any time hereafter presume or attempt to put in use, or execution, anything therein contained, upon pain of her Highness's indignation, and to be punished as contemners and breakers of her royal and princely commandment.

And whereas her Majesty hath also granted divers other privileges and licenses, some for the better furnishing of the realm with such warlike provisions as are necessary for the defense thereof (as namely that concerning saltpeter), and some of other kinds to particular persons which have sustained losses and hindrances by service at sea and land, or such as have been her Majesty's ancient domestical servitors, or for some other like considerations, as namely, new drapery, Irish yarn, calf-skins, pelts, cards, glasses, searching and sealing of leather, and steel, and such like. In which grants also her Highness hath been credibly informed that there hath been abuse in the execution of them, to the hurt and prejudice of her loving subjects (whereof she meaneth also that due punishment shall follow upon such as shall be found to have particularly offended) her Majesty doth by these presents likewise publish, notify, and declare her gracious will and pleasure to be, that all and every her Highness's loving subjects, that at any time hereafter shall find themselves grieved, injured, or wronged by reason of any of the said grants, or any clause, article, or sentence therein contained, may be at his or their liberty to take their ordinary remedy by her Highness's laws of this realm, any matter or thing in any of the said grants to the contrary notwithstanding.

And forasmuch as her Majesty (with the advice of her Privy

Council) is now resolved that no letters from henceforth shall be written from them to assist these grants, seeing they have served for pretexts to those that have had them, to terrify and oppress her people (merely contrary to the purpose and meaning of the same), her Majesty doth straightly charge and command, that no letters of assistance that have been granted by her Council for execution of these grants, shall at any time hereafter be put in execution, or any of her loving subjects be thereby enforced to do or perform anything therein contained. And that no pursuivant, messenger of her Highness's Chamber, or other officer whatsoever do or at any time hereafter presume or attempt anything against any of her loving subjects, by pretext or color of any such letters of assistance for execution or putting in use of any of those aforesaid grants, or anything therein contained.

And as her Majesty doth greatly commend the duty and obedience that her loving subjects have yielded in conforming themselves to the said grants, being under the great seal of England: So her Majesty doth notify and signify by these presents that if any of her subjects shall seditiously or contemptuously presume to call in question the power or validity of her prerogative royal, annexed to her imperial crown, in such cases all such persons so offending, shall receive severe punishment, according to their demerits.

And whereas she hath also been informed that divers of her subjects are desirous to be set at liberty for the sowing of woad, restrained by a proclamation in the fortieth and two year of her reign, at which time it was thought by many men of good experience that such restraint would be a mean to prevent sundry inconveniences, forasmuch as her Majesty had never other purpose by that restraint than to do that which might be for the greatest and most general benefit of her subjects: Her Highness is also pleased (and so she doth) by this proclamation set at liberty all such persons as shall think it for their good to employ their grounds to the use of sowing of woad, notwithstanding any such prohibition in any former proclamation. Provided always, that it shall not be lawful for any person or persons whatsoever to convert any ground that shall be within three miles of the city of London, or near any of her Majesty's houses of access, or so near to any other great city or town corporate, whereby any offense may grow from the noisome savor of the same.

Given at our palace at Westminster the 28th day of November, in the fortieth and four year of her Majesty's most prosperous reign.

God save the Queen.

Imprinted at London by Robert Barker, printer to the queen's most excellent Majesty.

7. THE "GOLDEN SPEECH" OF QUEEN ELIZABETH TO HER LAST PARLIAMENT, NOVEMBER THE 30TH, A. D. 1601.

(Somers, Tracts, I, 244-246.)

Her Majesty being set under state in the Council Chamber at Whitehall, the speaker, accompanied with privy councilors, besides knights and burgesses of the lower House to the number of eight-score, presenting themselves at her Majesty's feet, for that so graciously and speedily she has heard and yielded to her subjects' desires, and proclaimed the same in their hearing as followeth:

MR. SPEAKER:

We perceive your coming is to present thanks unto us. Know I accept them with no less joy than your loves can have desire to offer such a present, and do more esteem it than any treasure or riches; for those we know how to prize, but loyalty, love, and thanks, I account them invaluable; and though God hath raised me high, yet this I account the glory of my crown, that I have reigned with your loves. This makes that I do not so much rejoice that God hath made me to be queen, as to be queen over so thankful a people, and to be the means under God to conserve you in safety, and preserve you from danger, yea to be the instrument to deliver you from dishonor, from shame, and from infamy, to keep you out of servitude, and from slavery under our enemies, and cruel tyranny, and vile oppression intended against us; for the better withstanding whereof we take very acceptable your intended helps, and chiefly in that it manifesteth your loves, and largeness of hearts to your sovereign. Of myself, I must say this, I never was any greedy scraping grasper, nor a strict fast-holding prince, nor yet a waster; my heart was never set upon any worldly goods, but only for my subjects' good. What you do bestow on me I will not hoard up, but receive it to bestow on you again; yea mine own properties I account yours to be expended for your good, and your eyes shall see the bestowing of it for your welfare.

Mr. Speaker, I would wish you and the rest to stand up, for I fear I shall yet trouble you with longer speech.

Mr. Speaker, You give me thanks, but I am more to thank you, and charge you to thank them of the Lower House from me; for had I not received knowledge from you, I might have fallen into the lapse of an error, only for want of true information.

Since I was queen, yet did I never put my pen to any grant but upon pretext and semblance made me, that it was for the good and avail of my subjects generally, though a private profit to some of my ancient servants, who have deserved well; but that my grants shall be made grievances to my people, and oppressions, to be

privileged under color of our patents, our princely dignity shall not suffer it.

When I heard it, I could give no rest unto my thoughts until I had reformed it, and those varlets, lewd persons, abusers of my bounty, shall know I will not suffer it. And, Mr. Speaker, tell the House for me, I take it exceeding grateful, that the knowledge of these things are come unto me from them. And tho' amongst them principal members are such as are not touched in private, and therefore need not speak from any feeling of grief, yet we have heard that other gentlemen also of the House, who stand as free, have spoken as freely in it; which gives us to know, that no respects or interests have moved them other than the minds they bear to suffer no diminution of our honor and our subjects' love unto us. The zeal of which affection tending to ease my people, and knit their hearts unto us, I embrace with a princely care far above all earthly treasures. I esteem my people's love, more than which I desire not to merit: and God that gave me here to sit, and placed me over you, knows, that I never respected myself, but as your good was conserved in me; yet what dangers, what practices, and what perils I have passed, some, if not all of you know; but none of these things do move me, or ever made me fear, but it's God that hath delivered me.

And in my governing this land, I have ever set the last judgment day before mine eyes, and so to rule as I shall be judged and answer before a higher Judge, to whose judgment seat I do appeal: in that never thought was cherished in my heart that tended not to my people's good.

And if my princely bounty have been abused, and my grants turned to the hurt of my people contrary to my will and meaning, or if any in authority under me have neglected, or converted what I have committed unto them, I hope God will not lay their culps to my charge.

To be a king, and wear a crown, is a thing more glorious to them that see it than it's pleasant to them that bear it; for myself, I never was so much enticed with the glorious name of a king, or the royal authority of a queen, as delighted that God hath made me his instrument to maintain his truth and glory, and to defend this kingdom from dishonor, damage, tyranny, and oppression. But should I ascribe any of these things to myself or my sexly weakness, I were not worthy to live, and of all most unworthy of the mercies I have received at God's hands, but to God only and wholly all is given and ascribed.

The cares and troubles of a crown I can not more fitly resemble than to the drugs of a learned physician, perfumed with some aromatical savor, or to bitter pills gilded over, by which they are made more acceptable or less offensive, which indeed are bitter and

unpleasant to take; and for my own part, were it not for conscience sake to discharge the duty that God hath laid upon me, and to maintain his glory, and keep you in safety, in mine own disposition I should be willing to resign the place I hold to any other, and glad to be freed of the glory with the labors, for it is not my desire to live nor to reign longer than my life and reign shall be for your good. And though you have had and may have many mightier and wiser princes sitting in this seat, yet you never had nor shall have any that will love you better.

Thus, Mr. Speaker, I commend me to your loyal loves, and yours to my best care and your further counsels, and I pray you, Mr. Controller and Mr. Secretary, and you of my Council, that before these gentlemen depart into their countries, you bring them all to kiss my hand.

[The Queen's bench soon had an opportunity to pass upon the principle in the following leading case.]

8. *DARCY v. ALLEIN*, 11 Coke, 84 b. Abridged, 1 Brodix Patent Cases, 1.

(See also *Darcy v. Allin*, 1 Web. P. C.) [1603].

[The arguments of counsel in that case as given in Noy, 173.]

Now, therefore, I will show you how the judges have heretofore allowed of monopoly—patents—which is that when any man by his own charge and industry, or by his own wit or invention doth bring any new trade into the realm, or any engine tending to the furtherance of a trade that never was used before; and that for the good of the realm; that in such cases the king may grant to him a monopoly-patent for some reasonable time, until the subjects may learn the same, in consideration of the good that he doth bring by his invention to the commonwealth, otherwise not.

9. *PROCLAMATION OF JAMES I SUSPENDING MONOPOLIES*.

(Soc. Aut. Proc. Coll. May 7, 1603.)

[Preamble praising the devotion and loyalty of the people:]

The consideration whereof hath moved us to think of such ways as for the present did occur to us, wherein we might make manifest to our people, how willing we are now, and will be ready hereafter, to be forward in requitting their love, as they have been in expressing it.

On which consideration, whilst we were busy, we were informed that the Queen our sister, deceased, finding, some few years before her death, that some things had passed her hands, at the importunity of her servants, whom she was willing to reward with little burden to her estate (otherwise by necessary occasion exhausted), which, though they had and might have foundation in princely prerogative,

yet either by too large extending thereof, or for the most part in respect that they were of such nature as could hardly be put in use without hindrance to multitudes of people, or else committed to inferior persons, who in the execution thereof did so exceedingly abuse the same, as they became intolerable, had purposed to revoke all grants of that nature, and did begin with some which were heard most unjust; putting the rest to the examination of her laws, to stand or fall, as in construction of law they might consist or not.

[All grants and charters of monopoly suspended, together with all licenses to dispense with penal laws, except grants to corporations and companies of arts or "misteries" and for enlarging trade until examination can be had of them by the king with the advice of his Council.

Protections, and assignments of debts abolished.

Saltpetermen and purveyors exhorted to have especial care.

Subjects to petition privately in an orderly manner, not publicly.]

[And see Proclamation of James I Touching Grievances—Soc. Aut. Proc. Coll., July 10, 1621, Brit. Mus. Proc. Coll., 506 h. 12 (87).]

10.

STATUTE OF MONOPOLIES.

(21 Jac. I, cap. 3 A. D. 1623-24.)

[An Act concerning Monopolies and dispensations with penal laws and the forfeitures thereof.]

Forasmuch as your most excellent Majesty, in your royal judgment and of your blessed disposition to the weal and quiet of your subjects, did, in the year of our Lord God one thousand six hundred and ten, publish in print to the whole realm and to all posterity, that all grants of monopolies and of the benefit of any penal laws, or of power to dispense with the law, or to compound for the forfeiture, are contrary to your Majesty's laws, which your Majesty's declaration is truly consonant and agreeable to the ancient and fundamental laws of this your realm; and whereas your Majesty was further graciously pleased expressly to command that no suitor should presume to move your Majesty for matters of that nature; yet nevertheless upon misinformations and untrue pretenses of public good, many such grants have been unduly obtained and unlawfully put in execution, to the great grievance and inconvenience of your Majesty's subjects, contrary to the laws of this your realm, and contrary to your Majesty's royal and blessed intention so published as aforesaid; For avoiding whereof and preventing of all the like in time to come: May it please your Majesty at the humble suit of the Lords spiritual and temporal and the Commons in this present Parliament, that all monopolies and all commissions, grants, licenses, charters, and letters patent heretofore made or granted, or hereto-

fore to be made or granted to any person or persons, bodies politic or corporate whatsoever, of or for the sole buying, selling, making, working, or using of anything within this realm or the dominion of Wales, or of any other monopolies or of power, liberty, or faculty to dispense with any others, or to give license or toleration to do, use, or exercise anything against the tenor or purport of any law or statute, or to give or make any warrant for any such dispensation, license, or toleration to be had or made, or to agree or compound with any others for any penalty or forfeitures limited by any statute, or of any grant or promise of the benefit, profit, or commodity of any forfeiture, penalty, or sum of money that is or shall be due by any statute before judgment thereupon had, and all proclamations, inhibitions, restraints, warrants of assistance, and all other matters and things whatsoever any way tending to the instituting, erecting, strengthening, furthering, or countenancing of the same or any of them, are altogether contrary to the laws of this realm, and so are and shall be utterly void and of none effect, and in no wise to be put in use or execution.

II. And be it further declared and enacted by the authority aforesaid that all monopolies and all such commissions, grants, licenses, charters, letters patent, proclamations, inhibitions, restraints, warrants of assistance, and all other matters and things tending as aforesaid, and the force and validity of them and every of them ought to be, and shall be forever hereafter examined, heard, tried, and determined by and according to the common law of this realm and not otherwise.

III. And be it further enacted by the authority aforesaid that all person and persons, bodies politic and corporate whatsoever, which now are or hereafter shall be, shall stand and be disabled and incapable to have, use, exercise, or put in use any monopoly or any such commission, grant, license, charters, letters-patents, proclamations, inhibition, restraint, warrant of assistance, or other matter or thing tending as aforesaid or any liberty, power, or faculty grounded or pretended to be grounded upon them or any of them.

IV. And be it further enacted by the authority aforesaid that if any person or persons at any time after the end of forty days next after the end of this present session of Parliament shall be hindered, grieved, disturbed, or disquieted, or his or their goods or chattels any way seized, attached, distrained, taken, carried away, or detained by occasion or pretext of any monopoly, or of any such commission, grant, license, power, liberty, faculty, letters-patents, proclamations, inhibition, restraint, warrant of assistance, or other matter or thing tending as aforesaid, and will sue to be relieved in or for any of the premises, that then and in every such case the same person and persons shall and may have his and their remedy for the same at the common law, by any action or

actions to be grounded upon this statute, the same action and actions to be heard and determined in the court of King's Bench, Common Pleas, and Exchequer, or in any of them.

* * * * *

V. Provided nevertheless, and be it declared and enacted that any declaration before mentioned shall not extend to any letters-patents, and grants of privilege, for the term of one and twenty years or under, heretofore made of the sole working or making of any manner of new manufacture within this realm, to the first and true inventor or inventors of such manufactures which others at the time of making of such letters-patents and grants did not use, so they be not contrary to the law nor mischievous to the state, by raising of the prices of commodities at home, or hurt of trade, or generally inconvenient, but that the same shall be of such force as they were or should be if this act had not been made, and of none other: and if the same were made for more than one and twenty years, that then the same for the term of one and twenty years only, to be accounted from the date of the first letters-patents and grants thereof made, shall be of such force as they were or should have been if the same had been made but for the term of one and twenty years only, and as if this act had never been had or made, and on none other.

VI. Provided also and be it declared and enacted, that any declaration before mentioned shall not extend to any letters-patent and grants of privilege for the term of fourteen years or under, hereafter to be made, of the sole making or working of any manner of new manufactures within this realm, to the true and first inventor or inventors of such manufactures, which others, at the time of making such letters-patent shall not use, so also they be not contrary to law or mischievous to the state, by raising prices of commodities at home, or hurt to trade, or generally inconvenient; the said fourteen years to be accounted from the date of the first letters-patent or grant of such privilege hereafter to be made; but that the same shall be of such force as they should be, if this act had never been made, and of none other.

11. PROCLAMATION OF CHARLES I REVOKING CERTAIN PATENTS AND COMMISSIONS.

(Soc. Ant. Proc. Coll., April 9, 1639.)

Whereas divers grants, licenses, privileges, and commissions have been procured from his Majesty, some under his great seal of England and some under his privy seal, signet, or sign manual, upon pretences that the same would tend to the common good and profit of his subjects, which since upon experience hath been found

prejudicial and inconvenient to his people, contrary to his Majesty's gracious intention in granting the same; And whereas also upon like suggestions, there hath been obtained from his Majesty, the lords, and others of his Privy Council divers warrants and letters of assistance for the execution of those grants, licenses, privileges, and commissions according to his Majesty's good intention and meaning therein.

Forasmuch as his most excellent Majesty (whose royal ear and providence is ever intent on the public good of his people) doth now discern that the particular grants, licenses, and commissions hereafter expressed, have been found in consequence far from those grounds and reasons wherefore they were founded, and in their execution have been notoriously abused, he is now pleased of his mere grace and favor to all his loving subjects (with the advice of his Privy Council) by his regal power to publish and declare the several commissions and licenses hereafter following, whether the same have passed his great seal, privy seal, signet, and sign manual, or any of them, to be from hence utterly void, revoked, and hereby determined.

That is to say:

A commission for cottages and inmates.

A commission touching scrivenors and brokers.

A commission for compounding with offenders touching tobacco.

A commission for compounding with offenders touching butter.

A commission for compounding with offenders touching log-wood.

A commission for compounding with offenders for destruction of woods for iron-works.

A commission for concealments and encroachments within twenty miles of London.

A license to transport sheep and lambskins.

A commission to take men bound to dress no venison, pheasants, or partridges in inns, alehouses, ordinaries, and taverns.

A commission touching licensing of wine-casks.

A commission for licensing of brewers.

A license for sole transporting of lamperns and all proclamations, warrants, or letters of assistance for putting in execution of the said commissions or licenses be from henceforth declared void, determined, and hereby revoked to all intents and purposes.

And his Majesty in like favor and ease to his subjects is further pleased to declare his royal will and pleasure to be that the particular grants hereafter mentioned (upon feigned suggestions, obtained from him, to public damage) whereby the same have passed his Majesty's great seal, privy seal, signet, or sign manual or any of them, shall not hereafter be put in execution, viz.:

A grant for weighing of hay and straw in London and Westminster and three miles compass.

An office to register to the commission for bankrupts in divers counties of the realm.

An office or grant for gauging of red herrings.

An office or grant for the marking of iron made within the realm.

An office or grant for sealing of bone lace.

A grant for making and gauging of butter-casks.

A grant of privilege touching kelp and seaweed.

A grant for sealing of linen rags.

A grant for gathering of rags.

An office or grant of factor for Scottish merchants.

An office or grant for searching and sealing of foreign hops.

A grant for sealing of buttons.

All grants of fines, penalties, and forfeitures before judgment granted, or mentioned to be granted, by letters-patent, privy seals, signets, sign manual, or otherwise.

All patents for new inventions not put in public practice within three years next after the date of the said grants.

And the several grants of incorporation made unto:

Hatband-makers.

Gutstring-makers.

Spectacle-makers.

Comb-makers.

Tobacco-pipe-makers.

Butchers and horners.

And his Majesty doth further require and command that there shall be a proceeding against the said patentees by *quo warranto* or *scire facias* to recall the said grants and patents, unless they will voluntarily surrender and yield up the same: and also all proclamations, warrants, or letters of assistance obtained from his Majesty or the lords and others of his Privy Council for execution thereof, and are hereby absolutely revoked and recalled.

And his Majesty doth further expressly charge and command, all and singular the patentees, grantees, or others any ways interested or claiming under the aforementioned grants, licenses, or commissions, or any of them and their deputies, that they or any of them do not at any time hereafter presume to put in use or execution any of the said grants, commissions, or licenses, or anything therein contained, or any proclamations, warrants, or letters of assistance obtained in that behalf, upon pain of his Majesty's indignation, and to be proceeded against as contemners of his Majesty's royal commands, whereof he will require a strict account.

Given at our Manor of York the 9th of April in the fifteenth year of our reign, 1639.

See for other lists and essay, "*The English Patents of Monopoly.*" Price-Houghton Mifflin & Co., Boston, 1906.

12. FIRST PATENT IN AMERICA.

(From the Records of the General Court of Massachusetts.)

At a generall Courte at Boston
the 6th of the 3th m' 1646.

The Co't consid'inge ye necessity of raising such manufactures of engins of mills to go by water for speedy dispatch of much worke wth few hands, & being sufficiently informed of ye ability of ye petition' to pforme such workes grant his petition (ye no oth' pson shall set up, or use any such new invention, or trade for fourteen yeares w'out ye license of him ye said Joseph Jenkes) so farr as concernes any such new invention, & so as it shalbe alwayes in ye pow' of this Co'te to restrain ye exportation of such manufactures, & ye prizes of them to moderation if occasion so require.

[Note the limitation to the *new invention.*]

13. CONSTITUTION OF THE UNITED STATES.

Section 8. The Congress shall have power * * * * *

To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

* * * * *

14. PATENT ACT OF 1790.

(1 Statutes At Large, 109.)

An act to promote the progress of useful arts.

Section 1. 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 discov-

ery, 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.

Sec. 2. 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.

Sec. 3. 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.

Sec. 4. 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.

Sec. 5. 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 shall 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 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.

Sec. 6. 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 things 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 can not be produced by the means specified, then, and in such cases, the verdict and judgment shall be for the defendant.

Sec. 7. 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.

15.

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. 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 cer-

tify 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.

Sec. 2. 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.

Sec. 3. 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 the 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.

Sec. 4. 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 or assigns, to any degree.

Sec. 5. 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.

Sec. 6. 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.

Sec. 7. 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.

Sec. 8. 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, entitled "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.

Sec. 9. 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 chuse 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.

Sec. 10. 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.

Sec. 11. 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.

Sec. 12. That the act passed the tenth day of April, in the year one thousand seven hundred and ninety, entitled "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.

[Note.—The law has been amended and revised in many particulars by Acts of 1800, 1819, 1832, 1836, 1837, 1848, 1861, 1870, 1875, 1879, 1903, 1910 and other minor acts. The most important of these was that of 1836, which established a patent office and provided for an examination of inventions upon distinctly defined lines. The revisions of 1870 and 1875 are the basis of the law now governing with important single changes in the statutory bars, limitation by foreign patents, appeals in case of an injunction, and the repeal of the caveat provision. These statutes and the supplementary rules of practice and procedure will appear hereafter under the proper headings.]

16. PENNOCK v. DIALOGUE, 2 Pet. (U. S.) 1 (1829), 7 L. ed. 327.

STORY, J., delivered the opinion of the court.

This a writ of error to the circuit court of Pennsylvania. The original action was brought by the plaintiffs in error, for an asserted violation of a patent, granted to them on the 6th of July, 1818, for a new and useful improvement in the art of making leather tubes or hose, for conveying air, water, and other fluids. The cause was tried upon the general issue, and a verdict was found for the defendant, upon which judgment passed in his favor; and the correctness of that judgment is now in controversy before this court.

At the trial, a bill of exceptions was taken to an opinion delivered by the court, in the charge to the jury, as follows, namely: "That the law arising upon the case was, that if an inventor makes his discovery public, looks on and permits others freely to use it, without objection or assertion of claim to the invention, of which the public might take notice; he abandons the inchoate right to the exclusive use of the invention, to which a patent would have entitled him, had it been applied for before such use. And, that it makes no difference in the principle, that the article so publicly used, and afterwards patented, was made by a particular individual, who did so by the private permission of the inventor. And thereupon, did charge the jury, that if the evidence brings the case within the principle which had been stated, the court were of opinion that the plaintiffs were not entitled to a verdict." * * *

The single question then is, whether the charge of the court was correct in point of law. It has not been, and indeed cannot be denied, that an inventor may abandon his invention, and surrender or dedicate it to the public. This inchoate right, thus once gone, cannot afterwards be resumed at his pleasure; for, where gifts are once made to the public in this way, they become absolute. Thus, if a man dedicates a way or other easement to the public, it is supposed to carry with it a permanent right of user. The question which generally arises at trials, is a question of fact rather than of law; whether the acts or acquiescence of the party furnish in the given case, satisfactory proof of an abandonment or dedication of the invention to the public. But when all the facts are given, there does not seem any reason why the court may not state the legal conclusion deducible from them. In this view of the matter, the only question would be, whether, upon general principles, the facts stated by the court would justify the conclusion.

In the case at bar, it is unnecessary to consider whether the facts stated in the charge of the court would, upon general principles, warrant the conclusion drawn by the court, independently of any statutory provisions; because, we are of opinion, that the proper answer depends upon the true exposition of the act of congress under which the present patent was obtained. The constitution of the United States has declared, that congress shall have power "to promote the progress of science and useful arts, by securing for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries." It contemplates, therefore, that this exclusive right shall exist but for a limited period, and that the period shall be subject to the discretion of congress. The patent act, of the 21st of February, 1793, c. 11, prescribes the terms and condition and manner of obtaining patents for inventions: and proof of a strict compliance with them lies at the foundation of the title acquired by the patentee. * * *

It is obvious to the careful inquirer, that many of the provisions of our patent act are derived from the principles and practice which have prevailed in the construction of that of England. It is doubtless true, as has been suggested at the bar, that where English statutes, such for instance as the statute of frauds and the statute of limitations, have been adopted into our own legislation, the known and settled construction of those statutes by courts of law has been considered as silently incorporated into the acts, or has been received with all the weight of authority. Strictly speaking, that is not the case in respect to the English statute of monopolies, which contains an exception on which the grants of patents for inventions have issued in that country. The language of that clause of the statute is not, as we shall presently see, identical with ours, but the

construction of it adopted by the English courts, and the principles and practice which have long regulated the grants of their patents, as they must have been known and are tacitly referred to in some of the provisions of our own statute, afford materials to illustrate it.

By the very terms of the first section of our statute, the secretary of state is authorized to grant a patent to any citizen applying for the same, who shall allege that he has invented a new and useful art, machine, &c., &c., "not known or used before the application." The authority is a limited one, and the party must bring himself within the terms before he can derive any title to demand or to hold a patent. What then is the true meaning of the words "not known or used before the application?" They cannot mean that the thing invented was not known or used before the application by the inventor himself, for that would be to prohibit him from the only means of obtaining a patent. The use as well as the knowledge of his invention, must be indispensable, to enable him to ascertain its competency to the end proposed, as well as to perfect its component parts. The words, then, to have any rational interpretation, must mean, not known or used by others, before the application. But how known or used? If it were necessary, as it well might be, to employ others to assist in the original structure or use by the inventor himself, or, if, before his application for a patent, his invention should be pirated by another, or used without his consent, it can scarcely be supposed that the legislature had within its contemplation such knowledge or use.

We think, then, the true meaning must be, not known or used by the public before the application. And thus construed, there is much reason for the limitation thus imposed by the act. While one great object was, by holding out a reasonable reward to inventors and giving them an exclusive right to their inventions for a limited period, to stimulate the efforts of genius, the main object was "to promote the progress of science and useful arts;" and this could be done best by giving the public at large a right to make, construct, use, and vend the thing invented, at as early a period as possible, having a due regard to the rights of the inventor. If an inventor should be permitted to hold back from the knowledge of the public the secrets of his invention; if he should, for a long period of years, retain the monopoly, and make and sell his invention publicly, and thus gather the whole profits of it, relying upon his superior skill and knowledge of the structure, and then, and then only, when the danger of competition should force him to secure the exclusive right, he should be allowed to take out a patent, and thus exclude the public from any further use than what should be derived under it during his fourteen years; it would materially retard the progress of science and the useful arts, and give a premium to those who should be least prompt to communicate their discoveries.

A provision, therefore, that should withhold from an inventor the privilege of an exclusive right, unless he should, as early as he should allow the public use, put the public in possession of his secret, and commence the running of the period that should limit that right, would not be deemed unreasonable. It might be expected to find a place in a wise prospective legislation on such a subject. If it was already found in the jurisprudence of the mother country, and had not been considered inconvenient there, it would not be unnatural that it should find a place in our own.

Now, in point of fact, the statute of 21 Jac. ch. 3, commonly called the statute of monopolies, does contain exactly such a provision. That act, after prohibiting monopolies generally, contains, in the sixth section, an exception in favor of "letters patent and grants of privileges for fourteen years or under, of the sole working or making of any manner of new manufactures within this realm, to the true and first inventor and inventors of such manufactures, which others, at the time of making such letters-patent and grants, shall not use." Lord Coke, in his commentary upon this clause or proviso, (3 Inst. 184,) says that the letters-patent "must be of such manufactures which any other, at the time of making such letters-patent, did not use; for albeit it were newly invented, yet if any other did use it at the making of the letters-patent, or grant of the privilege, it is declared and enacted to be void by this act." The use here referred to has always been understood to be a public use, and not a private or surreptitious use in fraud of the inventor.

In the case of *Wood v. Zimmer*, 1 Holt's N. P. Rep. 58, this doctrine was fully recognized by Lord Chief Justice Gibbs. There, the inventor had suffered the thing invented to be sold, and go into public use for four months before the grant of his patent; and it was held by the court that on this account the patent was utterly void. Lord Chief Justice Gibbs said: "To entitle a man to a patent, the invention must be new to the world. The public sale of that which is afterwards made the subject of a patent, though sold by the inventor only, makes the patent void." By "invention," the learned judge undoubtedly meant, as the context abundantly shows, not the abstract discovery, but the thing invented; not the new secret principle, but the manufacture resulting from it.

The words of our statute are not identical with those of the statute of James, but it can scarcely admit of doubt that they must have been within the contemplation of those by whom it was framed, as well as the construction which had been put upon them by Lord Coke. But if there were no such illustrative comment, it is difficult to conceive how any other interpretation could fairly be put upon these words. We are not at liberty to reject words which are sensible in the place where they occur, merely because they may be thought, in some cases, to import a hardship or tie up beneficial

rights within very close limits. If an invention is used by the public, with the consent of the inventor, at the time of his application for a patent, how can the court say that his case is, nevertheless, such as the act was intended to protect? If such a public use is not a use within the meaning of the statute, what other use is? If it be a use within the meaning of the statute, how can the court extract the case from its operation and support a patent where the suggestions of the patentee are not true, and the conditions on which alone the grant was authorized to be made, do not exist? In such a case, if the court could perceive no reason for the restrictions, the will of the legislature must still be obeyed. It cannot and ought not to be disregarded where it plainly applies to the case. But if the restriction may be perceived to have a foundation in sound policy, and be an effectual means of accomplishing the legislative objects, by bringing inventions early into public and unrestricted use, and above all, if such policy has been avowed and acted upon in like cases in laws having similar objects, there is very urgent reason to suppose that the act in those terms embodies the real legislative intent, and ought to receive that construction. It is not wholly insignificant, in this point of view, that the first patent act passed by congress on this subject, (act of 1790, c. 7,) (1 Stats. at Large, 109), which the present act repeals, uses the words, "not known or used before," without adding the words, "the application;" and, in connection with the structure of the sentence in which they stand, might have been referred either to the time of the invention or of the application. The addition of the latter words in the patent act of 1793, must, therefore, have been introduced, *ex industria*, and with the cautious intention to clear away a doubt and fix the original and deliberate meaning of the legislature.

The act of the 17th of April, 1800, c. 25, (2 Stats. at Large, 37,) which extends the privileges of the act of 1793 to inventors who are aliens, contains a proviso, declaring "that every patent which shall be obtained pursuant to the 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 void." This proviso certainly certifies the construction of the act of 1793, already asserted; for, there is not any reason to suppose that the legislature intended to confer on aliens privileges essentially different from those belonging to citizens. On the contrary, the enacting clause of the act of 1800 purports to put both on the same footing, and the proviso seems added as a gloss or explanation of the original act.

The only real doubt which has arisen upon this exposition of the statute, has been created by the words of the sixth section already quoted. That section admits the party sued to give in his defence as a bar, that "the thing thus secured by patent was not originally discovered by the patentee, but had been in use anterior to the sup-

posed discovery of the patentee." It has been asked if the legislature intended to bar the party from a patent in consequence of a mere prior use, although he was the inventor, why were not the words, "anterior to the application," substituted, instead of "anterior to the supposed discovery?" If a mere use of the thing invented before the application were sufficient to bar the right, then, although the party may have been the first and true inventor, if another person, either innocently as a second inventor, or piratically, were to use it, without the knowledge of the first inventor, his right would be gone. In respect to a use by piracy, it is not clear that any such fraudulent use is within the intent of the statute, and upon general principles it might well be held excluded. In respect to the case of a second invention, it is questionable at least, whether, if my such second invention a public use was already acquired, it could be deemed a case within the protection of the act. If the public were already in possession and common use of an invention fairly and without fraud, there might be sound reason for presuming that the legislature did not intend to grant an exclusive right to any one to monopolize that which was already common. There would be no *quid pro quo*, no price for the exclusive right or monopoly conferred upon the inventor for fourteen years.

Be this as it may, it is certain that the sixth section is not necessarily repugnant to the construction which the words of the first section require and justify. The sixth section certainly does not enumerate all the defences which a party may make in a suit brought against him for violating a patent. One obvious omission is, where he uses it under a license or grant from the inventor. The sixth section in the clause under consideration may well be deemed merely affirmative of what would be the result from the general principles of law applicable to other parts of the statute. It gives the right to the first and true inventor, and to him only; if known or used before his supposed discovery, he is not the first, although he may be a true inventor; and that is the case to which the clause looks. But it is not inconsistent with this doctrine that, although he is the first as well as the true inventor, yet, if he shall put it into public use or sell it for public use before he applies for a patent, that this should furnish another bar to his claim. In this view, an interpretation is given to every clause of the statute, without introducing any inconsistency or interfering with the ordinary meaning of its language. No public policy is overlooked; and no injury can ordinarily occur to the first inventor, which is not in some sort the result of his own laches or voluntary inaction.

It is admitted that the subject is not wholly free from difficulties; but, upon most deliberate consideration, we are all of opinion that the true construction of the act is, that the first inventor cannot acquire a good title to a patent, if he suffers the thing invented to

go into public use or to be publicly sold for use before he makes application for a patent. His voluntary act or acquiescence in the public sale and use is an abandonment of his right, or rather creates a disability to comply with the terms and conditions on which alone the secretary of state is authorized to grant him a patent.

The opinion of the circuit court was, therefore, perfectly correct; and the judgment is affirmed, with costs.

17. HOGG v. EMERSON, 11 How. (U. S.) 587, 13 L. ed. 824 (1847).
 WOODBURY, J. * * *

We are apt to be misled, in this country, by the laws and forms bearing on this point in England being so different in some respects from what exist here.

There the patent is first issued, and contains no reference to the specification, except a stipulation that one shall, in the required time be filed, giving a more minute description of the matter patented. Webster on Pat. 5, 88; Godson on Pat. 6, App. It need not be filed under two to four months, in the discretion of the proper officer. Godson on Pat. 176. (Compare present law.)

Under these circumstances, it will be seen that the patent, going out alone there, must in its title or heading be fuller than here, where it goes out with the minute specification. But even there it may afterwards be aided, and its matter be made more clear, by what the specification contains. They are, says Godson on Pat. 108, "connected together," and "one may be looked at to understand the other." See also 2 Hen. Bl. 478; 1 Webst. Pat. 117; 8 D. & E. 95.

There however, it will not answer to allow the specification, filed separately and long after, to be resorted to for supplying any entire omission in the patent; else something may be thus inserted afterwards which had never been previously examined by the proper officers, and which, if it had been submitted to them in the patent and examined, might have prevented the allowance of it, and which the world is not aware of, seeing only the letters-patent without the specification, and without any reference whatever to its contents. 3 Brod. & Bingham 5.

The whole facts and law, however, are different here. This patent issued March 8, 1834, and is therefore to be tested by the act of congress then in force, which passed February 21, 1793. 1 Statutes at Large, 318.

In the 3d section of that act it is expressly provided, "that every inventor, before he can receive a patent," "shall deliver a written description of his invention," &c.; thus giving priority very properly to the specification rather than the patent.

This change from the English practice existed in the first patent law, passed April 10, 1790, 1 Statutes at Large, 109, and is retained

in the last act of congress on this subject, passed July 4, 1836, 5 Statutes at Large, 111.

It was wisely introduced, in order that the officers of the government might at the outset have before them full means to examine and understand the claim to an invention better, and decide more judiciously whether to grant a patent or not, and might be able to give to the world fuller, more accurate and early descriptions of it than would be possible under the laws and practice in England.

In this country, then, the specification being required to be prepared and filed before the patent issues, it can well be referred to therein *in extenso*, as containing the whole subject-matter of the claim or petition for a patent, and then not only be recorded for information, as the laws both in England and here require, but beyond what is practicable there, be united and go out with the letters-patent themselves, so as to be sure that these last thus contain the substance of what is designed to be regarded as a portion of the petition, and thus exhibit with accuracy all the claim by the inventor.

But before inquiring more particularly into the effect of this change, it may be useful to see if it is a compliance with the laws in respect to a petition which existed when this patent issued, but were altered in terms shortly after.

A petition always was, and still is, required to be presented by an inventor when he asks for a patent, and one is recited in this patent to have been presented here. It was also highly important in England, that the contents of the petition as to the description of the invention should be full, in order to include the material parts of them in the patent, no specification being so soon filed there, as here, to obtain such description from, or to be treated as a portion of the petition, and the whole of it sent out with the patent, and thus complying with the spirit of the law, and giving fuller and more accurate information as to the invention than any abstract of it could.

In this view, and under such laws and practice here, it will be seen that the contents of the petition, as well as the petition itself, became a very unimportant form, except as construed to adopt the specification, and the contents of the latter to be considered substantially as the contents of the former.

Accordingly, it is not a little curious, that though the act of 1793, which is to govern this case, required, like that of 1790, a petition to be presented, and the patent when issued, as in the English form, to recite the "allegations and suggestions of the petition," 1 Statutes at Large, 321, § 1 and 111, § 3; yet, on careful inquiry at the proper office, so far as its records are restored, it appears that, after the first act of 1790 passed, the petitions standing alone seldom contained any thing as to the patent beyond a mere title; sometimes fuller, and again very imperfect and general, with no other allegations or sug-

gestions, or descriptions whatever, except those in the schedule or specification. The only exception found is the case of *Evans v. Chambers*, 2 Wash. C. C. 125, in a petition filed December 18, 1790.

Though the records of the patent-office before 1836, were consumed in that year, many have been restored, and one as far back as August 10, 1791, where the petition standing alone speaks of having invented only "an easy method of propelling boats and other vessels through the water by the power of horses and cattle." All the rest is left to the schedule. Other petitions, standing alone, are still more meagre; one for instance, in 1804, asks a patent only of a "new and useful improvement, being a composition or tablets to write or draw on;" another, only "a new and useful improvement in the foot-stove;" and another, only "a new and useful improvement for shoe-making;" and so through the great mass of them for nearly half a century. But the specification being filed at the same time, and often on the same paper, it seems to have been regarded, whether specially named in the petition or not, as a part of it, and as giving the particulars desired in it; and hence, to avoid mistakes as to the extent of the inventor's claim, and to comply with the law, by inserting in the patent at least the substance of the petition, the officers inserted, by express reference, the whole descriptive portion of it as contained in the schedule. This may have grown out of the decision of *Evans v. Chambers*, in order to remedy one difficulty there. Cases have been found as early as 1804, and with great uniformity since explicitly making the schedule annexed a part of the letters-patent. Proofs of this exist, also in our reports, as early as 1821, in *Grant et al. v. Raymond*, 6 Pet. 222; and one, 1st Oct., 1825, in *Gray et al. v. James et al.*, Pet. C. C. 394; and 27th Dec., 1828, *Wilson v. Rousseau*, 4 How. 649.

Indeed, it is the only form of a patent here known at the patent-office, and the only one given in American treatises on patents. Phillips on Pat. 523. Doubtless this use of the schedule was adopted, because it contained, according to common understanding and practice, matter accompanying the petition as a part of its substance, and all the description of the invention ever desired either in England or here in the petition. Hence it is apparent, if the schedule itself was made a part of the patent, and sent out to the world with it, all and even more was contained in it than could be in any abstract or digest of a petition, as in the English form.

We regard this mode and usage on this subject, adopted so early here and practised so long, as not proper to be overruled now, to the destruction of every patent, probably, from 1791 to 1836; and this too, when the spirit of all our systems was thus more fully carried out than it could have been in any other way.

As this course, however, sometimes was misunderstood and led to misconstructions, the revising act as to patents, in July 4, 1836,

changed the phraseology of the law in this respect, in order to conform to this long usage and construction under the act of 1793, and required not in terms any abstract of the petition in the patent, but rather "a short description" or title of the invention or discovery, "correctly indicating its nature and design," and "referring to the specification for the particulars thereof, a copy of which shall be annexed to the patent." And it is that—the specification or schedule—which is fully to specify "what the patentee claims as his invention or discovery." Sec. 5. 5 Statutes at Large, 119.

It was therefore, from this long construction, in such various ways established or ratified, that, in the present patent, the schedule, or in other words, the specification, was incorporated expressly and at length into the letters themselves,—not by merely annexing them with wafer or tape, as is argued, but describing the invention as an "improvement, a description whereof is given in the words of the said John B. Emerson himself, in the schedule hereto annexed, and is made a part of these presents." Hence too, wherever this form has been adopted, either before or since the act of 1836, it is as much to be considered with the letters,—*literae patentes*,—in construing them as any paper referred to in a deed or other contract. Most descriptions of lands are to be ascertained only by the other deeds and records expressly specified or referred to for guides; and so of schedules of personal property, annexed to bills of sale. *Foxcroft v. Mallett*, 4 How. 378; 21 Maine, 69; 20 Pick. 122; *Phil. on Pat.* 228; *Earle v. Sawyer*, 4 Mason, C. C. 9; *Ex parte Fox*, 1 Ves. & Beames, 67. The schedule, therefore, is in such case to be regarded as a component part of the patent. *Pet. C. C.* 394, and *Davis v. Palmer et al.* 2 Brockenbrough, 301. The oath of Emerson, too, that he was inventor of the improvement, must thus be considered as extending to all described in the schedule, no less than the title; and this is peculiarly proper, when the specification is his own account of the improvement, and the patent is usually only the account of it by another, an officer of the government. Taking then, the specification and letters together, as the patent-office and the inventor have manifestly in this instance intended that they should be, and they include what has long been deemed a part and the substance of the petition; and the patent described in them is quite broad enough to embrace what is alleged in the writ to have been taken out as a patent by the plaintiff, and to have been violated by the defendants. They are almost *ipsissimis verbis*. And when we are called upon to decide the meaning of the patent included in these letters, it seems our duty not only to look for aid to the specification as a specification, which is customary, 1 Gall. 437; 2 Story 621; 1 Mason, C. C. 477, but as a schedule, made here an integral portion of the letters themselves, and going out with them to the world, at first, as a part and

parcel of them, and for this purpose united together forever as identical.

It will thus be seen that the effect of these changes in our patent laws, and the long usage and construction under them, is entirely to remove the objection, that the patent in this case was not as broad as the claim in the writ, and did not comply substantially with the requirements connected with the petition.

From want of full attention to the differences between the English laws and ours, on patents, the views thrown out in some of the early cases in this country, do not entirely accord with those now offered. *Paine*, C. C. 441; *Pennock et al. v. Dialogue*, 2 Pet. 1. Some other diversity exists at times, in consequence of the act of 1793, and the usages under it in the patent-office, not being in all respects as the act of 1836. But it is not important, in this case, to go further into these considerations.

The next objection is, that this description in the letters thus considered, covers more than one patent, and is, therefore, void.

There seems to have been no good reason at first, unless it be a fiscal one on the part of the government when issuing patents, why more than one in favor of the same inventor should not be embraced in one instrument, like more than one tract of land in one deed, or patent for land. *Phillips on Pat.* 217.

Each could be set out in separate articles or paragraphs, as different counts for different matters in libels in admiralty, or declarations at common law, and the specifications could be made distinct for each, and equally clear.

But to obtain more revenue, the public officers have generally declined to issue letters for more than one patent described in them. *Renouard*, 293; *Phillips on Pat.* 218. The courts have been disposed to acquiesce in the practice, as conducive to clearness and certainty. And if letters issue otherwise inadvertently, to hold them, as a general rule, null. But it is a well-established exception that patents may be united, if two or more, included in one set of letters, relate to a like subject, or are in their nature or operation connected together. *Phil. on Pat.* 218, 219; *Barrett v. Hall*, 1 Mason, C. C. 447; *Moody v. Fiske*, 2 Mason, C. C. 112; *Wyeth et al. v. Stone et al.* 1 Story, 273.

Those here are of that character, being all connected with the use of the improvements in the steam-engine, as applied to propel carriages or vessels, and may, therefore, be united in one instrument.

Another objection is, that these letters, even when thus connected with the specification, are not sufficiently clear and certain in their description of the inventions.

This involves a question of law only in part, or so far as regards the construction of the written words used. *Reutgen v. Kanowrs et al.* 1 Wash. C. C. 168; *Davis v. Palmer et al.* 2 Brockenbrough, C.

C. 303; *Wood v. Underhill*, 5 How. 1. The degree of clearness and freedom from ambiguity required in such cases, is, by the patent act itself of 1793, to be sufficient "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." 1 Statutes at Large, 321. See also on this, *Godson on Pat.* 153, 154; 2 Hen. Bl. 489; *Wood v. Underhill*, 5 How. 1; *Davoll et al. v. Brown*, 1 Woodb. & Min. 57; *Pet. C. C.* 301; *Sullivan v. Redfield*, Paine, C. C. 441.

There are some further and laudable objects in having exactness to this extent, so as, when the specification is presented, to enable the commissioner of patents to judge correctly whether the matter claimed is new, or too broad. 3 Wheat. 454; 3 Brod. & Bingh. 5; 1 Starkie, N. P. 192. So, also, to enable courts, when it is contested afterwards before them, to form a like judgment. 1 Starkie, N. P. 192. And so that the public, while the term continues, may be able to understand what the patent is, and refrain from its use, unless licensed. *Webster on Pat.* 86; 11 East, 105; 3 Merivale, 161; *Evans v. Eaton*, 3 Wash. C. C. 453; 4 Wash. C. C. 9; *Bovill v. Moore*, *Davies's Patent Cas.* 361; *Lowell v. Lewis*, 1 Mason, C. C. 182-189.

In the present instance, yielding to the force of such reasons in favor of a due and rational degree of certainty in describing any improvements claimed as new, there still seems to us, though without the aid of experts and machinists, no difficulty in ascertaining, from the language used here, the new movement intended to be given to the steam-engine, by substituting a continued rotary motion for a crank motion, and the new form of the spiral wheel, when the engine is used in vessels, by changing the form of the paddles, and placing them near the ends of the arms; and the new connection of the power with the capstan of such vessels, by inserting the upper end of the shaft into the capstan. It is obvious, also, that the inventor claims as his improvement, not the whole of the engine, nor the whole of the wheel, but both merely in the new and superior form which he particularly sets out. He, therefore, does not claim too much, which might be bad. *Hill v. Thompson et al.* 2 J. Moore, 435; 4 Wash. C. C. 68; *Godson on Patents* 189; *Kay v. Marshall*, 1 Mylne & Cr. 373; 1 Story, 273; 2 Mason, C. C. 112; 4 Barn. & Ald. 541; *Bovill v. Moore*, 2 Marsh. Com. P. Rep. 211.

The novelty in each he describes clearly, as he should; and it is not necessary he should go further. 1 Story, 286; *Webster on Pat.* 86, note; *McFarlane v. Price*, 1 Starkie, 199; and *King v. Cutler*, *ibid.* 354; 3 Car. & Payne, 611; 2 Mason, C. C. 112; *Kingsby & Pirsson on Pat.* 61; *Godson on Pat.* 154; *Isaacs v. Cooper et al.* 4 Wash. C. C. 259.

He need not describe particularly, and disclaim all the old parts. 7 Wheat. 435; Phil. on Pat. 270, and cases cited.

And the more especially is that unnecessary, when such disclaimer is manifestly, in substance, the result of his claiming as new only the portions which he does describe specially. All which is required on principle in order to be exact, and not ambiguous, thus becomes so.

It is to be recollected, likewise, that the models and drawings were a part of this case below, and are proper to be resorted to for clearer information. Earle v. Sawyer, 4 Mason, C. C. 9. With them, and such explanatory testimony as experts and machinists could furnish, the court below were in a condition to understand better all the details, and to decide more correctly on the clearness of the description; but from all we have seen on the record alone, we do not hesitate to concur in the views on this point as expressed in that court.

In conclusion, on the other objections to the proof, as to the drawings, and to the charge below in relation to the effect of them, and to the destruction of them by fire, we likewise approve the directions given to the jury.

The destruction by fire was no fault of the inventor; and his rights had all become previously perfected. This is too plain to need further illustration. We cannot consent to be over astute in sustaining objections to patents. 4 East, 135; Crosley v. Beverly, 3 Car. & Payne, 513, 514. The true rule of construction in respect to patents and specifications, and the doings generally of inventors, is to apply to them plain and ordinary principles, as we have endeavored to on this occasion, and not, in this most metaphysical branch of modern law, to yield to subtleties and technicalities, unsuited to the subject, and not in keeping with the liberal spirit of the age, and likely to prove ruinous to a class of the community so inconsiderate and unskilled in business, as men of genius and inventors usually are.

Indeed, the English letters-patent themselves, now, however different may have been once their form, or the practice under them, declare that "they are to be construed" "in the most favorable and beneficial sense, for the best advantage" of the patentee. Godson on Pat. 24, App. 7; Kingsby & Pirsson on Patents, 35. See also, on this rule, Grant v. Raymond, 6 Pet. 218; Ames v. Howard, 1 Sumner, 482-485; Wyeth v. Stone, 1 Story, 273, 287; Blanchard v. Sprague, 2 Story, 164; 2 Brockenbrough, C. C. 303; 2 Barn. & Ald. 345, in The King v. Wheeler; 4 How. 646, in Wilson v. Rousseau et al.; 1 Crompt. Mees. & Ros. 864, 876, in Russell v. Cowly.

The judgment below is affirmed.

18. **SHAW v. COOPER**, 7 Pet. (U. S.) 292, 8 L. ed. 689 (1833).
MCLEAN, J.: * * *

The policy of granting exclusive privileges in certain cases was deemed of so much importance, in a national point of view, that power was given to congress in the federal constitution, "to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

This power was exercised by congress in the passage of the acts which have been referred to. And from an examination of their various provisions, it clearly appears that it was the intention of the legislature, by a compliance with the requisites of the law, to vest the exclusive right in the inventor only; and that on condition that his invention was neither known nor used by the public before his application for a patent. If such use or knowledge shall be proved to have existed, prior to the application for the patent, the Act of 1793 declares the patent void; and as has been already stated, the right of an alien is vacated in the same manner, by proving a foreign use or knowledge of his invention. That knowledge or use which would be fatal to the patent right of a citizen, would be equally so to the right of an alien.

* * *

The patent law was designed for the public benefit as well as for the benefit of inventors. For a valuable invention, the public, on the inventor's complying with certain conditions, give him for a limited period the profits arising from the sale of the thing invented. This holds out an inducement for the exercise of genius and skill in making discoveries which may be useful to society, and profitable to the discoverer. But it was not the intention of this law to take from the public that of which they were fairly in possession.

In the progress of society, the range of discoveries in the mechanic arts, in science, and in all things which promote the public convenience, as a matter of course, will be enlarged. This results from the aggregation of mind, and the diversity of talents and pursuits, which exist in every intelligent community. And it would be extremely impolitic to retard or embarrass this advance, by withdrawing from the public any useful invention or art, and making it a subject of private monopoly. Against this consequence the legislature have carefully guarded in the laws they have passed on the subject.

It is undoubtedly just that every discoverer should realize the benefits resulting from his discovery, for the period contemplated by law. But these can only be secured by a substantial compliance with every legal requisite. His exclusive right does not rest alone upon his discovery, but also upon the legal sanctions which have been given to it, and the forms of law with which it has been clothed.

19. KENDALL v. WINSOR, 62 U. S. 322, 16 L. ed. 165 (1858).

DANIEL, J.: * * *

The first ground of defense assumed under the notice from the defendant in the court below—viz.: a license from the patentee—may at once be disposed of by the remark that no evidence was offered on the trial, bearing directly or remotely upon the fact of an actual license from the patentee, either to the defendant or to any person whomsoever. The defense then must depend exclusively upon the proper construction of the section of the law above cited, and the application of that section to the conduct of the parties, as shown by the bill of exceptions.

It is undeniably true, that the limited and temporary monopoly granted to inventors was never designed for their exclusive profit or advantage; the benefit to the public or community at large was another and doubtless the primary object in granting and securing that monopoly. This was at once the equivalent given by the public for benefits bestowed by the genius and meditations and skill of individuals, and the incentive to further efforts for the same important objects. The true policy and ends of the patent laws enacted under this government are disclosed in that article of the constitution, the source of all these laws, viz: "to promote the progress of science and the useful arts," contemplating and necessarily implying their extension, and increasing adaptation to the uses of society. (*Vide* Constitution of the United States, art. 1, sec. 8, clause 9.) By correct induction from these truths, it follows, that the inventor who designedly, and with the view of applying it indefinitely and exclusively for his own profit, withholds his invention from the public, comes not within the policy or objects of the constitution or acts of congress. He does not promote, and, if aided in his design, would impede, the progress of science and the useful arts. And with a very bad grace could he appeal for favor or protection to that society which, if he had not injured, he certainly had neither benefited nor intended to benefit. Hence, if, during such a concealment, an invention similar to or identical with his own should be made and patented, or brought into use without a patent, the latter could not be inhibited or restricted, upon proof of its identity with a machine previously invented and withheld and concealed by the inventor from the public. The rights and interests, whether of the public or of individuals, can never be made to yield to schemes of selfishness or cupidity; moreover, that which is once given to or is invested in the public, cannot be recalled nor taken from them.

But the relation borne to the public by inventors, and the obligations they are bound to fulfill in order to secure from the former protection, and the right to remuneration, by no means forbid a delay requisite for completing an invention, or for a test of its value or success by a series of sufficient and practical experiments; nor do

they forbid a discreet and reasonable forbearance to proclaim the theory or operation of a discovery during its progress to completion, and preceding an application for protection in that discovery. The former may be highly advantageous, as tending to the perfecting the invention; the latter may be indispensable, in order to prevent a piracy of the rights of the true inventor.

It is the unquestionable right of every inventor to confer gratuitously the benefits of his ingenuity upon the public, and this he may do either by express declaration or by conduct equally significant with language—such, for instance, as an acquiescence with full knowledge in the use of his invention by others; or he may forfeit his rights as an inventor by a willful or negligent postponement of his claims or by an attempt to withhold the benefit of his improvement from the public until a similar or the same improvement should have been made and introduced by others. Whilst the remuneration of genius and useful ingenuity is a duty incumbent upon the public, the rights and welfare of the community must be fairly dealt with and effectually guarded. Considerations of individual emolument can never be permitted to operate to the injury of these. But, whilst inventors are bound to diligence and fairness in their dealings with the public, with reference to their discoveries on the other hand, they are by obligations equally strong entitled to protection against frauds or wrongs practiced to pirate from them the results of thought and labor, in which nearly a lifetime may have been exhausted; the fruits of more than the *viginti annorum lucubrationes*, which fruits the public are ultimately to gather. The shield of this protection has been constantly interposed between the inventor and fraudulent spoliator by the courts in England, and most signally and effectually has this been done by this court, as is seen in the cases of *Pennock & Sellers v. Dialogue* (2 Peters, 1) and of *Shaw v. Cooper* (7 Peters 292). These may be regarded as leading cases upon the questions of the abrogation or relinquishment of patent privileges as resulting from avowed intention, from abandonment or neglect, or from use known and assented to.

20. In *LIVINGSTON v. VAN INGEN*, Fed. Cas. No. 8,420.

It was held (1811) that congress having then provided only for an action at law on patents the circuit court could not entertain a bill in equity; and that the circuit courts had jurisdiction only in cases between citizens of different states. Therefore dismissed suit asking for an injunction against citizen of New York based upon United States patents and laws of the state. Subsequently the chancellor of the state refused an injunction against the defendants (for using steam boats on the Hudson River) but this was overruled by the court of errors, 9 Johns. 507. The law of 1819 provided for trial of patent causes by bill in equity.]

21. *BROWN v. DUCHESNE*, 19 How! (U. S.) 193-199, 15 L. ed. 595 (1856).

MR. CHIEF JUSTICE TANEY delivered the opinion of the court.

* * *

The plaintiff, by his demurrer, admits that the *Alcyon* was a foreign vessel, lawfully in a port of the United States for the purposes of commerce, and that the improvement in question was placed on her in a foreign port to fit her for sea, and was authorized by the laws of the country to which she belonged. The question, therefore, presented by the first plea is simply this: whether any improvement in the construction or equipment of a foreign vessel, for which a patent has been obtained in the United States, can be used by such vessel within the jurisdiction of the United States, while she is temporarily there for the purposes of commerce, without the consent of the patentee?

This question depends on the construction of the patent laws. For undoubtedly every person who is found within the limits of a government, whether for temporary purposes, or as a resident, is bound by its laws. The doctrine upon this subject is correctly stated by Mr. Justice Story, in his "Commentaries on the Conflict of Laws," (chap. 14, sec. 541,) and the writers on public law to whom he refers. A difficulty may sometimes arise, in determining whether a particular law applies to the citizen of a foreign country, and intended to subject him to its provisions. But if the law applies to him, and embraces his case, it is unquestionably binding upon him when he is within the jurisdiction of the United States.

The general words used in the clause of the patent laws granting the exclusive right to the patentee to use the improvement, taken by themselves, and literally construed, without regard to the object in view, would seem to sanction the claim of the plaintiff. But this mode of expounding a statute has never been adopted by any enlightened tribunal—because it is evident that in many cases it would defeat the object which the legislature intended to accomplish. And it is well settled that, in interpreting a statute, the court will not look merely to a particular clause in which general words may be used, but will take in connection with it the whole statute (or statutes on the same subject) and the objects and policy of the law, as indicated by its various provisions, and give to it such a construction as will carry into execution the will of the legislature, as thus ascertained, according to its true intent and meaning.

Neither will the court, in expounding a statute, give to it a construction which would in any degree disarm the government of a power which has been confided to it to be used for the general good—or which would enable individuals to embarrass it, in the discharge of the high duties it owes to the community—unless plain and express words indicated that such was the intention of the legislature.

The patent laws are authorized by that article in the constitution which provides that congress shall have power to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries. The power thus granted is domestic in its character, and necessarily confined within the limits of the United States. It confers no power on congress to regulate commerce, or the vehicles of commerce, which belong to a foreign nation, and occasionally visit our ports in their commercial pursuits. That power and the treaty-making power of the general government are separate and distinct powers from the one of which we are now speaking, and are granted by separate and different clauses, and are in no degree connected with it. And when congress are legislating to protect authors and inventors, their attention is necessarily attracted to the authority under which they are acting, and it ought not lightly to be presumed that they intended to go beyond it, and exercise another and distinct power, conferred on them for a different purpose.

Nor is there anything in the patent laws that should lead to a different conclusion. They are all manifestly intended to carry into execution this particular power. They secure to the inventor a just remuneration from those who derive a profit or advantage, within the United States, from his genius and mental labors.

But the right of property which a patentee has in his invention, and his right to its exclusive use, is derived altogether from these statutory provisions; and this court have always held that an inventor has no right of property in his invention, upon which he can maintain a suit, unless he obtains a patent for it, according to the acts of congress; and that his rights are to be regulated and measured by these laws, and cannot go beyond them.

But these acts of congress do not, and were not intended to, operate beyond the limits of the United States; and as the patentee's right of property and exclusive use is derived from them, they cannot extend beyond the limits to which the law itself is confined. And the use of it outside of the jurisdiction of the United States is not an infringement of his rights, and he has no claim to any compensation for the profit or advantage the party may derive from it.

The chief and almost only advantage which the defendant derived from the use of this improvement was on the high seas, and in other places out of the jurisdiction of the United States. The plea avers that it was placed on her to fit her for sea. If it had been manufactured on her deck while she was lying in the port of Boston, or if the captain had sold it there, he would undoubtedly have trespassed upon the rights of the plaintiff, and would have been justly answerable for the profit and advantage he thereby obtained. For, by coming in competition with the plaintiff, where the plaintiff was

entitled to the exclusive use, he thereby diminished the value of his property. Justice, therefore, as well as the act of congress, would require that he should compensate the patentee for the injury he sustained, and the benefit and advantage which he (the defendant) derived from the invention.

But, so far as the mere use is concerned, the vessel could hardly be said to use it while she was at anchor in the port, or lay at the wharf. It was certainly of no value to her while she was in the harbor; and the only use made of it, which can be supposed to interfere with the rights of the plaintiff, was in navigating the vessel into and out of the harbor, when she arrived or was about to depart, and while she was within the jurisdiction of the United States. Now, it is obvious that the plaintiff sustained no damage, and the defendant derived no material advantage, from the use of an improvement of this kind by a foreign vessel in a single voyage to the United States, or from occasional voyages in the ordinary pursuits of commerce; or if any damage is sustained on the one side, or any profit or advantage gained on the other, it is so minute that it is incapable of any appreciable value.

But it seems to be supposed, that this user of the improvement was, by legal intendment, a trespass upon the rights of the plaintiff; and that although no real damage was sustained by the plaintiff, and no profit or advantage gained by the defendant, the law presumes a damage, and that the action may be maintained on that ground. In other words that there is a technical damage, in the eye of the law, although none has really been sustained.

This view of the subject, however, presupposes that the patent laws embrace improvements on foreign ships, lawfully made in their own country, which have been patented here. But that is the question in controversy. And the court is of opinion that cases of that kind were not in the contemplation of congress in enacting the patent laws, and cannot, upon any sound construction, be regarded as embraced in them. For such a construction would be inconsistent with the principles that lie at the foundation of these laws; and instead of conferring legal rights on the inventor, in order to do equal justice between him and those who profit by his invention, they would confer a power to exact damages where no real damage had been sustained, and would moreover seriously embarrass the commerce of the country with foreign nations. We think these laws ought to be construed in the spirit in which they were made—that is, as founded in justice—and should not be strained by technical constructions to reach cases which congress evidently could not have contemplated, without departing from the principle upon which they were legislating, and going far beyond the object they intended to accomplish.

The construction claimed by the plaintiff would confer on patentees not only rights of property, but also political power, and enable them to embarrass the treaty-making power in its negotiations with foreign nations, and also to interfere with the legislation of congress when exercising its constitutional power to regulate commerce. And if a treaty should be negotiated with a foreign nation, by which the vessels of each party were to be freely admitted into the ports of the other, upon equal terms with its own, upon the payment of the ordinary port charges, and the foreign government faithfully carried it into execution, yet the government of the United States would find itself unable to fulfill its obligations if the foreign ship had about her, in her construction or equipment, anything for which a patent had been granted. And after paying the port and other charges to which she was subject by the treaty, the master would be met with a further demand, the amount of which was not even regulated by law, but depended upon the will of a private individual.

And it will be remembered that the demand, if well founded in the patent laws, could not be controlled or put aside by the treaty. For, by the laws of the United States, the rights of a party under a patent are his private property; and by the constitution of the United States, private property cannot be taken for public use without just compensation. And in the case I have stated, the government would be unable to carry into effect its treaty stipulations without the consent of the patentee, unless it resorted to its right of eminent domain, and went through the tedious and expensive process of condemning so much of the right of property of the patentee as related to foreign vessels, and paying him such a compensation therefor as should be awarded to him by the proper tribunal. The same difficulty would exist in executing a law of congress in relation to foreign ships and vessels trading to this country. And it is impossible to suppose that congress in passing these laws could have intended to confer on the patentee a right of private property, which would in effect enable him to exercise political power, and which the government would be obliged to regain by purchase, or by the power of its eminent domain, before it could fully and freely exercise the great power of regulating commerce, in which the whole nation has an interest. The patent laws were passed to accomplish a different purpose, and with an eye to a different object; and the right to interfere in foreign intercourse, or with foreign ships visiting our ports, was evidently not in the mind of the legislature, nor intended to be granted to the patentee.

Congress may unquestionably, under its power to regulate commerce, prohibit any foreign ship from entering our ports, which, in its construction or equipment, uses any improvement patented in this country, or may prescribe the terms and regulations upon which such

vessels shall be allowed to enter. Yet it may perhaps be doubted whether congress could by law confer on an individual, or individuals, a right which would in any degree impair the constitutional powers of the legislative or executive departments of the government, or which might put it in their power to embarrass our commerce and intercourse with foreign nations, or endanger our amicable relations. But however, that may be, we are satisfied that no sound rule of interpretation would justify the court in giving to the general words used in the patent laws the extended construction claimed by the plaintiff, in a case like this, where public rights and the interests of the whole community are concerned.

The case of *Caldwell v. Vlissengen*, (9 Hare, 416, 9 Eng. L. and Eq. Rep. 51,) and the statute passed by the British parliament in consequence of that decision, have been referred to and relied on in the argument. The reasoning of the vice chancellor is certainly entitled to much respect, and it is not for this court to question the correctness of the decision, or the construction given to the statute of Henry VIII.

But we must interpret our patent laws with reference to our own constitution and laws and judicial decisions. And the court are of opinion that the rights of property and exclusive use granted to a patentee does not extend to a foreign vessel lawfully entering one of our ports; and that the use of such improvement, in the construction, fitting out, or equipment of such vessel, while she is coming into or going out of a port of the United States, is not an infringement of the rights of an American patentee, provided it was placed upon her in a foreign port, and authorized by the laws of the country to which she belongs. In this view of the subject, it is unnecessary to say anything in relation to the second plea of the defendant, since the matters relied on in the first are sufficient to bar the plaintiff of his action, without the aid of the additional averments contained in the second.

The judgment of the circuit court must therefore be affirmed.

22. *MARSH v. NICHOLS*, 128 U. S. 605, 32 L. ed. 538 (1888).

MR. JUSTICE FIELD: * * *

This doctrine has special force in its application to a patent for an invention. A patent for land has, in the legislation of congress, a twofold operation. It conveys the title where previously that remained in the United States; but where issued upon the recognition and confirmation of a claim to a previously existing title, it is evidence of record of the existence of that title or of equities respecting the land requiring recognition by a quitclaim from the government. It always imports that the government conveys, or has previously conveyed, interests in the lands,—something which it at the time owns, or its predecessor once owned. And by the proceedings previ-

ous to its issue there is created in the claimant an equitable right to the conveyance of the legal title, or his right to such title is so established that he can enforce it against others who, with notice of his claims, may have obtained the patent. *Langdeau v. Hanes*, 21 Wall. 521, 529. But the patent for an invention conveys nothing which the government owns or its predecessors ever owned. The invention is the product of the inventor's brain, and if made known would be subject to the use of any one, if that use were not secured to him. Such security is afforded by the act of congress when his priority of invention is established before the officers of the patent-office, and the patent is issued. The patent is the evidence of his exclusive right to the use of the invention; it therefore may be said to create a property interest in that invention. Until the patent is issued, there is no property right in it; that is, no such right as the inventor can enforce. Until then there is no power over its use, which is one of the elements of a right of property in anything capable of ownership. In *Gayler v. Wilder*, 10 How. 477, 493, this subject was to some extent considered, when the court, by Chief Justice Taney, said: "The inventor of a new and useful improvement certainly has no exclusive right to it until he obtains a patent. This right is created by the patent, and no suit can be maintained by the inventor against any one for using it before the patent is issued." And again: "The monopoly did not exist at common law, and the rights, therefore, which may be exercised under it, cannot be regulated by the rules of the common law. It is created by the act of congress, and no rights can be acquired in it unless authorized by statute, and in the manner the statute prescribes."

23. *DABLE GRAIN SHOVEL CO. v. FLINT*, 137 U. S. 41, 34 L. ed. 618 (1890).

It is agreed that the machines in question were constructed and put in use in the defendants' grain elevators by the inventor himself, and with his knowledge and consent, while he was in their employment as superintendent of machinery, and before his application for either patent. According to the express terms of the statute, therefore, the defendants had the right to continue to use these specific machines without paying any compensation to him or his assigns, whether asked for or not.

To the argument of the plaintiff's counsel that the statute is unconstitutional as depriving the inventor of his property without compensation, there is a twofold answer,—the patentee has no exclusive right of property in his invention, except under and by virtue of the statutes securing it to him, and according to the regulations and restrictions of those statutes, (*Gayler v. Wilder*, 10 How. 477, 493; *Brown v. Duchesne*, 19 How. 183, 195; *Marsh v. Nichols*, 128 U. S. 605, 612, 9 Sup. Ct. Rep. 168;) and these machines have

been set free from his monopoly by his own act, consent, and permission, (*Wade v. Metcalf*, 129 U. S. 202, 9 Sup. Ct. Rep. 271.) Judgment affirmed.

24. CHAMPLIN v. STODDART, 30 Hun. 300, 302.

A secret in trade is fully recognized as property in equity, the disclosure of which will be restrained by injunction.

25. PEABODY v. NORFOLK, 98 Mass. 452.

Also in *Vovatt v. Winyard*, Jac. & W., 394; *Bryson v. Whitehead*, 1 S. & S. 74; *Morrison v. Moat*, 9 Hare 241; and *Weston v. Huermons*, 2 Vict. L. R. Eq. 121.

Relief by injunction was granted against former employees and others similarly situated, from practicing or disclosing various trade secrets such as process of manufacturing cloth, receipts for veterinary medicines, the mode of dyeing, and a medical recipe.

See also *Benton v. Ward*, 59 Fed. Rep. 411, 413.]

26. R. S. U. S. § 4908

“* * * but no witness shall be deemed guilty of contempt for * * * refusing to disclose any secret invention or discovery made or owned by himself.”

27. CHADWICK v. COVELL, 151 Mass. 190, 23 N. E. 1068.

So far as the right to manufacture and sell the medicine goes, the plaintiff's case may be disposed of in a few words. Dr. Spencer has no exclusive right to the use of his formulae. His only right was to prevent any one from obtaining or using them through a breach of trust or contract. Any one who came honestly to the knowledge of them could use them, without Dr. Spencer's permission and against his will. (*Peabody v. Norfolk*, 98 Mass. 452; *Morrison v. Moat*, 9 Hare, 241; *Williams v. Williams*, 3 Meriv. 157.)

28. SCHOULER ON PERSONAL PROPERTY, Vol. 1, sec. 63 [citing *Bristol v. Equitable Soc.*, 132 N. Y. 264; *Morrison v. Moat* (Supra), and *Chadwick v. Covell*.]

But one who has ideas, trade secrets, or systems of his own which cannot be used or sold without disclosure, must guard his own property, if he has no patent or copyright to protect him, for if he discloses the idea or secret to another even in confidence, without contract to guard it or an agreement for recompense, such a party is entitled to use it for his own benefit without rewarding him.

Ibid, Vol. 1, Sec. 518, (citing *Dable Grain Shovel Co. v. Flint*, 137 U. S. 41.)

“For neither an inventor nor an author, here or abroad, has any exclusive right of property in his invention or writing after publish-

ing it, except under and by virtue of the statutes, foreign or domestic, securing it to him and in accordance with the regulations and restrictions of such statutes.”

29. GAYLER v. WILDER, 10 How. (U. S.) 477, 13 L. ed. 504.

“* * * no suit can be maintained by the inventor against any one for using it before the patent is issued.”

30.

[Note.—See also Kirk v. United States, 163 U. S. 49, 41 L. ed. 66; American Hide, &c., Co. v. American Tool, &c., Co., 4 Fish. Pat. Cas. 284, Fed. Cas. No. 302; Morton v. New York Eye Infirmary, 2 Fish. Pat. Cas. 320, 5 Blatchf., (U. S.) 116, 17 Fed. Cas. No. 9865; Brill v. St. Louis Car Co. *et al.*, 80 Fed. 909; S. S. White Dental Mfg. Co. v. Mitchell, 188 Fed. 1017.]

31. REIN v. CLAYTON, 37 Fed. 354.

BROWN, J.: * * *

We are confronted upon the threshold of this case with the important question whether an inventor can maintain a bill for an injunction before the issue of a patent. The question has been directly decided in but a single case, viz., Butler v. Ball, 28 Fed. Rep. 754; and it is upon this case alone that plaintiffs rely for the maintenance of this suit. The learned judge, who delivered the opinion in this case, does not discuss the question upon principle, but cites two authorities as settling it in favor of the jurisdiction. The first case (Evans v. Weiss, 2 Wash. C. C. 342) was an action at law against a person who had made use of plaintiff's invention for some years prior to the passage of a special act granting him a patent for such invention, and the question was whether he was liable as an infringer, for using the improvement after he had received notice of the granting of plaintiff's patent; and the court held that he was, notwithstanding a proviso in the special act that “no person who shall have used the said improvements, or erected the same for use, before the issuing of said patent, shall be liable therefor.” In delivering the opinion Mr. Justice Washington observed “that the right to the patent belongs to him who is the first inventor, even before the patent is granted; and therefore any person who, knowing that another is the first inventor, yet doubting whether that other will ever apply for a patent, proceeds to construct a machine, of which it may afterwards appear he is not the first inventor, acts at his peril, and with a full knowledge of the law that, by relation back to the first invention, a subsequent patent may cut him out of the use of the machine thus erected.” It is entirely clear that in saying that the right to the patent belongs to the first inventor, even before the

patent is granted, he refers only to the plaintiff's property in his invention, and his right to a patent therefor, and not to his right to enjoin an infringer before the patent is issued. The real question was whether the defendant, who had purchased the patented article before the patent was issued, and was then using it, had the right to continue to use it after the patent was granted, and it was held that he had not. The principle of this case was subsequently affirmed by the supreme court in *Evans v. Jordan*, 9 Cranch, 199. In the other case, also, (*Jones v. Sewall*, 6 Fish. Pat. Cas. 343,) suit was brought upon letters patent, and in opening his opinion Mr. Justice Clifford made the incidental remark that inventions lawfully secured by letters patent are the property of the inventors, and as much entitled to legal protection as any other species of property. "They are indeed property, even before they are patented, and continue to be such, even without that protection, until the inventor abandons the same to the public, unless he suffers the patented product to be in public use or on sale, with his consent and allowance, for more than two years before he files his application." He is evidently speaking here of the right of an inventor to a patent in case he makes his application within two years after his device has been made public; and this right is a species of property which remains unimpaired during the continuance of the two years. But there is no intimation here that the inventor may apply for an injunction before his right is lawfully secured by letters patent; indeed, the intimation is the other way. He is evidently speaking of the same right of property to which Mr. Justice Hunt alludes in *Manufacturing Co. v. Vulcanite Co.*, 13 Blatchf. 375, 383: "So far as the plaintiff's own use or manufacture is concerned, it needs no act of congress to enable it to make, use, and vend the article, and it obtains no such right from congress. The benefit of the patent law is that the plaintiff may prevent others from making, using, or vending its invention. To itself, to its own right to make, use, or vend, no right or authority is added by those statutes." We think that neither of these cases is authority for the proposition laid down in the case of *Butler v. Ball*.

Let us now examine the question upon principle. At common law there was no special property in an invention, because the policy of the law was opposed to this as to all other monopolies. Walk. Pat. § 159. Indeed, the inventive genius of the English-speaking people did not begin to manifest itself to any considerable extent before the middle of the last century, and it is only within the past 60 years that the business of the patent-office has been considered of any great importance. Patents for inventions were at first treated as a royal prerogative, and granted as a matter of favor, and never as a legal right. They were in fact a branch of that extensive system of monopolies which became so odious during the reign of Elizabeth and her successors, the Stuarts. In the reign of James I. a statute