

Costs.—In allowing an amendment the Law Officer may impose conditions, (*i*) he may also order the payment of costs by either party, and such order may be made a rule of Court. (*j*) Costs are usually given against the unsuccessful party (*k*) but special circumstances may, in the opinion of the Law Officer, disentitle the successful party to costs. Thus, where an amendment allowed was a second disclaimer, (*l*) and where the applicant's specification had been loosely drawn, (*m*) no costs were given against the opponents.

Where costs are allowed, a lump sum is generally given. A sum of five, seven, ten, or even twenty guineas has been allowed by the Law Officer. (*n*)

Where the request for leave to amend is not opposed, or the opponent does not appear, the Comptroller may still refuse to allow the proposed amendment, or grant it subject to conditions. The Comptroller may always appear to support his own decision before the Law Officer; and if there is no opponent to argue the matter he will probably elect to do so. (*o*) As a general rule, costs will neither be given to nor against the Comptroller in such case. Very special circumstances may, however, cause this rule to be departed from. (*p*)

Where an applicant for amendment to whom leave has been refused by the Comptroller desires to obtain the decision of the Law Officer, he ought to appeal forthwith. Where, instead, the applicant made a second application to the Comptroller for leave to make the same amendments, and appealed on a second refusal, Sir R. E. Webster, A.G., although otherwise inclined to allow the amendments, refused to do so, in the absence of a satisfactory explanation of why the first refusal had not been appealed from. (*q*)

The fact that the application to amend is made late in the life of the patent is a circumstance adverse to the applicant, but not conclusive against leave being given. (*r*)

(*i*) Sect. 18 (4). As to these see post, p. 271.

(*j*) Patents Act, 1883, s. 38.

(*k*) *Re Haddan*, Griff. A. P. C. 13.

(*l*) *Ibid.*

(*m*) *Ashworth*, Griff. A. P. C. 9. See, also, *Allen*, Griff. A. P. C. 4.

(*n*) *Ainsworth's Patent*, 13 R. P. C. 78 (7 guineas); *Bell*, Griff. A. P. C. 11 (10 guineas); *Cochrane's Patent*, Griff. 305 (5 guineas); *Johnson's Patent*, 13 R. P. C.

664 (20 guineas, amongst three sets of opponents).

(*o*) Patents Act, 1883, s. 18 (7).

(*p*) *Lake*, Griff. A. P. C. 17.

(*q*) *Arnold's Patent*, Griff. A. P. C. 6.

In this case ignorance of patent law and absence of knowledge that a right of appeal existed were held not to afford a satisfactory explanation of the omission to appeal at first.

(*r*) *Morgan's Patent*, Griff. A. P. C. 18.

In *Johnson's Patent*, (s) where the patent was ten years old, Sir R. E. Webster, A.G., said that this circumstance imposed on the applicant the duty of making out a very clear case, because the Law Officer had to be satisfied that the mistake sought to be corrected was an original mistake, and for this purpose had to try to put himself back in the position of the parties when the specification was originally filed.

Second disclaimers are viewed with disfavour; and where they have been allowed, costs have been refused. (t)

What Manner of Amendment is Permissible.—No amendment is permissible which makes the specification as amended claim an invention substantially larger than, or substantially different from, the invention claimed by the specification as it stood before amendment. (u) But, subject to this limitation, any amendment by way of disclaimer, correction, or explanation, either of the letterpress or drawings of a specification, may be allowed. (v) The amendment may even add drawings to the original specification. (w)

Discussing, in *Johnson's Patent*, the power of amendment conferred by Section 18 upon the Comptroller and Law Officer, Sir R. E. Webster, A.G., said: "On previous occasions, I have expressed my view that the words 'by way of disclaimer, correction, or explanation' were meant to refer to disclaiming something which was originally wrongly inserted, or to explaining something which requires explanation, having regard to the statement made in the first instance by the patentee. It must be remembered that the whole of this sub-section is subject to the words 'not substantially larger than, or substantially different from, the invention claimed' in sub-section 8 of Section 18. . . . A disclaimer is not to be used solely for the mere purpose of turning an insufficient description into a sufficient description. Of course, it is to be used for the purpose of turning an ambiguous specification into a clear specification; but not for the purpose of turning an insufficient description into a sufficient description, especially if the amendment introduces subsequent knowledge." (x)

Commenting on the same point in *Beck v. Justices* (y) *Application*, the same learned Law Officer said: "My idea of the function of an explanation within Section 18, is to explain more clearly what is necessary to understand the meaning of the patentee at

(s) 13 R. P. C. 663.

(t) *Re Haddan*, Griff. A. P. C. 12.

(u) Patents Act, 1883, s. 18 (8).

(v) *Ibid.* s. 18 (1).

(w) *Lang's Patent*, 7 R. P. C. 471.

(x) 13 R. P. C. 660.

(y) Griff. A. P. C. 10.

the time he patented the invention. I do not think it is intended that he should put in subsequently-ascertained knowledge. I do not mean to lay down a hard-and-fast rule; but, speaking broadly, it was intended to permit a man to amend, correct, and explain the enunciation of his invention as he intended originally to give it."

Where the principle of an invention is amply described in the original specification, amendments merely by way of fuller description, so that the principle may be better understood, will not be allowed. A patentee is bound to describe his invention sufficiently when he files his complete specification; and, although defects appearing on the face of the specification may be amended by disclaimer, such defects must be defects consistent with the patentee intending to fulfil the conditions of the grant by properly describing his invention. (z)

In *Morgan's Case*, (a) an amendment was allowed which corrected the misdescription of a drawing by inserting a proper description, and adding to the claim the words, "substantially in the manner described."

Amendment was allowed where an applicant for a patent in respect of an invention communicated from abroad, had misdescribed the invention through misunderstanding the inventor's instructions. In this case the subject-matter was of a highly technical nature. (b)

An amendment which claims a different invention from that originally claimed, or which enlarges that invention, will not be allowed.

In *Lang's Patent*, (c) the specification originally claimed a method of making wire ropes so that the strands were laid up into the ropes the same way as the wires of the strand. The patentee (having discovered this method to be old) sought to amend so as to alter the claim to one for the application of this method to the construction of ropes by means of certain machinery. Leave was refused.

So, too, an amendment which seeks to introduce a larger term for one of narrower import, as, e.g. "manufacture" for "process," is inadmissible. (d)

In *Parkinson's Patent*, (e) the complete specification concluded with four claims. The fourth claim was new and useful, but the

(z) *Nordenfelt*, Griff. A. P. C. p. 21.

(a) Griff. A. P. C. 17.

(b) *Johnson*, 13 R. P. C. 662.

(c) 7 R. P. C. 471.

(d) *Vidal's Patent*, 15 R. P. C. 721.

(e) 13 R. P. C. 509, p. 513.

other three were held bad by the House of Lords. The patentee thereupon applied for leave to amend. The first three claims had claimed the combination of a sieve with side deposit surfaces tapering, or not tapering; by his proposed amendment, the patentee sought to claim the combination of the sieve and side deposit surfaces with the "other portions of the apparatus substantially in the manner hereinbefore described, so as practically to free the escaping air from particles of dust." The Law Officer refused to allow this amendment, as being, in fact, a claim for a new combination different from the naked claim in the first three claims of the original patent.

A useful test to ascertain whether or not a suggested amendment enlarges a patent, is to consider whether the proposed amendment, if allowed, will make that an infringement which would have not been one before. (*f*)

In *Moser v. Marsden*, where the patent was for improvements in gig mills employed in the finishing of woven fabrics, the patentee amended his claim by adding after the words, "by means of countershafts," the further words, "or any other driving motion." It was contended that this enlarged the claim and avoided the patent. On this Lord Watson said: "The alternative words so introduced occur in the original as well as in the amended claim, and, in both cases, they appear to me, when fairly construed, to have precisely the same import. I think that, in substance, they do nothing more than convey an intimation to the public having an interest in the matter, that the patentee does not claim as an essential part of the combination which he has invented, the source from which the motive-power is taken for actuating the rollers. In that view of their meaning, the words in question do not appear to me to amount to an expansion of the patent beyond the limits described, but constitute a legitimate qualification of the patentee's claim, by excluding from it a feature which he does not regard as essential." (*g*)

In *Heath & Frost's Patent*, (*h*) the invention was described as "an improved method of blasting and shot-firing in mines." The object of the patentees was to secure protection against accidental ignition without any reduction of the explosive force. The complete specification described the explosive as enclosed in two cases, an inner and an outer case, with water between the

(*f*) *Moser v. Marsden*, 10 R. P. C. 350;
13 R. P. C. 24.

(*g*) 13 R. P. C. 31.
(*h*) *Griff. P. C.* 310.

two. It stated that when the explosive was impervious to water (as, *e.g.*, dynamite would be), the inner case might be dispensed with. The patentees having found that a blasting cartridge with water surrounding the explosive was old, applied for leave to amend, by confining their invention "to a simple and cheap construction of water-tight cartridge." With this object, they proposed to strike out the whole of their specification except that part which related to the cartridge without the inner case. The amendment was disallowed, as claiming an invention substantially different from that disclosed by the original specification.

A patentee will not be allowed by amendment to set up a claim for a substantially different invention. Thus, a patentee who claims specific integers will not usually be allowed by amendment to turn his claim into one for a combination. If, however, it appears from the terms of the specification that the patentee had from the first present to his mind a claim for a combination, such amendment will be allowed.

Thus, in *Bateman & Moore's (i) Patent*, the specification appeared to have been framed upon the assumption that the patentees were entitled to claim separately the elements which composed their apparatus. The claim was divided into separate heads, under "first," "secondly," and "thirdly;" but Sir R. Bethel, S.G., being of opinion, from the body of the specification, that the patentees intended to claim their apparatus as a combination, allowed amendment to make the claim consistent therewith, by striking out "first," "secondly," and "thirdly," and substituting "or" for "secondly," and "and" for "thirdly." Otherwise he would not (he intimated) have allowed it.

Nor may a claim for a combination be turned by amendment into a claim for one only of the component integers. In *Serrell's Patent, (j)* the specification claimed a combination, and did not contain any claim for any minor arrangement thereunder. The patentee sought to amend by striking out the whole claim, and inserting instead a claim for a subordinate part only of the original combination; but Sir R. E. Webster, A.G., refused to allow such amendment.

A claim, however, for several independent integers may be amended so as to include only one of such integers. (*k*)

So likewise an amendment which cuts down a claim for all processes of attaining a given result to a claim for one specified

(i) Macr. P. C. 116.

(j) 6 R. P. C. 103.

(k) *Cochrane's Patent*, Griff. P. C. 304.

process only, is good, and does not set up a different invention. (*l*) But where a patentee has chosen to claim an improved method, apart from any particular means of giving effect to it, he will not be allowed by amendment to practically re-write his specification by inserting all the particular means, and possibly raising a doubt as to whether or not they might not be made the subject of a claim. (*m*)

Formerly, where it was doubtful whether the proposed amendment enlarged the original invention, or claimed a different invention, the Law Officer usually allowed the amendment, on the ground that it was taken at the patentee's peril, and (if granted in contravention of Section 18, sub-section 8) open to impeachment in subsequent legal proceedings. (*n*) Since the House of Lords have held, however, in *Moser v. Marsden*, (*o*) that the Law Officer's decision is conclusive as to the right to amend, and cannot be reviewed, it will, it would seem, be incumbent upon the Law Officer to adopt a different course, and determine every doubtful case one way or the other.

Imposing Conditions.—The Law Officer (*p*) and the Comptroller (*q*) may, in allowing an amendment, do so subject to conditions.

In the case of letters patent granted prior to the Patents Act of 1883, it was usual (*r*) to impose the condition that no action should be brought, or other proceedings taken, by the patentee in respect of infringements prior to the 1st of January, 1884, when that Act came into force. This condition was so imposed, because it seemed doubtful, in the case of such patents, whether Section 20 of the Patents Act, 1883, operated to protect infringers in respect of acts committed before January, 1884. (*s*) In the case of a patent granted since 1st January, 1884, this condition will not be imposed, unless there are very special circumstances, Section 20 being usually a sufficient protection to the public. (*t*)

What amounted to such special circumstances as would induce the Law Officer to impose the above condition beyond the 1st of January, 1884, in the case of a patent granted in 1878, was discussed in *Ashworth's Patent*. (*u*) The opponents in that case

(*l*) *Ashworth*, Griff. A. P. C. 6.

(*m*) *Nairn's Patent*, 8 R. P. C. 445.

(*n*) *Lake's Patent*, Griff. A. P. C. 16.

(*o*) 13 R. P. C. 24.

(*p*) Patents Act, 1883, s. 18 (4).

(*q*) *Hearson's Patent*, Griff. P. C. at 310.

(*r*) See *Hearson's Patent*, Griff. P. C.

309; *Cheeseborough's Patent*, Griff. P. C. 303.

(*s*) *Allen*, Griff. A. P. C. 3 (see Clarke, S.G. p. 5).

(*t*) *Ibid.*; *Ainsworth's Patent*, 13 R. P. C. 76, at 78.

(*u*) Griff. A. P. C. 6, at p. 9.

asserted before the Law Officer that since the matter had been before the Comptroller the patentees had been threatening an action, and argued that this was a special circumstance. On this Sir H. Davey, S.G., said: "If I saw, or if there was any evidence before me that the patent had been used for the purpose of endeavouring to obtain a monopoly larger than that which the specification as amended claims, I should consider that a special circumstance. If, for example, the patentees had been threatening persons, and endeavouring to prevent persons from making or selling wire hardened and tempered in a mode different from that which was claimed, I should consider that a special circumstance, and under those circumstances, as far as I am personally concerned, I should impose the condition that no action should be brought for anything done at any time before the amendment. But there is nothing of that kind here; and we can very well see that if on the one hand the patentee has got a patent which contains claims larger than he can support, and a patent which perhaps he is advised it would not be safe to go into Court upon without amendment, he may, for all that, have a very valuable and meritorious invention; and one would not have much sympathy for persons who were using his very meritorious invention, relying on the invalidity of the patent from some defect in the description, or from its containing claiming clauses which were larger than could be supported in Court. I, for one, should not have any sympathy with a person who had availed himself of those defects which the law has now allowed to be amended, and had infringed the real invention. If, on the other hand, they have not infringed the real invention, of course they have a good defence to the action, and they need not be afraid. It seems to me to be no reason why I should deprive the patentee of the right which he has, according to what is now the settled rule in these matters, of suing in respect of matters before the amendment, but after the 1st January, 1884, merely on the ground of the supposed hardship it would impose upon people who have not infringed the patent having to defend a patent action."

The law as to infringements prior to amendment and subsequent to the 1st of January, 1884, is now governed by Section 20 of the Patents Act, 1883, which enacts that—

"Where an amendment by way of disclaimer, correction, or explanation has been allowed under this Act, (v) no damages shall be given in

(v) Patents Act, 1883, s. 20.

any action in respect of the use of the invention before the disclaimer, correction, or explanation, unless the patentee establishes to the satisfaction of the Court that his original claim was framed in good faith and with reasonable skill and knowledge. (*w*)

In granting leave to amend by way of disclaimer the Law Officer will not generally impose special terms in an opponent's interest. But a case for doing so may occur. If, for example, the defect sought to be remedied by amendment had formed the subject of discussion between the opponent and patentee at an early date in the life of the patent, and the owner by abstaining from taking proceedings had apparently acquiesced in the view that the patent was bad, and thereby induced the opponent to create a business it was subsequently sought to attack should the amendment be granted, leave might properly be refused altogether or very special conditions imposed. (*x*)

A condition that the opponent should have leave to work the patented invention would, however, hardly be imposed in any case. (*y*)

Leave to amend under Section 18 when given is conclusive as to the right to amend (except in case of fraud), and the amendment is deemed in all courts and for all purposes to form part of the specification. (*z*) But inasmuch as the authority of the Comptroller and of the Law Officer to sanction amendments is by sub-section 8 limited to such amendments as will not make the amended specification claim an invention substantially larger than, or different from, the invention claimed before, it might seem that an amendment permitted by these authorities might still be called in question in subsequent legal proceedings if it enlarged or substantially altered the original invention.

That such an amendment might be so questioned was held by the Court of Appeal in *Van Gelder's Patent*. (*a*) But this case must now be considered to be overruled, for the House of Lords in the more recent case of *Moser v. Marsden* (*b*) have held that once an amendment has been allowed it is not open to the Court to entertain an objection to it, as enlarging the original claim. "In my opinion," said Lord Watson in that case, (*c*) "the very

(*w*) See *Wenham v. Carpenter*, 5 R. P. C. 68; *Hopkinson v. St. James's Electric Light Co.*, 10 R. P. C. 62.

(*x*) *Allison's Patent*, 15 R. P. C. 408.

(*y*) *Ibid.* per Finlay, S.G.

(*z*) Sect. 18 (9).

(*a*) 6 R. P. C. 22. As to this being

the rule prior to the Patents Act, 1883, see Bowen, L.J., in above case; also Lord Blackburn in *Dudgeon v. Thomson*, L. R. 3 App. Ca. 34; and Bethel, A.G., in *Bateman & Moore's Patent*, Macr. P. C. 116.

(*b*) 13 R. P. C. 24.

(*c*) At p. 31.

object of the Act of 1883 was to make an amended claim, when admitted by the proper authorities, a complete substitute, to all effects and purposes, for the claim originally lodged by the patentee. The validity of the amended claim must therefore be determined in the same way, and on the same footing, as if it had formed part of the original specification; and the claim, as it stood before amendment, cannot be competently referred to, except as an aid to the construction of its language after amendment."

Where an amendment is allowed the Comptroller may require the applicant to leave at the Patent Office, within a time limited by him, a new specification and drawings as amended. (*d*).

Every amendment of a specification is required to be advertised in the prescribed manner. (*e*)

The Law Officer is not a Court, and prohibition will not lie to him, to restrain him from allowing an amendment. (*f*)

A patentee who has obtained an English patent under the International Convention is in no better position as regards amendment of his specification than an ordinary British patentee, and can claim no larger privilege. (*g*)

3. *Amendment of a Specification when an Action for Infringement or a Proceeding for the Revocation of the Patent is Pending.*

This right of amendment, given by Section 19 of the Patents Act, 1883, is not so extensive as that authorized by Section 18, which has just been considered. Here it is a right of amendment by way of disclaimer only, (*h*) and corrections and explanations are not allowed except in so far as they may be required for the purpose of defining the disclaimer. (*i*)

But disclaimer is still disclaimer, even if ninety-nine hundredths of the original patent is discarded, provided nothing new is introduced. (*j*)

Section 19, as amended by Section 5 of the Patents Act, 1888, provides as follows:—

"In an action for infringement of a patent, and in a proceeding for revocation of a patent, the Court or a judge may at any time order that

(*d*) P. R. rule 57.

(*e*) Patents Act, 1883, s. 21.

(*f*) *Van Gelder's Patent*, 6 R. P. C. 22.

(*g*) *Vidal's Patent*, 15 R. P. C. 721.

(*h*) *Armstrong's Patent*, 14 R. P. C. 747.

(*i*) *Owen's Patent*, 15 R. P. C. 755;

[1899] 1 Ch. 157; 68 L. J. Ch. 63; 79

L. T. 458; 47 W. R. 180.

(*j*) *Dellwick's Patent*, 15 R. P. C. 682;

[1896] 2 Ch. 705.

the patentee shall, subject to such terms as to costs and otherwise as the Court or a judge may impose, be at liberty to apply at the Patent Office for leave to amend his specification by way of disclaimer, and may direct that in the meantime the trial or hearing of the action shall be postponed."

Commenting on this section, and its relation to the prior section dealing with amendments generally, Lindley, L.J., in *Bray v. Gardner*, (*k*) said: "Litigation as to a patent altogether stops the application of Section 18. Then comes Section 19, which is in the nature of a proviso to Section 18, sub-section 10, and it says that if litigation is going on the Court may grant the patentee liberty to apply at the Patent Office for leave to amend, upon such terms as to costs and otherwise as the Court may impose. That is a great boon to patentees, because as regards everybody except the defendant in the particular action, the patentee is at liberty to amend his patent, and to obtain all advantages to which that amendment may entitle him. Then it is the judge's duty to see that, while granting that benefit to the patentee, he does no injustice to the defendant. As I said before, the method of preventing injustice to the defendant would be different in different cases."

This section only applies where an action or a proceeding for the revocation of a patent is pending. If an action is concluded, or has been discontinued, no leave under this section is necessary. (*l*) Nor does the section apply where an appeal is pending in an infringement action; (*m*) in such case also an amendment may be sought in the ordinary way under Section 18. Where an amendment has been allowed by the Comptroller without leave, in a case where it is doubtful if leave was not required, the Court has refused subsequently to go behind the Comptroller's decision. (*n*)

The judge has a complete discretion to grant or refuse the leave. (*o*) Where the application for leave is one of real substance, leave ought to be given, otherwise the patentee may be placed in a position of great hardship, whereas the hardship to the defendant in the action can be remedied by the terms which the judge has power to impose. It is not for the Court to try the question of the amendment; that duty the Legislature has imposed

(*k*) L. R. 34 C. D. 673; 4 R. P. C. 44; 56 L. J. Ch. 500.

(*l*) *Cropper v. Smith*, 1 R. P. C. 254; 28 C. D. 148; 54 L. J. Ch. 287; *Bell*, Griff. A. P. C. 10.

(*m*) *Cropper v. Smith*, supra.

(*n*) *Farbenfabriken v. Bowker*, 8 R. P. C. 389.

(*o*) *Lang v. Whitecross Wire Co.*, 7 R. P. C. p. 392; per Lord Halsbury, C.

on a special tribunal, the Comptroller and the Law Officer. At the same time, if the proposed amendment is clearly of a trumpery nature, or such as in any case would not avail to make the patent good, the judge ought, in the exercise of his discretion, to refuse the leave asked. (*p*)

As a rule, the Court of Appeal will not interfere to vary or reverse the judge's order, once his discretion has been exercised, unless it sees clearly that the discretion has been exercised on a wrong principle, or some miscarriage of justice is occasioned thereby. (*q*)

In granting leave the judge may impose terms as to "costs and otherwise." These words "costs and otherwise" are of the widest description, and give an ample discretion to the judge to impose whatever terms he thinks fit. (*r*)

The Court will, as a general rule, impose the condition that the amended specification shall not be receivable in evidence in the action. But this is only a general rule, and may properly be departed from in special circumstances. (*s*) "By applying to amend the specification under ordinary circumstances," said Cotton, L.J., in *Bray v. Gardner*, (*t*) "the patentee admits that the specification, for some reason or other, either by reason of its claiming too much, or not sufficiently describing the invention, does not comply with the conditions imposed on a person taking out letters patent, and that, if the action went on without the amendment, there would be a defence open to the defendant in the particular action, on the ground that at the time the action was brought there was no valid patent. In my opinion it would be wrong, the matter being within the discretion of the Court, to allow a plaintiff, by amending a specification, to get all the advantages of that amendment, as against the defendant in the action. It would be giving him, after he had originally come to the Court with a patent which could not be relied on, power to put himself in a different position as against the defendant. Even if the consequence of amendment may be that the patentee is entitled to maintain his action in respect of previous acts which are infringements of the patent as amended, in my opinion discretion is given to the Court to say, 'You may amend if you

(*p*) *Dellwick's Patent*, [1896] 2 Ch. 705; 13 R. P. C. 591; *Armstrong's Patent*, 14 R. P. C. 747; 77 L. T. (N. S.), 267.

(*q*) *Armstrong's Patent*, 14 R. P. C. 747.

(*r*) *Lang v. Whitecross*, 7 R. P. C. 392.

(*s*) *Goulard v. Lindsay*, L. R. 38 C. D.

38; *Bray v. Gardner*, L. R. 34 C. D. 668; *Singer v. Stassen*, 1 R. P. C. 121; *Allen v. Doulton*, 4 R. P. C. 377; *Fusee Vesta Co. v. Bryant & May*, 4 R. P. C. 71; *Haslam Co. v. Goodfellow*, 5 R. P. C. 28; 37 C. D. 118.

(*t*) *Supra*.

like, pending this action, but one of the terms will be that you shall not give the amended specification in evidence, to enable you to sue on a patent which, at the time when you commenced your action you could not sue on at all.' ”

Terms will also generally be imposed as to damages in respect of infringements prior to the amendment. In *Lang v. Whitecross Company*, (u) terms were imposed that no damages should be recovered in respect of past acts of infringement, and no claim made for an injunction founded on such acts. (v) The House of Lords, on appeal, held that the judge had rightly exercised his discretion. Lord Halsbury, C., said: “I think the learned judge meant what I should mean if I were to say, ‘I think that, as a rule, a man ought not to be allowed to recover damages in respect of a past infringement, when at the date of that infringement, or alleged infringement, the specification was in such a form that he could not by law have maintained an action against the alleged infringer for doing the act,’ because otherwise the result might be that an act which was lawful at the time, and not an infringement, would become, *ex post facto*, by reason of subsequent proceedings, unlawful, and an infringement, and would make the man who committed it liable for damages for which he would not have been liable at the time.”

In exceptional circumstances, however, the above terms might properly be departed from. “If, however,” said the learned Lord Chancellor in the foregoing case, “under the particular circumstances of the particular case the proceedings of the alleged infringer were obviously *malâ fide*, and the proceedings of the patentee obviously *bonâ fide*, and the specification, in the language of the Statute, (w) had been framed with reasonable diligence and skill, then the *malâ fide* intention of the infringer might well be punished by damages, and the person who had acted *bonâ fide* ought not to suffer.” (x)

In addition to the power given to the judge to impose terms as to damages, Section 20 of the Patents Act, 1883, provides—

“Where an amendment by way of disclaimer, correction, or explanation, has been allowed under this Act, no damages shall be given in any action in respect of the use of the invention before the disclaimer, correction, or explanation, unless the patentee establishes, to the satisfaction

(u) 7 R. P. C. 393.

38 C. D. 38.

(v) See, also, *Codd v. Bratby*, 1 R. P. C. 209; *Gaulard v. Lindsay*, 5 R. P. C. 192;

(w) Patents Act, 1883, s. 20.

(x) 7 R. P. C. 393.

of the Court, that his original claim was framed in good faith, and with reasonable skill and knowledge." (y)

Terms will also be imposed as to costs. Here the general rule is to require the patentee to pay the costs incurred by the application for leave to apply for an amendment, and the costs of the action up to the date when such leave was given. (z)

Where the application for leave was made at a late stage of the trial of the action, *Smith, L.J.*, (a) notwithstanding that the disclaimer allowed had cured the defect in the patent, gave judgment in the action for the defendants with costs, and the Court of Appeal held that this order was right, but that liberty might properly have been reserved to the plaintiffs to bring another action for an injunction if so advised.

Where leave to apply for amendment is given pending an action, and no terms are imposed, the defendant's proper course is to appeal against the order so made, and not rely instead upon being able to induce the Law Officer to impose conditions when the amendment is in fact allowed. (b)

The application for leave to apply for amendment pending an action may be made by summons at Chambers, (c) or by motion or in court when the case is being heard. The judge in granting leave has power to postpone the hearing of the action till the patentee's application to amend has been heard and determined. (d)

Where a request for leave to amend is made by or in pursuance of an order of the Court or a judge, an official or verified copy of the order must be left at the Patent Office with the request. (e)

Once leave to apply for amendment has been obtained, the procedure provided under Section 18, and already set forth, applies as far as possible. (f)

Where two actions of infringement are pending, the Comptroller is not entitled to refuse an amendment because liberty to apply has not been obtained in both. (g)

Where leave is obtained to amend a specification, the amendment takes effect from the time leave is given, where nothing further remains to be done by the patentee. The circumstance

(y) See *Wenham v. Carpenter*, 5 R. P. C. 68; also *Hopkinson v. St. James's, etc., Electric Light Co.*, 10 R. P. C. p. 62.

(z) *Codd v. Bratby*, 1 R. P. C. 209; *Gaulard v. Lindsey*, 5 R. P. C. 192; L. R. 38 C. D. 38; 57 L. J. Ch. 687; *Meyer v. Sherwood*, 7 R. P. C. 283.

(a) *Meyer v. Sherwood*, supra.

(b) *Hearson's Patent*, Griff. P. C. 309.

(c) *Singer v. Stassen*, 1 R. P. C. 121.

(d) Patents Act, 1883, s. 19.

(e) P. R. rule 58.

(f) *Re Hull*, 5 R. P. C. 312; 21 Q. B. D. 137 (per Cave, J.).

(g) *Re Hall*, 5 R. P. C. 307; 21 Q. B. D. 137.

that his assent in a written form to conditions imposed is not given to the Patent Office authorities and the amendment not in fact entered in the Register until some time after leave is given, does not affect the time at which the amendment comes into force, if the terms were settled and the conditions assented to by the applicant when leave was given.

In *Andrew & Company v. Crossley*, (h) the patentees obtained leave to amend, consenting to certain conditions on the 9th of June. On the 11th they started an action against certain infringers. The written assent usually required by the Patent Office to the conditions imposed on the patentee was not given until the 9th of July, and the amendment not formally recorded till the 26th of August. On these facts, the defendants contended that the amended specification was not admissible as evidence in the action, the amendment having been obtained, they alleged, without leave of the Court, when an action of infringement was pending. The Court of Appeal, however, rejected this contention, holding that the action for infringement had been commenced after the amendment was in fact complete.

(h) 9 R. P. C. 165; [1892] 1 Ch. 492; 61 L. J. Ch. 437.

CHAPTER XIV.

PROCEDURE ON APPLICATIONS FOR LETTERS PATENT FOR INVENTIONS.

Application, how Made.—An application for letters patent for an invention must be made on the prescribed form, and left at, or sent by post to the Patent Office. (a) If sent through the post, the application must be sent by prepaid letter, and is deemed to have been made at the time when the letter containing it would have been delivered in ordinary course of post. (b)

Any person, whether a British subject or not, may apply for letters patent. (c) Two or more persons may apply jointly, and have a joint grant made to them. (d) Where a joint application is made it is sufficient if one of the applicants is the first and true inventor. (e) The forms prescribed by the Patents Rules, 1890, contemplate three classes of applicants: (1) The usual case of an application by an inventor for a patent for an invention discovered in the United Kingdom or the Isle of Man. (2) An application by an importer in respect of an invention communicated from abroad. (3) An application for a patent under International and Colonial arrangements. (f) These forms are, however, directory only, and intended as guides, and may be varied to suit cases they do not expressly provide for. In *Grenfell & McEvoy's Patent*, (g) Webster, A.G., said: "I think it desirable to point out that in my opinion these forms were not intended to be absolutely the only forms which were to be used, nor were they intended to deal in terms by specific directions with every particular case. It is of course intended that the applications and

(a) Patents Act, 1883, s. 5 (1); P. R. rule 6. See Circular of Information, Appendix III. post.

(b) P. R. rule 16A. It is sufficient proof of the making of the application to prove that the letter was properly addressed and put in the post.

(c) Patents Act, 1883, s. 4 (1). As to the case of persons suffering from dis-

ability by reason of infancy, lunacy, etc., see s. 99.

(d) *Ibid.* s. 4 (2).

(e) Sect. 5.

(f) See Forms A, A¹, A², Appendix II.

(g) 7 R. P. C. 151. This dictum referred to the Forms of 1883, but is equally applicable to the present Forms.

the various steps shall be in accordance with the prescribed forms ; but if from time to time a case arises which was not contemplated at the time the Act was passed, or the rules framed, I do not think that the Statute would fail in its operation because a form had to be slightly modified.”

Formerly, if an inventor died before obtaining a patent for his invention, no patent could be granted in respect of it. (*h*) Now, however, in such case an application may be made by, and a patent granted to, his legal representative. (*i*) But such legal representative must lodge his application within six months of the decease of the inventor whom he represents.

The application must be signed by the applicant. (*j*) If there are several applicants each must sign. (*k*)

Employment of an Agent.—All other communications between the applicant and the Comptroller, and all attendances by the applicant upon the Comptroller, may be made by or through an agent duly authorized to the satisfaction of the Comptroller. (*l*) It is not necessary that the agent should be a Patent Agent, but the Comptroller may require the agent to be resident in the United Kingdom. (*m*) An agent may be authorized to act for the inventor at any time during the proceedings for obtaining the patent. The official forms provide for the authorization of an agent by endorsement on the back of the form, such endorsement being signed by the applicant or applicants as the case may be.

Declaration by Applicant.—The application must contain a declaration that the applicant is in possession of an invention, whereof he, or, in the case of a joint application, one or more of the applicants claims or claim to be the true and first inventor or inventors, and for which he or they desires or desire to obtain a patent. (*n*)

In the case of an application by the legal representative of a deceased person, such legal representative must make a declaration that he believes such deceased person to be the true and first inventor of the invention. (*o*)

The application must also in such case be accompanied by an official copy of, or extract from, the will of the deceased inventor, or the letters of administration granted of his estate and effects,

(*h*) *Marsden v. Saville Foundry Co.*,
L. R. 3 Ex. D. 203.

(*i*) Patents Act, 1883, s. 34 (1).

(*j*) P. R. 1898, rule 2.

(*k*) *Grenfell & McEvoy's Patent*, 7
R. P. C. 151.

(*l*) *Graham v. Fanta*, 9 R. P. C. 164 ;
Jackson v. Napper, 35 C. O. 162.

(*m*) P. R. 1898, rule 2.

(*n*) Patents Act, 1883, s. 5 (2).

(*o*) *Ibid.* s. 34 (2).

in proof of the title of the legal representative. The Comptroller may require other evidence thereof in addition. (*q*)

The Specifications.—The application must be accompanied either by a provisional or complete specification. (*r*) A provisional specification must describe the nature of the invention, and be accompanied by drawings if required. (*s*)

If an applicant desires to develop his invention, and have further time in which to perfect it and consider what matters he will make the subject of his claim, a provisional specification only will be transmitted by him with his application. (*t*) If, on the other hand, he is satisfied that his invention is already complete, and desires to obtain a patent in respect of it without delay, he will leave a complete specification with his application.

A complete specification must particularly describe and ascertain the nature of the invention, and in what manner it is to be performed. (*u*) This specification may also be accompanied by drawings. If drawings have been left with the provisional specification, it is not necessary to deliver other drawings with the complete; references therein to those already sent being in such case sufficient. (*v*)

Application to be for one Invention only.—An application must be made in respect of one invention only. (*w*)

If, however, the Comptroller inadvertently allows a patent to be sealed which includes more than one invention, no person can, in any action or other proceeding, take exception to such patent on that ground. (*x*)

Where the Comptroller takes exception to an application as including more than one invention, the applicant has the option of amending his application by severing his inventions, and may obtain for each a separate patent of the date of the original application. (*y*) No express provision has been enacted giving the applicant a right of appeal from the decision of the Comptroller

(*q*) P. R. rule 20.

(*r*) Patents Act, 1883, s. 5 (2).

(*s*) *Ibid.* s. 5 (3). As to the form of a provisional specification, see P. R. rule 6 (2) and Form B, Appendix II. post.

(*t*) Under the protection afforded by a provisional specification the applicant may use and publish his invention without prejudice to his right to a patent in respect thereof. See Patents Act, 1883, s. 14.

(*u*) Sect. 5 (4). For form of complete specification, see P. R. rule 6 (2) and Form C, Appendix II. post. Examples of specifications are given in Appendix IV.

(*v*) Patents Act, 1886, s. 2; P. R. rule 33.

(*w*) Patents Act, 1883, s. 33.

(*x*) *Ibid.*

(*y*) P. R. rule 19.

on this point; but, in fact, such appeals have been heard by the law officers. (z)

In *Jones' Patent*, Herschell, S.G., said: "It seems to me that the general object of the invention is the test by which the question of one invention must be decided. If you have a particular general object of an invention to make rails rest more securely, and you describe one or two or three devices of an analogous nature, cognate devices for carrying it into effect, I should say they were all one invention; but if there is no common purpose, so that you could say, 'I use this as a substitute for that,' both serving the same purpose, although there is some difference between them, but they are to serve some different purpose, there is no connection between them except that both are used in connection with rails, it strikes me, that would be two inventions. I should always allow alternative devices for producing a particular object as one invention. But, if you say I have invented six different kinds of railway-sleepers, each of which has its own merits and purposes and objects distinct, then those are six inventions." (a)

In *Hearson's Patent*, (b) the invention was described as "Improvements in apparatus for rapidly heating flowing water, a part of which improvements is applicable to other purposes." The provisional specification described an apparatus consisting of several parts, including improved mechanism by which the turning of the taps of a geyser otherwise than in the required order was prevented. At the end of the specification the applicant stated: "The arrangement hereinbefore described for locking water and gas cocks is applicable to oxy-hydrogen light apparatus, and to other apparatus in which two cocks, or a number of cocks, are required to be turned in a certain order."

The Comptroller having held that the application carried more than one invention, Davey, S.G., dismissed the applicant's appeal. "I think the applicant has invented, first, an improved cock, or arrangement of cocks, which he describes as applicable, not only to geysers and the particular apparatus described by him, but also to other apparatus; second, an apparatus for an improved geyser, consisting of a combination of several parts, of which one is his new and improved arrangement of cocks. Under these circumstances, I think that, in order to comply with Section 33, the applicant must omit the last paragraph of his provisional

(z) The Comptroller may in cases of difficulty apply to the Law Officer for directions. See Patents Act, 1883, s. 95.

(a) *Jones' Patent*, Griff. P. C. p. 265.

(b) Griff. P. C. 266.

specification and the corresponding words in his title. If he desires it, he may make a separate contemporary application for his new and improved cock, or arrangement of cocks, by itself. He may also, of course, describe the cock, or arrangement of cocks, as part of his combination or apparatus which he also claims to have invented; but he should, I think, in doing so, refer to his contemporary application, if he desires to make one."

In *Robinson's Patent*, (c) the applicant described his invention as being for "improvements in the art of producing and utilizing induced electrical currents for telegraphy and other purposes." The invention consisted of the employment of a certain appliance in telegraphic transmitting and receiving instruments. The Comptroller objected that the applicant was seeking to patent more than one invention, and required him to confine his application to the use of this appliance for telegraphic purposes; and make its general use the subject of a separate application if he so desired.

In affirming this decision, Herschell, S.G., said: "It is a question for you whether it answers your purpose better to protect 'the appliance' for all purposes, or to protect improved telegraphic apparatus which consists in the employment of 'the appliance' therein. I will allow either of those, but it is for you to say which will be the most to your advantage."

Address of Applicant.—The application must be accompanied by an address of the applicant, to which all notices, requisitions, and communications of every kind may be sent by the Comptroller. In particular cases the Comptroller may require an address in the United Kingdom to be given. (d)

Form of Document.—All documents, and copies of documents, except statutory declarations and affidavits, sent to, or left at, the Patent Office, or otherwise furnished to the Comptroller or the Board of Trade, must be written or printed in large and legible characters, and (unless otherwise directed) in the English language, upon strong, wide, ruled paper (on one side only), of a size of thirteen inches by eight inches, leaving a margin of two inches on the left-hand part thereof, and the signature of the applicants or agents thereto must be written in a large and legible hand. (e)

The Comptroller may require duplicates to be left. (f) In the case of specifications and drawings, duplicates are usually required.

(c) Griff. P. C. 267.

(d) P. R. rule 9. The address so given is binding on the applicant until he

furnishes a substituted address.

(e) P. R. rule 10.

(f) Ibid.

Drawings.—Drawings are not necessary if the specification sufficiently describes the invention without them. (*g*)

Where the applicant has recourse to drawings to illustrate his description of his invention, these must not appear in the specification itself if they will require a special engraving for letterpress. (*h*)

Drawings must be made on white, hot-pressed, rolled or calendered drawing-paper, of smooth surface and good quality, and, where possible, without colour or Indian ink washes. (*i*) To ensure their satisfactory reproduction, the drawings must be executed with absolutely black Indian ink, the same strength and colour of fine and shade lines to be maintained throughout. Section lines and lines for effect, or shading lines, must be closely drawn. Reference figures and letters must be bold and distinct and not less than one-eighth of an inch in height; and the same letters should be used in different views of the same parts.

If the drawings are of a complicated nature the reference letters must be shewn outside the figure, and connected with the part referred to by a fine line.

When the scale is shewn on the drawing, it should be denoted, not by words, but by a drawn scale.

No written description of the invention should appear on the drawings.

Wood engravings, or representations of the invention, other than the drawings prepared as above described, will not be received, unless of such a character as to be suitable for reproduction by the process of photo-lithography.

The paper used for drawings must conform to one or other of the following sizes, thirteen inches at the sides by eight inches at the top and bottom, or thirteen inches at the sides by sixteen inches at the top and bottom, including margin, which must be half an inch wide.

If there are more figures than can be shewn on one of the smaller-sized sheets, two or more of these sheets should be used in preference to employing the larger size. When an exceptionally large drawing is required it should be continued on subsequent sheets. There is no limit to the number of sheets that may be sent in.

Drawings must bear the name of the applicant in the left-hand top corner, and the signature of the applicant, or his agent, in the

(*g*) P. R. rule 30.

(*h*) Ibid.

(*i*) P. R. rule 31. See this rule for the

provisions regulating drawings which are here set out.

right-hand bottom corner. The number of sheets of drawings sent, and the number of each sheet, should appear in the right-hand top corner.

Where a provisional specification is left in the first instance, and the drawings are delivered with the complete specification, the number and year of the application must also be inscribed in the left-hand top corner.

Drawings must be delivered at the Patent Office either in a flat state or on rollers, to prevent folds, breaks, or creases.

Every drawing must be accompanied by a *fac simile* thereof (but without colour or Indian ink washes), marked "true copy." (*j*)

Reference to an Examiner.—An application for letters patent is on receipt referred by the Comptroller to an examiner, for consideration and report on the following points. (1) Whether the applicant has fairly described the nature of the invention. (2) Whether the specification and drawings (if any) have been prepared in the prescribed manner; and (3) whether the title sufficiently indicates the subject-matter. (*k*)

If the report is adverse, the Comptroller may refuse to accept the application, or require amendment before he proceeds. If he requires amendment, he may direct the application to bear date from the time when the required amendment is complied with. (*l*)

Before exercising his discretion adversely to the applicant the Comptroller must give at least ten days' notice to the applicant of a time when he may be heard, either personally or by his agent. (*m*) The applicant has a period of at least five days within which to notify the Comptroller whether he intends to be heard. This notification must be made in writing. The time allowed runs from the date when the Comptroller's notice would have been delivered in the ordinary course of post. (*n*)

Whether the applicant intends to be heard or not the Comptroller may, in any case, require him to submit a statement in writing within a specified time, or to attend before him and orally explain such matters as the Comptroller may require. (*o*)

The Comptroller will no doubt usually act on the examiner's report, but he is not bound by it, and not only may, but ought to, exercise his own judgment in the matter. (*p*)

Applicant's Appeal to the Law Officer.—Where the Comptroller

(*j*) P. R. rule 32.

(*k*) Patents Act, 1883, s. 6.

(*l*) Patent Act, 1888, s. 7 (1).

(*m*) P. R. rule 11.

(*n*) P. R. rule 12.

(*o*) Ibid. 13.

(*p*) *C's Application*, 7 R. P. C. 250.

refuses to accept an application, or requires an amendment, the applicant may appeal from his decision to the Law Officer. (*q*).

The Law Officer must, if required, hear the applicant and the Comptroller. The decision of the Law Officer as to whether or not the application shall be accepted, and on what terms, is final. (*r*)

Time for Delivering the Complete Specification.—If (as will generally be the case) the applicant does not leave a complete specification at the time of making his application, he has a period of nine months within which to do so. (*s*) In computing the time months mean calendar months, (*t*) and the day of application should be excluded. (*u*)

The Comptroller may extend the time for a period not exceeding one month, on payment of an extension fee of £2. An application for enlargement of time for leaving a complete specification must state in detail in what circumstances, and upon what grounds, such extension is applied for. The Comptroller may require the applicant to substantiate the allegations on which he asks for enlarged time. (*v*)

If no complete specification is left within the prescribed time or such further time (not exceeding one month) as the Comptroller may allow by way of enlargement, the application is deemed to be abandoned. (*w*) As the provisional specification is not published in such case, (*x*) the applicant does not by abandonment lose his right to subsequently lodge another application for the same invention. Acts of experiment or user performed under the provisional protection of an application afterwards abandoned do not amount to a dedication of the invention to the public. (*y*)

Conformity of the Specifications.—Where the applicant leaves a provisional specification only with his application and sends in a complete specification (*z*) afterwards, both specifications are

(*q*) Patent Act, 1888, s. 7 (2).

(*r*) *Ibid.* s. 7 (3).

(*s*) Patents Act, 1883, s. 8 (1).

(*t*) 13 & 14 Vict. c. 21, s. 4.

(*u*) *Russell v. Ledsam*, 14 M. & W. 582; *Williams v. Nash*, 28 Beav. 93; 5 Jur. (N. S.) 696.

(*v*) Patents Act, 1885, s. 3; P. R. rule 50. The Comptroller has a general power to enlarge the periods of time prescribed by the *Patent Rules*, if he sees fit. See P. R. rule 51.

(*w*) Patents Act, 1883, s. 8 (2).

(*x*) Patent Act, 1885, s. 4.

(*y*) Patents Act, 1883, s. 14. See, also,

Lister v. Norton, 3 R. P. C. 199.

(*z*) Where more than one person joins in an application, though each must sign the application, it is not necessary that all should sign the complete specification: *Grenfell & McEvoy's Patent* (7 R. P. C. p. 152). But it must be signed on behalf of all; and where joint applicants quarrelled after applying for a patent and claimed the right to deliver different complete specifications, the Comptroller was held to have acted properly in refusing to accept them: see *Apostoloff's Application*, 13 R. P. C. 275.

referred by the Comptroller to an examiner to report whether the complete specification has been prepared in the prescribed manner, and whether the invention particularly described in the complete specification is substantially the same as that described in the provisional specification. (a)

If the examiner's report (b) is adverse the Comptroller may refuse to accept the complete specification, unless and until the same shall have been amended to his satisfaction. (c) But from such refusal an appeal lies to the Law Officer, who will if required hear the applicant and the Comptroller, and decide whether, and subject to what conditions, if any, the complete specification shall be accepted. (d)

Acceptance of the Complete Specification.—A period of twelve months is allowed from the date of the application for the acceptance of the complete specification, thereafter, if the specification is not accepted, the application becomes void. But this limit does not apply where an appeal is lodged against a refusal of the Comptroller. (e) The Comptroller may extend the time to any further period not exceeding three months (f) on payment of the requisite enlargement fee. (g)

When a complete specification has been accepted, the acceptance is advertised by the Comptroller in the *Illustrated Official Journal*, and the application, specifications, and drawings (if any) are then open to public inspection. (h)

Sealing the Patent.—If no notice of opposition is given, (i) the Comptroller causes the patent to be sealed with the seal of the Patent Office, which now has the same effect for this purpose as the Great Seal of the United Kingdom formerly had. (j)

The patent must be sealed not later than fifteen months after the date of application, unless such sealing is delayed by an appeal to the Law Officer, or by opposition, or through the death of the applicant. (k) In the last-mentioned case a period of twelve months after the death of the applicant is allowed within which the patent may be sealed to his legal representative. (l)

(a) Patents Act, 1883, s. 9 (1).

(b) Reports of Examiners are not published nor open to public inspection. Ibid. s. 9 (5).

(c) Patents Act, 1883, s. 9 (2).

(d) Ibid. s. 9 (2) (3).

(e) Ibid. s. 9 (4).

(f) Patent Act, 1888, s. 3.

(g) The scale of enlargement fees is as follows: £2 for one month, £4 for two,

and £6 for three months. See P. R. 1892, schedule. As to applicant stating grounds for enlargement of time, see P. R. rule 50, and ante, p. 287.

(h) Patents Act, 1883, s. 10; P. R. rules 21, 22.

(i) As to oppositions, see post, p. 290.

(j) Patents Act, 1883, s. 12 (1) (2).

(k) Ibid. s. 12 (3).

(l) Ibid. These grounds of exemp-

Where the Comptroller has enlarged the time allowed for leaving the specifications, a further period of four months is allowed for sealing the patent. (*m*)

Every patent is now dated as of the day of application. (*n*) Where, therefore, two applicants make separate applications in respect of the same invention, the later applicant can gain no advantage by getting his patent sealed first, for a patent afterwards sealed to the earlier applicant will take priority over and defeat the patent already obtained by the second applicant; and the fact that one patent has already been sealed in respect of an invention does not prevent the later sealing of a second patent for the same invention to an earlier applicant. (*o*)

Although the patent dates back to the day of application, no proceedings may be taken by the grantee in respect of an infringement committed before the publication of the complete specification. (*p*)

The Comptroller may refuse to seal a patent for an invention of which the use would, in his opinion, be contrary to law or morality. (*q*)

An applicant who has only obtained provisional protection is not entitled to use the word "patent" in connection with his invention, (*r*) though he may perhaps be entitled to do so after the acceptance of his complete specification. (*s*) The use of the word "patent" does not seem to be inadmissible where the patent has expired, (*t*) unless it is so used as to suggest that a subsisting patent is in existence. (*u*)

International Applications.—International and Colonial applications, in so far as they are governed by special procedure, are dealt with in a separate chapter. (*v*)

tion are strictly construed. There is no power to excuse delay due to mere inadvertence: *A. & B.'s Application*, 13 R. P. C. 63.

(*m*) Patent Act, 1885, s. 3.

(*n*) Patents Act, 1883, s. 13.

(*o*) Ibid.

(*p*) Ibid.

(*q*) Patents Act, 1883, s. 86.

(*r*) Ibid. s. 105; *R. v. Wallis*, 3 R. P. C. 1; *R. v. Crompton*, 3 R. P. C. 368.

(*s*) *R. v. Townsend*, 13 R. P. C. 265.

(*t*) See post, p. 596.

(*u*) *Cheavin v. Walker*, L. R. 5 C. D. 850.

(*v*) See post Chap. XXVI. p. 598.

CHAPTER XV.

OPPOSITION TO THE GRANT OF LETTERS PATENT FOR INVENTIONS.

Right to Oppose.—The right to oppose the grant of letters patent is a statutory right, and does not exist at common law. (a)

The practice in regard to oppositions is now governed by the provisions of the Patents Act, 1883. Prior to the passing of that Act, oppositions were never allowed to prevail except in the clearest cases; the erroneous refusal of a good patent necessarily inflicting irreparable damage on the applicant, who was thus deprived of that monopoly to which his ingenuity entitled him, while the granting of a bad patent, on the other hand, was no irreparable injury to the opponent, who could contest the validity of the grant in any subsequent proceedings.

Thus, in *Russell's Patent*, (b) Lord Cranworth, C., said: "The principle upon which I have generally acted has been that where a matter is much in doubt, it is better to run the risk of putting the party opposing the grant to the costs of making out his case in some ulterior proceedings, than to withhold the great seal from the letters patent in the first instance, for the obvious reason that the one course would create a remediable, and the other an irreparable injury." (c)

The same rule has been acted upon, and is now well established under the present practice. In *Stuart's* (d) case, Sir E. Clarke, S.G., thus laid down the rule which should guide the Law Officer under the Patents Act, 1883: "The decision of the Comptroller, who said that, in his opinion, the weight of evidence was in favour of the opponent, does not exactly express the result at which, in my opinion, it is necessary that a Law Officer should arrive before he refuses the sealing of a patent. Having regard

(a) Per Webster, A.G., in *Everitt's Application*, Griff. A. P. C. 29.

(b) 2 De G. & J. 132.

(c) See, also, *Tolson's Patent*, 6 De G.

M. & G. 422; *Spence's Patent*, 3 De G. & J. 523; and Lord Selborne, C., in *Ex parte Sheffield*, L. R. 8 Ch. 240.

(d) 9 R. P. C. 452.

to the fact that by allowing the issue of a patent I do not close the matter, but leave it open to the opponent to challenge, in a court of law, the validity of that patent, I do not think I ought to refuse to permit a patent to be sealed unless I am satisfied that no jury could reasonably come to a decision in favour of the applicant." (e)

Statutory Grounds of Opposition.—The practice as to oppositions to the sealing of letters patent is now regulated by Section 11 of the Patents Act, 1883, as amended by Section 4 of the Patents Act, 1888. Sub-section 1 of Section 11 provides as follows :—

“ Any person may at any time within two months of the date of the advertisement of the acceptance of a complete specification give notice at the Patent Office of opposition to the grant of the patent, on the ground of the applicant having obtained the invention from him, or from a person of whom he is the legal representative, or on the ground that the invention has been patented in this country on an application of prior date, or on the ground that the complete specification describes or claims an invention other than that described in the provisional specification, and that such other invention forms the subject of an application made by the opponent in the interval between the leaving of the provisional specification and the leaving of the complete specification, but on no other ground.”

The jurisdiction of the Comptroller and Law Officer under the Acts to hear opponents is therefore strictly limited; the three grounds set out above being the only grounds upon which they can do so. (f)

It will be convenient to consider : (1) who may oppose ; (2) what grounds of opposition are permissible ; and (3) the present practice on oppositions.

1. *Who may Oppose the Grant of Letters Patent.*

General Observations.

Sub-section 1 of Section 11 of the Patents Act, 1883, enacts that any person may give notice of opposition who does so within the prescribed time, and on one of the grounds permitted by the Act. Sub-section 2 provides that the Comptroller shall hear the person giving such notice, if desirous of being heard. Where, however, an appeal is made to the Law Officer, such

(e) See, also, Webster, A.G., in *Stubbs' Patent*, Griff. P. C. 298.

(f) *Von Buch*, Griff. A. P. C. 42.

opponent only has a *locus standi* to oppose as, in the opinion of the Law Officer, is entitled to be heard. No difficulty arises as to who is entitled to be heard, in respect of the first and third grounds of opposition permitted by the Acts, but in respect of the second ground (viz. that the invention has been patented in this country on an application of prior date) some ambiguity arises, as the words in this part of the section appear to place no limitation upon the class of person who may raise this objection to a grant. This, however, it is now settled, is not the meaning of the Act. No person may be heard as an opponent on the second ground of opposition who is not personally interested in the prior patent upon which he bases his opposition. (g)

In *Heath & Frost's Patent*, (h) the opponent, who was a patent agent, relied upon a prior patent belonging to his client but in which he was not personally interested. Clarke, S.G., in declining to hear him, said: "It seems to me perfectly clear from the Act that members of the public, as such, are not entitled to be heard in opposition before me. The Act expressly says that it must be 'the person giving notice and being, in the opinion of the Law Officer, entitled to be heard in opposition,' so that, besides being a person who gives notice of opposition, you must also be a person who for some reason or other comes within the class of those persons 'entitled to be heard.' It appears to me that by Section 11 it is quite clear that the only class of persons who are entitled to be heard in opposition before the Law Officer, are persons who are interested, with a legitimate and real interest, in the prior patent upon which an application is opposed, or persons who, while they have not patented the invention, have yet been the originators of it, from whom the person seeking the patent has obtained it." (i)

A licensee under a prior patent, (j) and likewise an assignee (k) who has manufactured under such patent, even though it has been allowed to lapse, has a sufficient interest to entitle him to be heard by the Law Officer. (l) But a person who is merely a

(g) In *Stewart's Application*, 13 R. P. C. p. 629, Webster, A.G., said that the limitation on persons entitled to be heard before the Law Officer applied equally to the hearing before the Comptroller.

(h) Griff. P. C. 288, p. 290.

(i) See, also, *R. v. the Comptroller General; Ex parte Tomlinson*, 16 R. P. C. 233; [1899] 1 Q. B. 909; 68 L. J. Q. B.

568; 47 W. R. 567.

(j) *Hill's Patent*, 5 R. P. C. 599.

(k) *Marsden's Patent*, 13 R. P. C. 87.

(l) *Glossop's Patent*, Griff. P. C. 285.

If the prior patent has expired it makes no difference; see *Lancaster's Patent*, Griff. P. C. 293; *MacEvoy's Patent*, 5 R. P. C. 285.

manufacturer of the class of goods to which the prior patent relates, and is not otherwise interested in it, is not entitled to be heard. (*m*)

The foregoing limitation upon the right to oppose a patent on the ground that it relates to an invention which is the subject of a prior patent will be strictly enforced, as otherwise a vast amount of annoyance and expense of a most objectionable character might be caused to patentees. (*n*)

If the Comptroller is in doubt as to whether an opponent appearing before him ought to be heard or not, he can consult the Law Officer, whose opinion in the matter will be final. (*o*) The Court has no jurisdiction to issue a mandamus requiring the Comptroller to hear an opponent whom the Law Officer has decided ought not to be heard. (*p*)

Once, however, an opponent has a *locus standi* to oppose, he may refer to other anticipations than the prior patent in which he is personally interested, and he will be heard as to such other grounds of opposition.

“The necessity of imposing some limit,” said Webster, A.G., in *Stewart's Application*, (*q*) “is that pointed out by Lord Herschell, namely, to prevent any one being able to come and raise questions of novelty before the Comptroller or before the Law Officer; but once get a lawful opponent, it is, in my opinion, in the interests, both of patentees and of the public, that that opponent should be entitled to bring to the notice of the Comptroller and the Law Officer other patents which are germane to the particular question.”

The only persons who can oppose on the ground that the invention has been patented by them on an application of prior date, are persons interested in a patent granted upon an application made in the United Kingdom prior in date to the application opposed. Hence, the provisions enabling a foreign patentee who applies for a patent in England, within seven months from the date of his application abroad, to obtain an English patent antedated to the date of his foreign patent, (*r*) do not give any *locus standi* to such person to oppose as if his English patent had been granted at the same date as his foreign patent. (*s*)

(*m*) *Hookham*, Griff. A. P. C. 32.

(*n*) Per Herschell, S.G., in *Glossop's Patent*, Griff. P. C. 285.

(*o*) Patents Act, 1883, s. 95.

(*p*) *R. v. Comptroller-General*, 16 R. P. C. 233; [1899] 1 Q. B. 909; 68 L. J.

Q. B. 568; 80 L. T. 777; 47 W. R. 567;

15 T. L. R. 285, 310.

(*q*) 13 R. P. C. 627.

(*r*) Patents Act, 1883, s. 103.

(*s*) *Everitt's Case*, Griff. A. P. C. 28.

The prior invention on which the opposition is grounded must have been "patented." Therefore, a person interested in a prior application which has not resulted in a patent has no *locus standi* as an opponent, unless he comes under Section 15 of the Patents Act, 1883. (t)

That section provides that, after the acceptance of a complete specification until the date of sealing the patent, or the expiration of the time for sealing, the applicant shall have all the like privileges and rights as if a patent for the invention had been sealed on the date of the acceptance of the complete specification, except the right of instituting proceedings for infringement. An inventor, therefore, whose complete specification has been accepted may oppose as effectually as if a patent had in fact been granted to him. (u)

A person interested in a prior patent is entitled to oppose in respect of that patent, even if it has expired by effluxion of time, or been allowed to lapse. (v)

2. Grounds of Opposition.

(a) *That the Applicant has obtained the Invention from the Opponent or from a Person of whom he is the Legal Representative.*

Where this ground of opposition is raised it may become a question of some difficulty to decide who is in fact the real inventor. In such cases it sometimes appears that the invention is really attributable to both the applicant and the opponent. Where this has been proved a patent has been sealed to them jointly. (w)

Giving the Opponent an Interest in the Patent.—In *Garthwaite's Case*, where the Comptroller arrived at a similar conclusion, but the parties objected to having a joint patent, a patent was sealed to each, on condition that each agreed to assign to the other one half share of his patent, and to pay one-half of the fees necessary for maintaining the patent in force. (x)

In *Evans & Otway's Case*, (y) a difficult question arose as to whether the applicant, *Evans*, or the opponent, *Cutting*, was the true inventor. *Cutting* had already himself applied for and obtained

(t) *Dundons' Patent*, Griff. 278.

(u) *L'Oiseau & Pierrard*, Griff. A. P. C.

36.

(v) *Lancaster's Patent*, Griff. P. C. 294;
Glossop's Patent, Griff. P. C. 285; *Heath*

& *Frost's Patent*, Griff. P. C. 288; *Re Stewart*, 13 R. P. C. 627.

(w) *Eadie's Patent*, Griff. P. C. 279.

(x) Griff. P. C. 284.

(y) *Ibid.* 279.

a patent for substantially the same invention. The Law Officer (Webster, A.G.), after hearing testimony of a highly contradictory nature, directed a patent to be sealed, on condition that the applicant, *Evans*, assigned one half share of the patent to the opponent, *Cutting*, and *Cutting* assigned one half share of his own patent to *Evans*. Difficulties having arisen as to the carrying out of this order, it was cancelled, and no patent sealed to *Evans*, on condition that *Cutting* assigned to *Evans* one half share in the patent he had already obtained; the renewal fees to be paid half by each.

In *Luke's Patent*, (z) where a similar opposition was set up, it appeared that part of the invention had been discovered by the opponent, and the Law Officer directed a patent to be sealed on an agreement being filed by which the applicant undertook to secure to the opponent the full rights under the patent of a joint patentee. (a)

Under this ground of opposition, it is no answer to an opponent for the applicant to shew that he obtained the invention from the opponent with the opponent's consent, for such a state of facts is inconsistent with the applicant being the first and true inventor within the meaning of the patent law. (b)

Obtaining the Invention beyond the United Kingdom.—But it is otherwise if the applicant has obtained the invention from the opponent beyond the United Kingdom and the Isle of Man. For in such case the applicant, if he is the first importer of the invention, is a true inventor within the meaning of the patent law, no matter how he became possessed of the discovery; (c) and the Comptroller cannot enquire into suggestions that the applicant acquired the invention by some breach of duty or breach of contract. These are issues which the parties must contest elsewhere. (d)

In *Higgins' Patent*, (e) the opponents proposed to prove fraud out of the United Kingdom, but Sir R. E. Webster, A.G., refused to consider such evidence, saying that it mattered not even if the importer had stolen the invention abroad.

In *Griffin's Application*, (f) where the applicant applied for a

(z) Griff. P. C. 294.

(a) These cases really follow the earlier practice as illustrated in *Russell's Patent* (2 De G. & J. 130), where, on a dispute between master and servant as to who was the true inventor, a patent was sealed to two trustees, one for either party.

(b) *Marshall's Application*, 5 R. P. C. 661.

(c) *Edmund's Patent*, Griff. P. C. 283; *Lake's Patent*, 5 R. P. C. 415.

(d) *ibid.*

(e) 9 R. P. C. 74.

(f) 6 R. P. C. 296.

grant in respect of an invention communicated from abroad, the opponent alleged that the invention had in fact been obtained from her in this country, and the declarations being unsatisfactory, the patent was refused. But the opponent in this case would have had no *locus standi* had the obtaining of the invention from her taken place abroad.

Where the invention sought to be patented was so similar to one for which a patent had already been granted to the opponent—who also alleged it had been obtained from him—as to manifestly be unpatentable except as an improvement upon the opponent's patent, Sir F. Herschell, S.G., only allowed a patent to be sealed on the applicant inserting in his complete specification a statement that his invention referred to improvements on the opponent's patent. (*g*)

Opposition by a Workman of the Applicant.—The suggestions made by a workman employed in making a model of an invention for the inventor cannot be patented by that workman, but in fact belong to the employer and merge in his invention. Hence he is the only person entitled to a patent for them. Therefore improvements in details suggested by such workman and embodied in the machine do not entitle that workman to oppose and stop the master's patent, on the ground that material parts of the invention have been obtained from him. (*h*)

At the same time, inventions found out by a workman while engaged in his master's employment do not necessarily, by virtue of that employment, belong to the master. (*i*) It is a question of fact in each case. The invention may be so entirely independent of anything suggested to the workman as to be clearly his own invention.

In *Heald's Case*, (*j*) the employé was held entitled to have a patent sealed in his own favour, although the company in whose employment he was contended that his discovery had been made while occupied upon their business.

Whether the person from whom the invention was obtained himself intended to patent it or not is immaterial. He is equally entitled to oppose in either case. (*k*)

Obtained the Invention.—These words mean obtained the invention which is purported to be patented, and refer to the identity of the invention, not the right of the person from whom it was

(*g*) *Hoskin's Patent*, Griff. P. C. 291.

(*h*) *David v. Woodley*, Griff. A. P. C.

(*i*) *Heald's Patent*, 8 R. P. C. 430.

(*j*) *Supra*.

(*k*) *Thwaite's Application*, 9 R. P. C. 515.

obtained to be regarded as the true and first inventor. In *Thuwaite's Case*, (l) the opponent's right to oppose was based on the allegation that a large portion of the applicant's invention had been invented by a servant in the service of the opponent who had subsequently gone into the applicant's employment. There was a considerable conflict of evidence on the declarations, raising great doubt as to whether the opponent or the servant was the inventor; but Webster, A.G., held that he would not go into an enquiry as to that, as, under the Statute, it was not relevant to the right to oppose.

Where the applicant describes an invention in his specification as his own under an earlier patent, which in fact is taken from the patent of another person, that person is entitled to oppose and have such misdescription struck out of the specification, even although the applicant only describes that prior invention in his specification and does not claim it.

On this Clarke, S.G., in *Hetherington's Patent*, (m) said: "It was contended that the words in Section 11 of the Act of 1883, 'having obtained the invention from him,' must be read as applying solely to the invention claimed in the specification of the patent to which the objection is made. Even if this construction were sound I should not hold myself bound to permit the sealing of a patent which bore upon its face a statement untrue in fact, and injurious to the interests of the person to whom a prior patent had been granted. But the function of the specification is to describe and ascertain the nature of the alleged invention, and the words objected to in this case purport to be part of that description. I am of opinion that the opponents were entitled to be heard in opposition to the grant, and I affirm the decision of the Comptroller, and order the appellant to pay five guineas costs."

The words "legal representative" mean the administrator or executor of a deceased person. They do not include a company holding patent rights by assignment, (n) nor a person holding a power of attorney for a foreign inventor. (o)

(b) *That the Invention has been Patented in this Country on an Application of Prior Date.*

This is the most usual form of opposition. (p) To support opposition on this ground two circumstances must concur: (1) the

(l) *Supra.*

(m) 7 R. P. C. 419.

(n) *Shiel's Patent*, 5 R. P. C. 281.

(o) *Edmund's Patent*, Griff. P. C. 282.

In this case the above point was decided by the Comptroller only, Webster, A.G., not dealing with the point on the appeal.

(p) As to patents being refused on this

prior applications relied upon must have resulted in grants of letters patent; (2) the opponent must have a personal interest in one at least of such prior applications.

By "patented in this country" is meant an invention, not only described in a prior specification, but claimed. For only that which is claimed is patented. (q) Therefore matters relied upon as anticipations of the later application which are merely inserted in the specification of the earlier patent by way of description, however fully they may disclose the invention of the later applicant, do not afford the owner of that earlier patent a *locus standi* to oppose. (r)

In this respect the words of the Statute will be strictly construed. An opponent cannot, therefore, base his opposition on the prior provisional specification of an applicant whose patent has not been sealed. (s) He may, however, found his opposition on the complete specification of a prior application at any time after such specification has been accepted, for an accepted complete specification has all the effect of letters patent save as regards the right to proceed for infringement. (t)

It will not usually do for an opponent to produce several prior patents, and shew by piecing these together that the alleged invention of the applicant has been anticipated. An invention which has to be collated from several specifications is not "patented" within the meaning of this ground of opposition.

On this point Webster, A.G., in *Ross's Patent*, (u) said: "I confess I should require a very clear case to stop a patent on such a ground. It by no means follows that the combination of two previous arrangements will not require invention; and although I do not lay down any rule that where you have to combine and piece together the claims in two specifications, the combination cannot amount to such a prior claim as would prevent a subsequent patent being sealed, yet, having regard to the direction given in sub-section 1 of Section 11, I think it would require a very clear case, and I am not myself satisfied that if that had been the only objection to this application I could have entertained the contention" of the opponents.

ground under the old practice, see *Tolson's Patent*, 6 Do G. M. & G. 422; *Scott & Young's Patent*, L. R. 6 Ch. 274; 19 W.R. 425; *Ex parte Yates*, L. R. 5 Ch. 1; *Ex parte Mancaux*, L. R. 6 Ch. 272.

(q) *Von Buch's Application*, Griff. A. P. C. 42.

(r) *Bartlett's Application*, 9 R. P. C. 511.

(s) *Bailey's Patent*, Griff. P. C. 269; *Paterson's Patent*, Griff. P. C. 295.

(t) Patents Act, 1883, s. 15; *Bailey's Patent*, supra.

(u) 8 R. P. C. at p. 478.

The Earlier Invention must be Identical with that of the Applicant.—To stop a patent on this ground there must be clear identity of invention. “I have always, since I held my present position,” said Webster, A.G., in *Todd's Patent*, (v) “acted on the principle that it is only in the clearest possible case that a patent ought to be stopped. I am of opinion that the invention purported to be claimed in this case is so identical with that which is disclosed in the opponent's specification, that this application cannot be allowed to proceed.”

Though the case must be clear, yet where the inventions are identical it is the duty of the Law Officer to decline to seal a patent, and he ought not to shrink from the responsibility of doing so; (w) and it is not for the Comptroller or the Law Officer in such case to suggest disclaimers, with the object of preserving for the applicant some patentable entity. (x)

By “identical” is meant substantially identical. The substance rather than the form is to be looked at; mere verbal differences will not save an application. (y)

In considering identity of inventions the Comptroller and the Law Officer will take into consideration mechanical equivalents. (z)

In *Ambrose Hudd Smith's Patent*, Webster, A.G., said: “It is quite incorrect to suppose that in giving judgment in *Stubbs' (a)* case I ever intended to suggest that the Law Officer ought not to consider mechanical equivalents as bearing on the question of identity. I entirely agree with the judgment of my then colleague, Sir Edward Clarke, in *Haythornthwaite's Case*, (b) and on many occasions when I had to deal with the matter previously I did consider the question of mechanical equivalents as bearing upon the question of identity.” (c)

Whether the Prior Patent is Valid is Immaterial.—Whether the prior patent is good or bad in law, is immaterial and will not be considered. (d) In *Green's Patent*, (e) and again in *Haythornthwaite's Case*, (f) the applicant proposed to shew that the prior patent relied on by the opponent was bad for disconformity

(v) 9 R. P. C. p. 488.

(w) *In re McHardy's Patent*, 8 R. P. C. 432; *Newman's Patent*, Griff. A. P. C. 40; *Todd's Patent*, 9 R. P. C. p. 488.

(x) *Lupton & Place's Application*, 14 R. P. C. 261.

(y) *Boult's Application*, 10 R. P. C. 275; *Ambrose Hudd Smith's Application*, 13 R. P. C. 200.

(z) *Ambrose Hudd Smith's Application*, 13 R. P. C. 200; *Whittaker's Application*, 13 R. P. C. 580; *Re Bailey*, Goodeve, 57.

(a) Griff. P. C. 298.

(b) 7 R. P. C. 71.

(c) 13 R. P. C. p. 201.

(d) *Jones' Patent*, Griff. A. P. C. 34.

(e) Griff. P. C. 286.

(f) 7 R. P. C. 70.

between the specifications ; but Webster, A.G., in the one case, and Clarke, S.G., in the other, refused to go into the matter. So also in *Thornborough & Wilk's (g) Case*, Finlay, S.G., declined to consider the contention that the prior patent was bad in law.

Whether the prior patent has expired or been allowed to lapse is also immaterial. (*h*)

So likewise on this ground of opposition it is not generally material to consider whether the applicant's invention discloses subject-matter to support a patent. Indirectly, however, this consideration may have weight.

"I have not to deal with subject-matter, properly so called," said Webster, A.G., in *Todd's Patent* ; (*i*) "that is to say, supposing *Todd's* invention to have been the first invention brought before me, it would not matter whether it shewed no subject-matter, if it was a claim to that which had not been done before ; I quite agree I have not to consider whether it is subject-matter or not. But when there is a previous anticipatory patent it is necessary to consider then indirectly the differences, and without saying whether those differences form subject-matter or not, to decide whether the differences are sufficient to differentiate that which has gone before from that which is now claimed." After pointing out that the differences in this case were not such as could involve any invention, the learned Law Officer proceeded : "I confess that from the point of view of the public, and from the point of view of the applicant, I cannot imagine they would think that *Mr. Todd* had got good subject-matter ; but, be that as it may, while I should never have entertained that question for a moment, had that stood alone, I cannot, in the exercise of my duty, allow this application to proceed." (*j*)

Insertion of Disclaiming Reference to other Patents.—The objection that the applicant's invention is so similar to that protected by the prior patent as to raise a probability that an action for infringement would lie at the instance of the prior patentee against persons working under the later patent, is no ground for refusing the grant. (*k*) But while the Law Officers will not consider questions of possible infringement, they have always recognized that where there is an existing patent, and ground for

(*g*) 13 R. P. C. 115.

(*h*) *Stewart's Patent*, 13 R. P. C. 628.

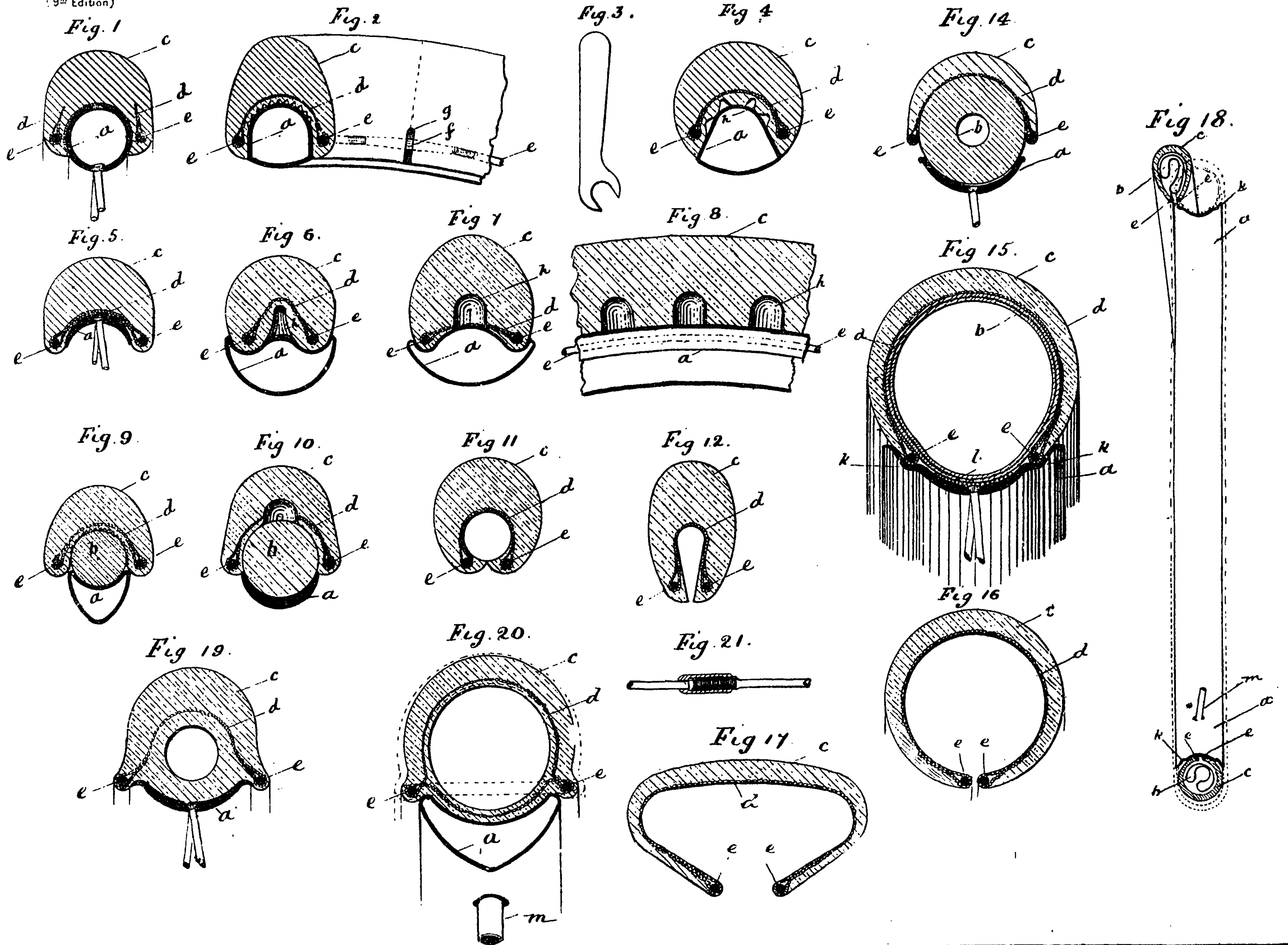
(*i*) 9 R. P. C. p. 488.

(*j*) In *Wylie & Morton's Application*, a patent was refused for a mere selection from a prior specification shewing no in-

vention. See 13 R. P. C. 97.

(*k*) *Newman's Application*, Griff. A. P. C. 40 ; *Webster's Patent*, 6 R. P. C. 165 ; *Stell's Patent*, 8 R. P. C. p. 236 ; *Tattersall's Patent*, 9 R. P. C. 150.

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supposing that the construction of the later specification may interfere with the rights under that patent, the prior patentee is entitled to protection. (l) This protection is commonly given by requiring some disclaiming clause to appear on the face of the later specification.

In *Welch's Patent*, (m) where the application was in respect of an invention for "Improvements in the utilization of a waste product, and in the manufacture of bricks, tiles, and other articles therefrom," it was objected that a prior patent granted to one *Thomas Evans* covered the invention. The matter being one of doubt, Webster, A.G., allowed the patent to be sealed upon the insertion of the following disclaimer in the applicant's specification: "I am aware that the utilization of slate *débris* for the manufacture of bricks, tiles, and other articles, is not new, and that a process for this purpose is described in the specification of *Thomas Evans*, dated February 1, 1878, No. 431, and I make no claim to the process therein described."

At the same time, the mere fact that the later patent may be an infringement of the earlier one will not by itself entitle the opponent to a disclaiming reference. (n) For a disclaimer is intended primarily for the protection of the public rather than the opponent, and it will not generally be required unless the public are in danger of being misled by a specification appearing upon the face of it to have a wider scope or include a wider kind of invention than that to which the applicant is on the evidence entitled. (o)

It is therefore always necessary to ask, Are the public likely to be misled? In *Hill's Patent*, (p) Webster, A.G., said: "I frequently have to point out that a subsequent patent does no harm to a prior patentee, or those interested in a prior patent, but that for the interests of the public it is desirable that if patents overlap, the distinction between the inventions described in the later and the earlier patents should be made clear upon the face of the decisions that the Solicitor General and I have given—now a considerable number of them—pointing out this."

In *Stell's Patent*, (q) the same learned Law Officer put the right to disclaimers on a rather wider ground. "Many years ago, Lord

(l) *Newman's Application*, Griff. A. P. C. 40; *Webster's Patent*, 9 R. P. C. 165; *Stell's Patent*, 8 R. P. C. p. 236; *Tattersall's Patent*, 9 R. P. C. 150.

(m) Griff. P. C. 300.

(n) *Jones*, Griff. A. P. C. 33; *Stell's*

Patent, 8 R. P. C. p. 236; *Marsden's Patent*, 13 R. P. C. p. 89.

(o) *Lorrain's Patent*, 5 R. P. C. 143.

(p) 5 R. P. C. 599.

(q) 8 R. P. C. p. 236.

Cairns pointed out that these disclaimers were of no value to the prior patentee except for the purpose of preventing the public being misled, or of preventing unfair dealing by means of patents which might be subsequently granted. I think that a prior patentee who asks for a disclaimer must satisfy the Comptroller, or the Law Officer on appeal that it is necessary for his protection." "The principles upon which the Law Officers have acted now for some years in allowing disclaiming clauses are, first, if it appears clear that upon the invention claimed by the prior patentee there will be a repetition of the claim to the earlier invention in the later patent; and secondly, if it is clear that the public would be misled by the later specification without disclaimer." (r)

The disclaimer required as a condition of the sealing of a patent may be either general or special. A general disclaimer is one indicating, by a general statement as to prior knowledge, that the patentee only claims a strictly limited invention. A special disclaimer, on the other hand, is a specific reference to a prior patent, indicating that the later patentee is aware of the earlier invention, and lays no claim to the general principle of that invention, but only seeks protection for the particular improvement upon it, or adaptation of it, which is new.

General or Special Disclaimer.—Usually a general disclaimer alone will be required of an applicant. (s) Where there are several earlier patents upon which the prior knowledge is founded, a general reference is the proper mode of disclaimer. (t) Sometimes in a general statement of prior knowledge an applicant may find it convenient to refer illustratively to prior patents as types. If he does so, the proper mode of such reference is to state what he believes that prior knowledge to be, and recite the references in support of such statement. He must not state the effect of the prior specifications, as they are written documents which speak for themselves, to be construed, if necessary, by the Court, and of which his private interpretation may be erroneous and misleading. (u) A statement of alleging defects in former cognate contrivances is not objectionable, if made generally and not with special reference to a particular prior invention. (v)

(r) In *Marsden's Patent* (No. 2), 14 R. P. C. 174, Finlay, S.G., adopted this dictum as defining the governing principles. 495; *Guest & Barrow's Patent*, 5 R. P. C. 313; *Cooper & Ford's Patent*, Griff. P. C. 275.

(s) *Kilner's Patent*, 8 R. P. C. 35; *Stell's Patent*, 8 R. P. C. 236.

(u) Per Webster, A.G., in *Atherton's Patent*, 6 R. P. C. 547.

(t) *Welch's Patent*, 8 R. P. C. 442; *Curtis & Andre's Application*, 9 R. P. C.

(v) *Guest & Barrow's Patent*, 5 R. P. C. 316.

Special references to prior patents are not inserted promiscuously by the Law Officers. (w) Such references are not desirable, unless necessary, and will not be allowed for the mere purpose of drawing the attention of the public to the existence of a prior patent relating to the same subject-matter. (x) The Law Officers have repeatedly laid down the rule that a disclaimer by special reference should not be inserted in a specification, unless it would be improper to let the patent be sealed without such reference. (y)

In *Welch's Patent*, (z) Webster, A.G., said: "There seems to be a constant misapprehension on the part of opponents who possess earlier patents, in imagining that their rights must be injured by the granting of a later patent. I express no opinion as to whether or not *Welch's* invention is an infringement of *Sterry's* patent. That is a matter which will, if necessary, in the event of proceedings, have to be discussed elsewhere. It is quite possible that *Mr. Welch* cannot use his invention except on making terms with *Mr. Sterry*, assuming that *Mr. Sterry* can make out that which has been claimed as the value of his invention. But I have only to consider whether it is so clear that the apparatus described in *Welch's* specification is within the previous claim or previous description—I care not which—of *Sterry*, that the public are entitled to have a statement made on the face of the specification, to shew that all that can be claimed under the later patent is something which is an improvement upon the apparatus described in *Sterry's* specification."

The same learned Law Officer, in *Barrow & Guest's Patent*, (a) said: "I have never considered that a prior patentee has any right to be specially named, unless the applicants are willing to name him, and unless it is clear there is no other publication except the one that is mentioned. The name is generally inserted for the purpose of the protection of the patentee, or, as I said before, the protection of the public."

It sometimes happens that the applicant's invention has manifestly been suggested by, and is only good as an improvement upon, that covered by the opponent's patent. In such cases specific references have been required to the earlier patent.

(w) *Barrow & Guest's Patent*, 5 R. P. C. 315; *Wallace's Patent*, 6 R. P. C. 135; *Hoffman's Patent*, 7 R. P. C. 92; *Stell's Patent*, 8 R. P. C. 236; *Kilner's Patent*, 8 R. P. C. 35.

(x) *Adams' Application*, 13 R. P. C. 548.

(y) *Marsden's Patent*, 13 R. P. C. 87; *Marsden's Patent* (No. 2), 14 R. P. C. 174.

(z) 8 R. P. C. 443.

(a) 5 R. P. C. p. 315.

In *Hoskins' Patent*, (b) where the invention related to "improvements in folding cots and hammock frames," this course was adopted. "It is impossible," said Herschell, S.G., "to shut one's eyes to the fact that this improved cot which *Hoskins* is seeking to patent never would have been seen or heard of but for the fact that he had before him, and had been employed to make the cot which *Needham* had patented. He gets that cot, and he finds that there is a cot which has certain advantages. All the elements which are to be found, and which are described as far as I can see as the essential elements of *Needham's* invention, are to be found in what *Hoskins* has produced. Of course the parts differ, and the mode of carrying out the idea differs, but there is not a single idea to be found in the one that is not to be found in the other arrangement, modified. The applicant's may be a very much better way—I do not know anything about that, and I do not say anything about it—I am willing to assume the statement is right, that it is a better way, but it is really doing in every detail precisely the same thing by a modification merely of the means used. Can I allow, not as being an improvement or modification of the prior patent, but as an independent patent, which the person taking it out is entitled to work independently, this apparatus or cot? I am satisfied I cannot. I am satisfied, moreover, that I should be doing a very cruel kindness to *Hoskins* if I were to allow him the patent upon his present specification, because I am satisfied there is neither any judge nor any jury who would not hold he was infringing *Needham's* patent, and therefore I should not be giving him any advantage if I were to allow the patent to go upon this specification. I should say there is no doubt that the applicant did apply a considerable amount of original thought, and I am quite prepared to believe invention, in improving the opponent's, and making a better cot. I do not, of course, say absolutely that it is a better cot, but it may be that it is so, and, if so, he ought to have the advantage of that—of all the invention that he applied to it—and so far as he has made it better he is entitled to a patent for the improvement. The appeal will be allowed with costs, but I allow the grant upon condition that *Hoskins* inserts in his complete a statement that his invention is an improvement upon *Needham's*."

The disclaimer here eventually inserted was as follows: "This invention refers to improvements in the description of cots invented by *Geo. Hy. Needham*, for which invention a patent, No. 3332 of 1883, has been granted to him, and consists of," etc.

A similar special reference to the opponent's patent was also inserted in *Newman's Patent* (2), (c) as follows: "I am aware of the prior patent granted to *Robert Adams*, dated," etc., "and I do not claim anything described and claimed in the specification of that patent, and in particular, I do not claim the apparatus as shewn and described with reference to figure 35."

In that case Webster, A.G., following the above decision of Herschell, S.G., said: (d) "It is not the interest of subsequent patentees that their patents should be apparently for an original invention when, as a matter of fact, they themselves admit before a Law Officer that they can only claim the particular combination which they described, and also admit that there is a description of a mere general combination, which may or may not include the particular combination that they have invented. Further, I have to consider the public interest; because it certainly is not for the interests of the public that they should be led into supposing that a description in a specification is entirely general; whereas it can only be supported as a specification of valid letters patent if the description is understood to be a description of an improvement. I shall therefore direct that this patent be allowed, some simple disclaiming clause being inserted, stating that the patentee is aware of the previous specification, and makes no general claim to the matter therein described, but only to the improvement, or some such words as were used in *Hoskin's Case*. (e)

In *Adams' Case*, (f) Finlay, S.G., while of opinion that the scientific mode of disclaiming would have been to draw the specification in an altered form, limiting the claim to certain improvements on known apparatus, yet allowed the disclaimer to be expressed by a special reference to an earlier patent, as it appeared that that course would equally indicate the limited scope of the applicant's claim, and save the entire re-casting of the specification. (g)

Disclaimer where the Prior Patent is a Master Patent.—Special disclaimers are, as a general rule, undesirable, because the prior knowledge which makes disclaimers necessary is often to be found in several specifications. These specifications may not all

(c) 5 R. P. C. 279.

(d) *Ibid.* 280.

(e) For other cases of a like nature, see *Levinstein's Patent*, 11 R. P. C. 348; *Maxim & Silverman's Application*, 11 R. P. C. 314; *Tattersall's Patent*, 9 R. P. C. 150.

(f) 13 R. P. C. 548.

(g) For other examples of special disclaimers, see *Welch's Patent*, Griff. P. C. 300; *Lynde's Patent*, 5 R. P. C. 663; *Wallace's Patent*, 6 R. P. C. 135; *Thornborough & Wilks' Patent*, 13 R. P. C. 115.

be brought to the attention of the Comptroller or Law Officer, and in such case a special reference to one of them might be calculated to mislead the public. (h) Where, however, the applicant's invention concerns a subject as to which there is a recognized master patent, the above objection to a special reference does not apply.

In *Welch's Patent*, (i) Webster, A.G., said: "I do not think that a later patentee ought to be compelled to insert a special reference to the earlier specification of the opponent unless it is practically admitted by the later applicant that the governing principle was for the first time discovered or disclosed in the opponent's specification." (j)

In *Newton's Patent*, (k) the same learned Law Officer said that specific references to earlier patents were only permissible as a general rule where there was at once substantial identity between the fundamental parts of the two inventions, and a difference which could only be justified on the ground of improvement: it being right in such case to protect by a specific reference both the public and the prior patentee.

The fact that the prior patent has already expired is no reason against inserting a special reference to it; but rather the other way, as no proceedings can any longer be taken under it in respect of infringements. (l)

An opponent to a grant who desires his own patent to be construed as a master patent, or as being for a pioneer invention, must bring the state of knowledge before the Comptroller by evidence.

"It seems to me," said Webster, A.G., in *Southwell & Head's (m) Application*, "that unless the parties before the Comptroller agree on a state of knowledge which is to be assumed to be the basis of both inventions, if an opponent is coming to say that a claim in an earlier patent is to be construed as being a pioneer or master claim to such an extent that he is entitled to a wide construction for the purpose of stopping future patents, he is bound to bring the state of knowledge before the Comptroller. I do not think any person who, describing in specific language a method of arriving at a given end, afterwards seeks to say that the language is to include something which is, on the face of it, different, can ask the

(h) Per Webster, A.G., in *Stell's Patent*,
8 R. P. C. p. 236.

(i) 8 R. P. C. 442.

(j) See, also, *Hoffman's Patent*, 7
R. P. C. 92.

(k) 17 R. P. C. 124.

(l) *Hall & Hall's Patent*, 5 R. P. C.
285.

(m) 16 R. P. C. p. 362.

Comptroller so to act without clearly establishing that, for the purposes of the Comptroller's decision, the earlier patent is to be regarded as being a master patent. In this case no real difficulty is created, because I happen to know something about the matter from the previous case that was before me; but I should like to lay it down, as far as I can, as a matter of practice that, if an attempt is made to limit subsequent patents by the language of a general claim, upon the ground that the patent is a master patent and is for a pioneer invention, it is the duty of the person maintaining that contention to support it before the Comptroller by evidence, unless the parties agree as to the existing state of knowledge."

Inserting References to Concurrent Applications.—Where in an opposition on the ground that the invention had already been patented by the opponent, the patent on which the opponent relied had been sealed upon an application practically concurrent with that of the applicant, the Comptroller ordered a special reference to be inserted to the opponent's patent. On appeal, however, the Law Officer reversed this decision. (n) Webster, A. G., said: "I may say at once that it is new to me that references have ever been inserted where the applications were practically concurrent; and I am not at all satisfied that the same principles apply where the applications are concurrent, as in cases of previous patents. References, as I have repeatedly pointed out, are required in order to caution the public that the field of knowledge has been previously occupied by inventions which are analogous to the one for which application is being made, and thereby warn them against the belief that they were dealing with an invention which covered the whole possible field. But it is clear that these considerations do not apply in the case of concurrent applications. I desire to reserve any question of what are the proper sort of disclaimers or references to be inserted, where the applications are concurrent, until the matter has been decided."

Right of the Crown to impose Terms.—The jurisdiction which the Law Officer exercises in imposing terms in cases of opposition is not a jurisdiction given in express terms by the Statute, but a jurisdiction which arises inherently from the statutory right to refuse to grant a patent which entitles the Law Officer to say, "I will not grant you, the applicant, a patent unless you assent to certain terms." Where, therefore, the applicant shews a clear claim to a grant, and the case is not complicated by *mala fides* on his part,

(n) *Greenhalgh's Application*, 14 R. P. C. p. 388.

or any special circumstances affecting him, the Law Officer ought not to put the applicant upon terms, and will decline to do so. (o)

Where it is manifest that the necessary disclaimers would go so far as to leave no patentable entity of invention the Law Officer should refuse the patent altogether. (p)

In deciding whether or not to insert a reference to a prior patent, the Law Officer is not bound by the construction which the Court of Appeal may have put upon that patent; for the decision of that tribunal may be reversed in the House of Lords, and does not finally determine the law. (q)

Sometimes, where opposition is founded on a prior patent, the evidence shews that some portion only of the applicant's invention has been patented before. In such cases, where this portion is severable, a patent has been sealed for the residue, the applicant being required to excise the anticipated claims. (r) In *Teague's Patent*, (s) Webster, A.G., gave the opponent the option of insisting on a special disclaiming reference to his patent or the omission of certain descriptive matter from the specification of the applicant. He elected the latter course.

(c) That the complete specification describes or claims an invention other than that described in the provisional specification, and that such other invention forms the subject of an application made by the opponent in the interval between the leaving of the provisional specification and the leaving of the complete specification.

In considering cases based upon this ground of opposition, the Comptroller and the Law Officers will remember that the object of having two specifications is to enable the inventor to have time to develop his invention. Therefore differences which are consistent with such progressive development will not be allowed to prevent the sealing of a patent. (t) On the same principle, the applicant will be allowed to cut down his invention by omitting from his complete specification matters described in the provisional specification, if on consideration he comes to the conclusion that the ambit of his original description is too large. (u) But if the

(o) *L'Oiseau & Pierrard*, Griff. A. P. C. 39; *Main's Patent*, 7 R. P. C. 13.

(p) *Hedge's Case*, 12 R. P. C. 136.

(q) *Hoffman's Patent*, 7 R. P. C. 92.

(r) *Hall & Hall's Patent*, 5 R. P. C. 283.

(s) Griff. P. C. 298.

(t) *Millar & Miller's Application*, 15 R. P. C. 718. In doubtful cases the patent will not be stopped: see *Anderson & Anderson's Patent*, 7 R. P. C. 323; *Cumming's Patent*, Griff. P. C. 277.

(u) *Ibid.*

opponent can shew that the four corners of the provisional specification have been exceeded, the objection will be fatal.

All fair development, however, which does not amount to an invention different from that originally protected is permissible. (v)

In *Wilson's Patent*, (w) the invention described in the provisional specification consisted in a novel method of constructing velocipede tyres, made of an outer part of hard rubber and an inner part or core of spongy rubber. Various combinations of these parts were described in which the core might be either separate from the outer portion or made in one piece with it, in the form of a strip bent round to the shape required for the tyre. A modified construction was also described as the combination of the pneumatic principle with the spongy core. In a further modification, the tyre consisted of an outer casing of hard rubber and an inner pneumatic tube separated by a thin strip of steel or wire gauze to prevent accidental puncturing of the tube. No methods of fastening the tyres to the wheels were mentioned. In the complete specification, however, these tyres were in many cases described and illustrated as fitted to specially constructed wheel-rims provided with special means for fastening the tyres, and these rims, *combined with the methods of fastening*, were the subjects of claim. On opposition for disconformity, the Comptroller held that the complete specification exceeded the provisional, and Webster, A.G., though varying that decision on appeal, required the complete specification to be amended so as to prevent the applicant claiming the means of fastening the tyres to the wheels, as distinct from the construction of the tyres themselves.

In construing the specifications to test their conformity, the Law Officer will put that construction upon the applicant's provisional specification which he believes the applicant intended it to bear at the date of filing. For this purpose it may be most material to see the original drawings of the applicant. (x)

3. *Practice on Oppositions to Grants.*

The Comptroller is required to advertise the acceptance of every complete specification; and from the date of acceptance the application and specifications, with the drawings (if any), may be inspected by the public. (y)

Notice of Opposition required.—A person intending to oppose the

(v) *Edwards' Patent*, 11 R. P. C. 461.

(w) 9 R. P. C. 512.

(x) *Birt's Application*, 9 R. P. C. 489.

(y) Patents Act, 1883, s. 10.

sealing of the patent must give notice of his proposed opposition, at the Patent Office, within two months from the date of advertising the acceptance of the complete specification. (z)

The notice should be in the form prescribed by the Act, (a) contain alike the name and address for service in the United Kingdom of the opponent, and the grounds of his proposed opposition. It must also be signed by him. The notice must be accompanied by an unstamped copy, (b) which is upon receipt transmitted by the Comptroller to the applicant. (c)

If the opponent relies on the ground that the invention has been patented in this country on an application of prior date, he must specify in his notice the number and date of such prior application. (d)

Care should be taken that these conditions are duly complied with, for no opponent will be allowed to raise at the hearing any ground of opposition not stated in the notice. The objection that the alleged invention is covered by a prior patent will not be allowed unless the number and date of such prior application are also duly specified in the notice. (e)

In *Bailey's Patent*, (f) the opponent sought to put in evidence before the Law Officer a specification which had come to his knowledge since the hearing before the Comptroller; but Davey, S.G., held that this was in fact raising a new ground of opposition, and declined to admit the evidence.

Amendment.--There is, however, a power of amendment in cases where the Comptroller is of opinion that such amendment will not be detrimental to the interests of the applicant. (g)

Under this power the Comptroller has amended a notice at the hearing by allowing the substitution of the real opponent's name for that of his agent, by whom it had been originally signed, but who had died pending the hearing. (h) In another case, where the prior patent relied upon was described in the notice as "My claims in Patent No. 4726—86, for a machine for measuring the height of human beings automatically," the Comptroller allowed the date and proper title to be added by amendment, being satisfied that the applicant had in fact had the means of referring to the prior patent in question. (i) Again, where the notice alleged that the invention, or material parts thereof, had been

(z) Patents Act, 1883, s. 11 (1).

(a) See Form D; Appendix, post.

(b) P. R. rule 34.

(c) Ibid. 35.

(d) Ibid. 36.

(e) P. R. rule 42.

(f) Griff. P. C. 269.

(g) P. R. rule 6.

(h) *Lake*, Griff. A. P. C. 35.

(i) *Airey's Application*, 5 R. P. C. 348.

patented in this country on applications of prior date, the Comptroller, on objection being taken to the words in italics, allowed an amendment by striking them out. (*j*)

Evidence on Oppositions.—The evidence before the Comptroller is given in the form of statutory declarations.

These must be left by the opponent at the Patent Office within fourteen days after the expiration of two months from the date of the advertisement of the acceptance of the complete specification of the patent it is intended to oppose. The opponent must at the same time deliver a list of his declarations to the applicant. (*k*)

Within fourteen days from the delivery of such list, the applicant may leave at the Patent Office statutory declarations in answer, and on so doing must deliver a list thereof to the opponent. (*l*) A further period of fourteen days is allowed the opponent to leave declarations in reply, of which also a list must be delivered to the applicant. Declarations in reply must be confined to matters in reply only. (*m*)

Copies of the statutory declarations may be obtained from the Patent Office, or from the opposite party. (*n*)

The Comptroller has power to enlarge the time for leaving declarations if he thinks fit. (*o*)

After the opponent's declarations in reply, no further evidence may be left except by leave of the Comptroller upon the written consent of the parties duly notified to him, or by special leave of the Comptroller on application in writing made to him for that purpose. (*p*) Either party making such application shall give notice thereof to the opposite party, who is entitled to oppose it. (*q*)

Statutory declarations should be drawn concisely, and should not be needlessly multiplied. (*r*)

Prior specifications, and other documents and models or drawings which are relied upon to shew prior knowledge generally, or the prior patenting of an invention, should be made exhibits. But in some cases matters not strictly in evidence have been considered. (*s*)

(*j*) *Fawcett*, Goodeve, 10. See, also, *Jones*, Griff. A. P. C. 33; *Daniel's Application*, 5 R. P. C. 413.

(*k*) P. R. rule 37.

(*l*) Ibid. 38.

(*m*) Ibid.

(*n*) Ibid.

(*o*) P. R. rule 51.

(*p*) Ibid. 39.

(*q*) Ibid. 40.

(*r*) *Brand's Patent*, 12 R. P. C. 102; *Hedge's Application*, 12 R. P. C. 136.

(*s*) See *Lancaster's Patent*, Griff. P. C. 293; *Jones's Case*, Griff. A. P. C. 34.

Where the ground of opposition is that the applicant has obtained the invention from the opponent, or from a person of whom such opponent is the legal representative, unless evidence in support of such allegation be left at the Patent Office within the prescribed time, the opposition is deemed to be abandoned, and the patent will be sealed forthwith. (t)

In *Dundon's Patent*, (u) the Comptroller heard the opposition on the point whether the invention had been patented on an application of prior date, although the opponent filed no declarations. But he treated a ground of objection that the invention had been obtained from the opponent as abandoned.

The Hearing of the Opposition.—On the completion of the evidence, or at such other time as he may see fit, the Comptroller appoints a time for the hearing of the case, giving to the parties at least ten days' notice of this appointment. (v) If the applicant or the opponent desires to be heard, he must send an application to that effect in the prescribed form (w) to the Comptroller. If such application is not sent, the Comptroller may refuse to hear the party failing to comply with this rule. (x)

Before the Comptroller the applicant begins, except perhaps where fraud is charged. (y) The Comptroller has no power to summon the declarants before him, and have them submitted to cross-examination. Where, therefore, the rival declarations raise a serious contest of fact, he will take a course which will give the parties the opportunity of carrying the case before the Law Officer. (z) The Comptroller has no power to award costs.

Where the parties do not apply to be heard before him, the Comptroller will consider the case upon the materials submitted, and notify his decision. (a)

Appeal to the Law Officer.—From the decision of the Comptroller an appeal lies to the Law Officer. (b) The appeal is by way of re-hearing. (c) An appeal will lie by an opponent against a refusal to insert a special reference to a prior patent, even when the opponent does not otherwise contest the sealing of the patent. (d)

An appeal likewise lies against a decision of the Comptroller allowing or refusing a patent or an application under Section 103

(t) P. R. rule 43.

(u) *Griff. P. C.* 278.

(v) P. R. rule 41.

(w) Form E, Appendix, post.

(x) P. R. rule 41.

(y) *Luke's Patent*, *Griff. P. C.* 294.

(z) *Evans & Otway's Patent*, *Griff. P. C.*

280.

(a) P. R. rule 41.

(b) Patents Act, 1883, s. 11 (2).

(c) Per Webster, A.G., in *Stubbs' Patent*, *Griff. P. C.* 298.

(d) *Brownhill's Patent*, 6 R. P. C. 136.

of the Patents Act, 1883, by a person who has applied for protection for his invention in a foreign state. (e)

Notice of Appeal.—Any person intending to appeal to the Law Officer must, within fourteen days of the decision appealed from, or such further time as the Comptroller may allow, file a notice of his intended appeal in the Patent Office. (f) The notice of appeal must state the nature of the decision appealed against, and whether the appeal is from the whole or part only (and in that case which part) of the decision. (g) A copy of this notice must also be sent to the Law Officer's clerk at the Royal Courts of Justice, (h) and to the other side. (i) The notice is sufficient if signed by the appellant's agent. (j) The giving of notice is a condition precedent to the right of appeal, and an appellant will not be heard upon any ground of appeal not included in his notice.

Thus, in *Bairstow's Patent*, (k) where the Comptroller imposed certain conditions upon the applicant, but decided against the opponent on another ground of opposition, and the applicant appealed, but the opponent gave no counter notice of appeal, the Law Officer held that he could not hear the opponent upon the point decided in the applicant's favour below, as no notice of appeal from that decision had been given. "The effect," said Clarke, S.G., "of rules 1 and 2 of the Law Officer's Rules is to limit the hearing before the Law Officers to points specifically raised by the notice of appeal; and where a notice of appeal is given as to part only of the Comptroller's decision, the person receiving such notice and desiring to question other parts of the Comptroller's decision must give a counter notice. If the original notice of appeal is only given just before the expiration of the fourteen days, the time for giving a counter notice may be extended under rule 5."

Where the Comptroller requires an amendment of the applicant's specification, and the form of such amendment is not settled at the hearing, the time for appealing runs from the date when a copy of the amendment approved by the Comptroller is forwarded to the opponent; otherwise in such case hypothetical appeals would have to be entered. (l)

(e) *Main's Patent*, 7 R. P. C. 13; *Van de Poele's Patent*, 7 R. P. C. 69.

(f) L. O. R. rule 1. The time may be extended by the Law Officer on application for special leave to do so: L. O. R. rule 5.

(g) L. O. R. rule 2.

(h) Notices and documents required to be sent to the Law Officer's clerk may

be sent by a prepaid letter through the post: L. O. R. rule 14.

(i) L. O. R. rule 3; *Hill's Patent*, 5 R. P. C. 601.

(j) *Anderson v. McKinnell*, Griff. A. P. C. 24.

(k) 5 R. P. C. 289.

(l) *Chandler's Patent*, Griff. P. C. 273.

Hearing before the Law Officer.—Where a notice of appeal is filed, all the papers relating to the matter are transmitted by the Comptroller to the Law Officer's clerk. (*m*)

Seven days' notice, at least, of the time and place appointed for the hearing of the appeal is given by the Law Officer's clerk. But the Law Officer has jurisdiction to give leave to serve a shorter notice. (*n*)

The notice is given to the Comptroller, to the applicant, and to the opponent, if any. (*o*)

The proceedings before the Law Officer being, as already stated, in the nature of a re-hearing, (*p*) the evidence must be the same as that used before the Comptroller, except as to matters which have occurred or come to the knowledge of either party after the date of the decision appealed from. (*q*) This exception does not entitle a party, however, to put in further evidence if that evidence substantially goes to a ground of appeal not included in the notice. (*r*)

The Law Officer has power to admit new evidence. But leave must be obtained specially from him for this purpose. (*s*) Where such evidence went to prove fraud, leave was refused. (*t*) In another case, where the applicants, who had filed no evidence before the Comptroller, applied for leave to do so before the Law Officer, Webster, A.G., gave leave, on their paying all the costs. (*u*)

Before the Law Officer the parties have the privilege of cross-examining the witnesses. (*v*) If it is desired to cross-examine a declarant a request must be made to the Law Officer to order the attendance of the witness for that purpose. (*w*) The Law Officer has a discretion to refuse this request if made without good ground. (*x*) The person requiring the attendance of a witness must tender a reasonable sum for conduct money. (*y*)

(*m*) L. O. R. rule 4.

(*n*) Ibid. 6.

(*o*) Ibid. 7.

(*p*) See *Stubbs' Patent*, Griff. P. C. 298.

(*q*) L. O. R. rule 8.

(*r*) *Bailey's Patent*, Griff. P. C. 269.

(*s*) L. O. R. rule 8. In *Thwait's Patent*, 9 R. P. C. 515, Webster, A.G., gave leave to call before him witnesses who had not made declarations before the Comptroller.

(*t*) *Huth's Patent*, Griff. P. C. 292.

(*u*) *L'Oiseau & Pierrard*, Griff. A. P. C. 37. Further evidence was also admitted in *Van de Poelle's Patent*, 7 R. P. C. 69.

(*v*) Patents Act, 1883, s. 38.

(*w*) L. O. R. rule 9.

(*x*) Ibid.

(*y*) L. O. R. rule 10. The practice with regard to the examination of witnesses is thus stated by Griffin (see Patent Cases, p. 319): "When it is desired to claim an order for the attendance of declarants for cross-examination, a list of such persons must be left with the Law Officer's clerk, with a request for an order for their attendance: copies of the request and list should be sent to the other side. The Law Officer then requests the attendance of both parties before him with reference to the application, and if satisfied that an

Costs.—The Law Officer has jurisdiction to award costs, (z) and may fix their amount. (a) A sum is generally named where costs are given. It is not intended that the costs given by the Law Officer should amount to a full indemnity. In *Stuart's Patent*, (b) an exceptional case, where intricate evidence had to be considered, and the enquiry was necessarily lengthy and expensive, costs were given to the opponents to the amount of thirty guineas in respect of the hearing, and ten guineas in respect of an application to admit further evidence. "It is not the custom of the Law Officers on these appeals," said Clarke, S.G., "to attempt to give costs to such an amount as will indemnify the parties. To do so would be to seriously discourage the appeals, and to limit very much the usefulness of the office which the Law Officers fill in these matters."

In the absence of special circumstances costs generally follow the event. (c) Where the applicant's declarations contained equivocal statements which justified the opponents in cross-examining upon them, costs were refused to the applicant, although the opponents failed on the appeal. (d) "It is exceedingly important," said Webster, A.G., "especially before the Comptroller, who cannot cross-examine witnesses, that there should be the fullest good faith in the statements that are made. I am imputing to the applicant no desire to conceal; but when I have to consider what the opponents had before them, I must take him as responsible for all the consequences of his acts."

A slight alteration in the Comptroller's decision will not affect the way in which costs are given if substantially that decision is affirmed. (e) Where the appellant did not appear at the hearing costs were given against him; (f) and where the appellant (who was the opponent) had not attended before the Comptroller the Law Officer, though deciding in his favour, did not allow him any costs. (g) Again, where the appellant attempted to withdraw his appeal two days before the hearing, the Law Officer, on the written application of the respondent, and in the absence of a satisfactory explanation of the withdrawal, gave costs against him. (h)

In Ainsworth's Case, where the respondent failed to appear on

order should go, directs that summonses should be issued, which the Law Officer's clerk thereupon issues in due course."

(z) Patents Act, 1883, s. 38.

(a) L. O. R. rule 11.

(b) 9 R. P. O. p. 453.

(c) Per Webster, A.G., in *Stubbs'*

Patent, Griff. P. C. 298.

(d) *Anderton*, Griff. A. P. C. 25.

(e) *Fletcher*, Griff. A. P. C. 31.

(f) *Dietz's Patent*, 6 R. P. C. 297.

(g) *Hudd Smith's Application*, 13 R. P. C. 200.

(h) *Knight*, Griff. A. P. C. 35.

the appeal, Webster, A.G., on this failure being subsequently explained, to his satisfaction, granted another hearing, the respondent paying the appellant's costs of the adjournment. (i)

If the Law Officer does not himself fix the amount of the costs allowed, he must direct by whom and in what manner the amount shall be ascertained. (j)

If costs ordered by the Law Officer to be paid are not paid within fourteen days after the amount thereof has been fixed or ascertained, or such shorter period as shall be directed by the Law Officer, the party to whom such costs are to be paid may apply to the Law Officer for an order for payment under Section 38 of the Patents Act, 1883. (k)

Re-opening Enquiry—Power of Law Officer to call in Expert.— Once the Law Officer has given his decision he will not allow the matter to be re-opened unless special circumstances are shewn. In *Thomas & Prevost's Case*, (l) Finlay, S.G., said: "That there is power to re-open under special circumstances I have no doubt. If there were fraud or serious mistake or miscarriage, I think there would be power to direct a re-hearing, in order to see whether justice demanded that another conclusion should be arrived at." The fact that the opponent has since the hearing before the Comptroller withdrawn his opposition is not, however, ground for so doing. "I think," said Finlay, S.G., in the foregoing case, "it would be a very dangerous thing to allow that that would be treated as a sufficient ground. The contest which takes place between the applicant and any opponent is a contest in the result of which the public have an interest. . . . When the decision has once been arrived at, it is one which ought, in the public interest, to stand, unless some such ground for re-opening it were shewn as I have already indicated."

The Law Officer may, if he thinks fit, obtain the assistance of an expert, who shall be paid such remuneration as the Law Officer, with the consent of the Treasury, shall appoint. (m) Hitherto, it has not been the practice of the Law Officers to avail themselves of this power. It is not the function of the Law Officer to try out such intricate questions as an expert's assistance might be necessary to determine; seeing that where a doubt exists the applicant is entitled to his patent.

In *Lake's Patent*, (n) a case involving difficult chemical

(i) Griff. P. C. 269.

(j) L. O. R. rule 11.

(k) Ibid. 12.

(l) 15 R. P. C. 257.

(m) Patents Act, 1883, s. 11 (4).

(n) 6 R. P. C. 548.

questions, Clarke, S.G., said: "Whatever advice the expert gave me upon the matter, it would have to be my judgment—and the responsibility of that judgment is a considerable one in a question of this character; and I do not think that, even if advised by an expert, I should consider it right, in view of a strongly controverted question of scientific anticipation, to decide that in a way which would put a stop to the patent now asked for. I think such a question, if it is to be discussed at all, should be discussed elsewhere, where the evidence can be more thoroughly dealt with."

CHAPTER XVI.

THE REGISTER OF PATENTS.

The Register and its Contents.—Under the Patents Act, 1883, a book called the Register of Patents is required to be kept at the Patent Office. (a) In this Register are entered the names and addresses of the grantees of patents, notifications of assignments and of transmissions of letters patent, of patent licenses, and of amendments, extensions, and revocations of patents, and such other matters as affect the validity or proprietorship of letters patent for inventions.

The Register is *primâ facie* evidence of all matters directed or authorised to be inserted therein. (b)

Under the former practice two registers were kept; one a Register of Patents, in which were entered all matters affecting the validity of letters patent for inventions, such as disclaimers, payment of renewal fees, and extensions of patent terms; the other, a Register of Proprietors, in which were entered assignments, licenses, and matters concerning the ownership of patent monopolies. (c)

Public Inspection.—The Register of Patents (with which the former Registers are now incorporated), (d) is open to the inspection of the public, between the hours of ten and four, on every week-day, except Christmas Day, Good Friday, the day observed as her Majesty's birthday, days of public fast or thanksgiving, and Bank of England holidays. To these days of exception must also be added days of which notification has been given by a placard, posted in a conspicuous place at the Patent Office, and times when the Register is required for any purpose of official use. (e)

(a) Patents Act, 1883, s. 23. .

(b) Ibid. s. 23 (2).

(c) See 15 & 16 Vict. c. 83, ss. 34, 35.

(d) Patents Act, 1883, s. 114 (1).

(e) Patents Act, 1883, s. 88; P. R. rule 78.

A certified copy of any entry in the Register may be obtained by any person on payment of the prescribed fee. (*f*)

Right to Register.—No patent is entered upon the Register until sealed. After sealing, the Comptroller is required to enter upon the Register the title of the invention and the name, address, and description of the patentee. (*g*)

Where a person acquires a patent by assignment, transmission, or other operation of the law, he is entitled, on proving his title to the satisfaction of the Comptroller, to have his name placed on the Register as proprietor. (*h*)

At the same time, there is no obligation upon an assignee to register his assignment if he chooses to incur the risk of not doing so. "I understand," said Lindley, M.R., in the *New Ixion Tyre Company v. Spilsbury*, "the words 'shall be registered,' in Section 23, as addressed to the Registrar. It is his business. He has to keep the Register; but there is no obligation on the assignee to register the assignment if he does not wish to. Of course he takes his chance, if he does not, of having his title defeated by some one else who does register; but there is no breach of any duty in not registering under Section 23." (*i*)

Whether the assignment is of the whole patent rights, or of a share only, and whether for a part or the whole of the United Kingdom, the assignee is equally entitled to be placed on the register as owner to the extent of his interest.

Application for Registration how made.—The request for registration, whether as complete or partial proprietor, should be addressed to the Comptroller and left at the Patent Office. (*j*) It must be signed by the person requiring to be registered or by his agent duly authorised; and state the name, address, and description of the person claiming to be entitled to the patent or a share or interest therein, and the particulars of the assignment, transmission, or other operation of law by virtue of which such person requires to be entered in the Register, so as to shew the manner in which, and the person or persons to whom, the patent or such share or interest has been assigned or transmitted. (*k*)

A body corporate may be registered as proprietor of a patent. (*l*) In the case of a body corporate, the request for registration should be signed by their duly authorized agent. (*m*)

(*f*) Patents Act, 1883, s. 88; P. R. rule 78.

(*g*) P. R. rule 67.

(*h*) Patents Act, 1883, s. 87; P. R. rule 86.

(*i*) 15 R. P. C. p. 571.

(*j*) P. R. rule 68.

(*k*) Ibid. 70.

(*l*) Ibid. 73.

(*m*) Ibid. 69.

Every assignment and every other document containing, giving effect to, or being evidence of the transmission of a patent or affecting the proprietorship thereof, as claimed by the request, except such documents as are matters of record (of which an official or certified copy is sufficient), must be produced to the Comptroller with the request. (*n*) The claimant for registration must also leave an attested copy of the assignment or other document of which production is required. If that document is a matter of record, the copy left must be an official certified copy. (*o*)

Effect of Registration.—The person entered on the Register is the legal owner of the patent and, subject to any rights appearing by the Register to be vested in any other person, has power absolutely to assign, grant licenses as to, or otherwise deal with the patent, and to give effectual receipts for any consideration for such assignment, license, or dealing. (*p*)

Mortgages.—Although a notification of a mortgage of a patent may properly be entered on the Register, a mortgagee is not entitled to be entered as proprietor, for in equity the mortgagor continues to be the owner. (*q*)

Assignees.—The assignments which may be registered are not confined to legal assignments by deed. Any documents operating as an equitable assignment may likewise be registered; for such documents, though they do not alter the proprietorship of a patent, “affect” it by giving the person in whose favour they operate a right in equity to have the proprietorship altered at law. (*r*)

In *Stewart v. Casey*, a letter in the following terms had been registered by the Comptroller: “Dear Sir,—Stewart and Charlton’s Patents.—We now have pleasure in stating that in consideration of your services as the practical manager in working our patents as above for transit by steamer, or for any land purpose, we agree to give you one third share of the patents above mentioned, the same to take effect from this date. This is in addition to, and in combination with, our agreement of the 29th November last.” A motion having been made to expunge the entry, the Court declined to make the order, holding that this letter operated as an equitable assignment of one-third of the patents, and as such affected the proprietorship and was properly registered. (*s*)

(*n*) P. R. rule 71.

(*o*) Ibid. 72.

(*p*) Patents Act, 1883, s. 87. But this does not defeat existing equities in respect of the patent. See *New Ixion Tyre Co. v. Spilsbury*, 15 R. P. C. p. 571.

(*q*) *Van Gelder v. Sowerby Bridge*, 7 R. P. C. 208.

(*r*) Per Bowen, L.J., in *Stewart v. Casey*, 9 R. P. C. p. 14.

(*s*) 8 R. P. C. 259; 9 R. P. C. 9.

Parol Agreements not Registered.—The intention of the Act is that written documents, and not mere parol licenses or agreements, shall be notified in the Register. A document to be entitled to registration must also be on its face a completed agreement between the parties to it. In *Fletcher's Patent*, (t) an agreement to grant a license on terms as to royalties to be mutually agreed upon was refused registration; for an incomplete agreement does not affect the ownership of the patent or give any one a legal or equitable title to it. In this case North, J., held that it was immaterial that a supplemental verbal agreement completing the terms left incomplete in the written document had subsequently been arrived at between the parties. It would have been otherwise had such second agreement been reduced to writing, in which event both documents might, as constituting one agreement, have been registered together.

Agreements Prior in Date to the Patent.—Agreements entered into some considerable time before the patent is granted ought not to be entered upon the Register as affecting the ownership.

Whether such an agreement if made just before the patent was sealed might properly be entered is doubtful.

In *Parnell's Patent*, (u) the agreement which it was sought to register was dated nearly three years before the sealing of the patent, and referred in general terms to patents it was proposed to form a syndicate to take up. The Comptroller refused registration, and North, J., on a motion to make the entry, held that this refusal was right.

Change of Owner's Name.—When a company or private person who is registered as proprietor of a patent changes its or his name, the Comptroller has jurisdiction under Section 87 of the Patents Acts, 1883, to enter the altered name on the Register as a change of proprietorship arising by operation of law. "It is clear," said North, J., in *ex parte New Ormonde Cycle Co.*, (v) "that if a company which is the proprietor of a patent changes its name, or if a lady who is the proprietor of a patent changes her name by marriage, the object and intention of the Statute is that the name of the proprietor should appear on the Register; and that is the present name of the company or person—not the name that the company or person may have had in some time past, but which for every other purpose has been given up ever since the legal change of

(t) 10 R. P. C. 252; 62 L. J. Ch. 938;
69 L. T. 129.

(u) 5 R. P. C. 126.

(v) [1896] 2 Ch. p. 523; 13 R. P. C.
475; 65 L. J. Ch. 785.

name, or the marriage, took place. When one looks at Section 78 and Section 87 together, it is quite clear what the Act contemplates. What is intended is that the Register shall contain a perfect record, complete up to date, of the names and addresses of the proprietors. It is for the public benefit that the Register is kept, and it ought to be kept correct up to date."

Entries by Joint Patentees.—One of two joint patentees is not entitled to have an entry put upon the Register which purports to affect or prejudice the rights of the other. If he does so, such entry will be expunged on the application of the aggrieved patentee. (*w*)

The Register is intended to be a record of facts, not of legal inferences (*x*).

Notice of Trusts not Registered.—Section 85 of the Patents Act, 1883, provides that no notice of any trust, express, implied, or constructive, shall be entered on the Register. In *Hazlett v. Hutchinson*, (*y*) an agreement had been entered into by the owner of certain patents with a promoter who undertook to promote a company to acquire the patents, his remuneration to be a share of the proceeds of the sale. The agreement was conditional on the formation of the company within a certain time. The patentee alleging that the condition was broken, declined to recognize the agreement further, whereupon the promoter registered an entry of the agreement at the Patent Office. But Kekewich, J., on the application of the patentee, ordered the entry to be expunged, as causing the very mischief the Act intended to prevent.

The meaning of this provision prohibiting the registration of trusts was discussed by the Court of Appeal in *Stewart v. Casey* (*z*). In that case it was contended that a letter which operated as an equitable assignment fell within the section. In rejecting this view, Bowen, L.J., said: "If it could be made out that an equitable assignment was not to be entered on the Register simply because it created a trust, and therefore carried with it the notice of the trust which was created; if Section 85 was to be expunged or stretched to that enormous length, then the appellants might succeed. But what does Section 85 mean? Trusts had been registered up to that time by the Patent Office; but this section intended that notices of trusts, as distinct from documents which create trusts in equity, were not to be sent to the Comptroller and entered upon the

(*w*) *Horsley & Knighton's Patent*, L. R. 8 Eq. 475, Romilly, M.R. This case was decided under the Patent Law Amendment Act, 1852, s. 38.

(*x*) *Morey's Patent*, 25 Beav. 581.

(*y*) 8 R. P. C. 457.

(*z*) 9 R. P. C. p. 15.

Register. Nobody has a right under this Act to affect the Register with the burden of a notice of a trust. That is what I think this section means. Nobody shall be in peril who may have gone to the Register and examined it, of being affected with notice of a trust or any other interest except that which appears on the Register. Then again, by Section 87, to go back for a moment to make this point clear, the assignment of the legal proprietorship of the patent is to take effect 'subject to any rights appearing from such Register to be vested in any other person.' Section 85 then becomes important. The assignee takes, subject to the rights which appear on the Register to be vested in somebody else; but nobody is to clog the Register by simply giving a notice of a trust, whether the trust is express, implied, or constructive. That does not prevent a document being entered which affects the proprietorship, nor can such document be expunged on the ground that, although it affects the proprietorship, anybody who reads the document will see there is a trust created in respect of it."

Correction of Errors in Register.—Under the provisions of the Patents Act, 1883, the Comptroller has power to correct any clerical error in, or in connection with an application for registration, as also any clerical error in the name, style, or address of a registered proprietor. (a)

An ampler power of correcting the Register, either by way of adding to, amending, or expunging entries is given to the Court, by Section 90 of the same Act. By that section any person aggrieved by the omission without sufficient cause of the name of any person or of any other particular from the Register, or by any entry made without sufficient cause, may apply to the Court for an order for making, expunging, or varying the entry. (b) The Court, on the hearing of such an application, may decide any question that it may be necessary or expedient to decide for the rectification of the Register, and may direct an issue to be tried for the decision of any question of fact, may award damages to the party aggrieved, and may make such order as to costs as it thinks fit. (c)

Any order of the Court rectifying the Register must direct that due notice of the rectification be given to the Comptroller. (d)

The application may be made by any person aggrieved. An

(a) Sect. 91.

(b) "Without sufficient cause" means not merely at the time of registration, but at any time: per Lindley, M.R., in *Batt &*

Co.'s Trade Marks, 15 R. P. C. p. 539.

(c) Patents Act, 1883, s. 90.

(d) *Ibid.*

applicant to whom the Comptroller has refused to seal a patent is not a person aggrieved by the omission of his name from the Register within the meaning of this section. (e) Nor is a common informer nor a person interfering from merely sentimental motives a person aggrieved. (f) Such person must be a person injured or damnified in the legal sense of the word. (g) But the damage need not be serious or great. (h)

Nothing is said in the Patent Acts or Rules as to the procedure to be followed on an application to rectify the Register. (i) The application may be made either by summons or motion. (j) But although no special procedure is prescribed by the Patent Rules, the Court will require notice to be given to the party affected by the application, in order that he may have the opportunity of shewing cause against it. No particular form of notice is necessary, and in deciding whether any notice given is sufficient, the Court will deal with the matter according to the light of natural justice. All that is required is that the notice should be full, and sufficient to protect the rights of the party affected. (k) For though the Court requires as essential to justice that notice should be given, such notice does not go to the jurisdiction. (l)

Thus, in the case of *King & Company's Trade Mark*, (m) where the party to be affected by the application was domiciled in Ireland, a letter informing him of the proceeding and accompanied by a copy of the notice of motion was held sufficient.

Where the party concerned is a foreigner, resident out of the jurisdiction, the proper course, it would appear, is to serve notice on the Comptroller, leaving him to inform the foreigner by letter of the application and date of hearing. (n)

Where the registered owner or owners of a patent are resident in Scotland or Ireland, proceedings to rectify the Register may still be taken in the High Court of Justice in England, for the Irish

(e) *In re Trade Mark "Normal,"* 35 C. D. 231; 4 R. P. C. 123; 56 L. J. Ch. 519; 35 W. R. 464.

(f) *In re Apollinaris Co.*, [1891] 2 Ch. p. 224; 61 L. J. Ch. 625.

(g) Per Lord Selborne, C., in *Rivière's Trade Mark*, 26 C. D. p. 54; 53 L. J. Ch. 455, 578.

(h) *In re Apollinaris Co.*, [1891] 2 Ch. p. 225. See, also, as to "persons aggrieved," *Powell's Trade Mark*, [1893] 2 Ch. 388; 10 R. P. C. 195; [1894] A. C. 8; 11 R. P. C. 4.

(i) Per Lindley, L.J., in *King & Co.'s Trade Marks*, [1892] 2 Ch. p. 479.

(j) Per Kay, L.J. *Ibid.* p. 488. The Court has refused to grant the relief by way of counter-claim. *Pinto v. Badman*, 8 R. P. C. 181, 187.

(k) Per Bowen, L.J. *Ibid.* p. 486.

(l) *Ibid.*

(m) [1892] 2 Ch. 462; 10 R. P. C. 350; 62 L. J. Ch. 153.

(n) See *La Compagnie Generale D'Eaux Minerales et de Bains de Mer*, 8 R. P. C. 446; [1891] 3 Ch. 451.

and Scottish Courts have not exclusive jurisdiction in such case. (o)

The Palatine Court of Lancaster also has jurisdiction within that Palatinate. (p)

From the decision of the High Court an appeal lies to the Court of Appeal.

Discussing the extent to which the Court would intervene to order entries to be expunged under Section 38 of the Patent Law Amendment Act, 1852, Romilly, M.R., in *Morey's Patent*, (q) said: "The Court cannot go into and decide long and intricate questions of rights and titles upon this Register; that there must be some reasonable limit to the extent to which entries on it may be 'expunged, vacated, or varied' under the power contained in this section, is, in my opinion, clear. For instance, in the case of *ex parte Green*, (r) I was of opinion that upon a deed clearly executed for a fraudulent and improper purpose, and while the right in the patent was in another person, I might simply direct the entry to be expunged; but if a deed be perfectly good and *bonâ fide*, it would be very difficult for me to put an entry upon the Register, qualifying its effect or giving it a construction; I do not see that I could with propriety do that." (s)

Orders Affecting the Patent Monopoly.—Where an order has been made by her Majesty in council for the extension of a patent for a further term, or for the grant of a new patent, or where an order has been made by the Court for the revocation of a patent, or the rectification of the Register under Section 90 of the Patents Act, 1883, or otherwise affecting the validity or proprietorship

(o) *King & Co.'s Trade Mark*, [1892] 2 Ch. p. 481.

(p) 53 & 54 Vict. c. 23.

(q) 25 Beav. 584.

(r) 24 Beav. 145.

(s) Sect. 38 of the earlier Act (15 & 16 Vict. c. 83) was as follows: "If any person shall deem himself aggrieved by any entry made under colour of this Act in the Register of Proprietors, it shall be lawful for such person to apply by motion to the Master of the Rolls, or to any of the Courts of Common Law at Westminster in term time, or by summons to a judge of any of the said courts in vacation, for an order that such entry may be expunged, vacated, or varied; and upon any such application the Master of the Rolls or such Court or judge respectively, may make

such order for expunging, vacating, or varying such entry, and as to the costs of such application, as to the said Master of the Rolls or to such Court or judge may seem fit; and the officer having the care and custody of such Register, on the production to him of any such order for expunging, vacating, or varying any such entry, shall expunge, vacate, or vary the same, according to the requisition of such order."

The terms of the present section are wider, for the Court may now "decide any question that it may be necessary or expedient to decide for the rectification of a register, and may direct an issue to be tried for the decision of any question of fact, and may award damages to the party aggrieved." Patents Act, 1883, s. 90 (2).

of letters patent, the person in whose favour such order has been made shall forthwith leave at the Patent Office an office copy of such order. The Register shall thereupon be rectified, or the purport of such order shall otherwise be duly entered in the Register, as the case may be. (t)

Entries as to Patent Fees.—A record of the amount and date of payment of the renewal fees is also entered in the Register. (u)

So likewise, if a patentee fails to make any prescribed payment within the prescribed time, or any enlargement thereof duly granted, such failure must be entered in the Register. (v)

Entries of Licenses.—A notification may be entered in the Register of every license granted under a patent; and for this purpose an attested copy of the license, with a request for registration, should be left at the Patent Office by the licensee. (w) If the licensor does not desire to disclose upon the Register the terms as to royalties, etc., on which the license is granted, these may be contained in a separate document, and incorporated by reference only in the license which is placed on the Register. In such case, however, it is necessary to produce both documents to the Comptroller, to satisfy him that the private document in fact constitutes a completed agreement between the parties. (x)

Entries, how Proved.—Certified copies of entries in the Register may be obtained from the Comptroller on payment of the prescribed fee. (y) Every certified copy is *primâ facie* evidence of the fact that the entry has been made and of its contents. (z) Such copies are admissible in evidence in all courts in her Majesty's dominions, and in all proceedings, without further proof or production of the originals. (a)

Falsification of the Register.—Any person who makes, or causes to be made, any false entry in the Register, or a writing falsely purporting to be a copy of an entry in the Register, or who produces, or tenders, or causes to be produced or tendered in evidence any such writing, knowing the entry or writing to be false, is guilty of a misdemeanour. (b)

(t) P. R. rule 74.

(u) Ibid. 75.

(v) Ibid. 76.

(w) Ibid. 77.

(x) For an example of such form of

license, see Appendix IV. post.

(y) P. R. rule 79.

(z) Patents Act, 1883, s. 96.

(a) Ibid. s. 89.

(b) Ibid. s. 93.

CHAPTER XVII.

ASSIGNMENTS OF LETTERS PATENT.

Right to Assign.—Letters patent may be assigned in whole or in part to one or more assignees. The power to assign is vested in the patentee by virtue of the express words of the grant, which defines the inventor in the following terms: “Hereinafter, together with his executors, administrators, and assigns, or any of them referred to as the said patentee.” (a) If the grant did not expressly authorize assignments, none could be made, for all monopolies are illegal except such as are saved by Section 6 of the Statute of James I. (b)

The power to assign the letters patent, which the terms of the grant has long conferred upon the patentee, is further recognized by the Patents Act, 1883; Section 36 of which provides that “a patentee may assign his patent for any place in or part of the United Kingdom or Isle of Man, as effectually as if the patent were originally granted to extend to that place or part only.” By Sections 23 and 87 notifications of the assignment of patents are required to be entered in the Register of Patents, and persons who, having become owners by assignment, have their names entered therein as proprietors, have absolute power to assign, grant licenses as to, or otherwise deal with the patents in respect of which their names are so registered.

The power to assign letters patent given by the terms of the grant itself, is thus now indirectly recognized by statutory enactment.

A patentee may assign any part or share of his patent, or his entire rights under the patent in respect of some distinct portion of the invention or of some limited geographical area. (c)

Formerly the number of persons to whom a patent might be

(a) Patents Act, 1883, schedule. See post, p. 643.

(b) 2 Jac. I. c. 3; *Duvergier v. Fel-*

lows, 10 B. & C. 829; 1 Cl. & F. 39.

(c) *Dunncliffe v. Mallet*, 7 C. B. (N. S.), 209; Patents Act, 1883, s. 36.

assigned was limited, (*d*) but now any number of persons, including a corporation, (*e*) may become co-owners by assignment.

Form of Assignment.—No particular form of words is required for the assignment of a patent. But as the grant is always made under seal, the assignment of a patent, or any part or share thereof, is only valid in law when likewise made by deed, (*f*) and if made by an agent, such agent must be authorized by deed for the purpose. (*g*)

Although an assignment of the legal interest in letters patent can only be made by deed, an agreement which purports to assign a patent may, though not under seal, be treated by analogy with the rule as to leases, (*h*) as an agreement to execute a legal assignment, and enforced as such.

Equitable Assignments.—Moreover, an agreement to assign a patent, if the terms and intention of the parties are clear, will operate as an equitable assignment. (*i*) Thus, as between assignor and assignee, a deed though necessary to convey the legal interest, is not required to create a contract which the Courts will recognize as binding upon the parties. (*j*) An offer contained in a letter and accepted verbally was held to constitute a good contract for the assignment of a patent in *Smith v. Neale*; (*k*) and in *Stewart v. Casey*, (*l*) an agreement contained in correspondence to give “one third share of the patents above mentioned, the same to take effect from this date,” was held to be an equitable assignment and to take immediate effect as such.

An equitable assignee is not, however, in so advantageous a position as a legal assignee. He cannot sue infringers of the patent in his own name, (*m*) and his equitable title is liable to be defeated by a subsequent assignee taking a legal assignment without notice of the prior equitable interest.

An assignment may be made of the whole or part only of the letters patent. (*n*) If made after a prior assignment, of which the

(*d*) See Patents Act, 1852, s. 36.

(*e*) Patents Act, 1883, s. 117; P. R. rule 73.

(*f*) Co. Lit. 9b, 172a; Lincoln Coll. Ca. 3 Co. Rep. 63a; *Casey's Patents*, [1892] 1 Ch. pp. 110, 113.

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

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

(*i*) *Fletcher's Patent*, 10 R. P. C. 252; *Parnell's Patent*, 5 R. P. C. 126; *Haslett*

v. Hutchinson, 8 R. P. C. 457.

(*j*) Such an agreement may be enforced by specific performance: *Lewin v. Brown*, 14 W. R. 640.

(*k*) 26 L. J. C. P. 143.

(*l*) [1892] 1 Ch. 104; 8 R. P. C. 259; 9 R. P. C. 9; 61 L. J. Ch. 61.

(*m*) *Kensington v. Lane Fox*, [1891] 2 Ch. 573. If he threatens an action he may be restrained by injunction.

(*n*) *In re Morey's Patent*, 25 Beav. 581; *Dunncliffe v. Mallet*, 7 C. B. (N. S.), 209;

subsequent assignee has notice, such assignee is bound by such notice; (o) and even where the notice only suggested that a license to work and use a portion of the invention (and not an assignment) had been previously granted, the subsequent assignee was held bound none the less, for this should have put him on enquiry to ascertain the real nature of the prior interest. (p)

No Implied Warranty of Validity.—The Courts will not read into an assignment of a patent any implied warranty by the assignor that the letters patent assigned are valid. (q) Dealing with this point in *Hall v. Conder*, the Court of Common Pleas said: (r) “The plaintiff professed to have invented a method for the prevention of boiler explosions. It is not alleged that he was guilty of any fraud. He must, therefore, have been an inventor, for if he was not he must have known it, and would have been guilty of fraud in pretending to have invented. Whether he was the true and first inventor, within the meaning of the Statute of James, is another question. The first material allegation in the plea is, that the alleged invention was wholly worthless, and of no utility to the public. Now, that was a matter as much within the knowledge of the defendants as of the plaintiff. The next allegation, viz. that it was not new as to the public use thereof in England, and that the plaintiff was not the first and true inventor thereof, was also a matter as much within the knowledge of the defendants as of the plaintiff. They had the same means of enquiring into the fact, and of learning whether it had been in use, or the invention had been previously made known in England. Why, therefore, should we assume that the plaintiff meant to assert that the patent was indefeasible, and that the defendants purchased on that understanding, rather than that, each knowing what the invention was, and having equal means of ascertaining its value, they contracted for the patent, such as it was, each acting on his own judgment? We think that the latter was the true nature of the contract, and that there was no warranty, express or implied.”

In *Cropper v. Smith*, (s) Cotton, L.J., said: “As a rule, people do

Walton v. Lavator, 29 L. J. C. P. 275;
Stewart v. Casey, 8 R. P. C. 259; 9
R. P. C. 9.

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

(p) *In re Morey's Patent*, 25 Beav. 581.

(q) *Hall v. Conder*, 2 C. B. (N. S.), 22,
53; 26 L. J. C. P. 138; *Smith v. Neale*, 2
C. B. (N. S.), 67; 26 L. J. C. P. 143;

Smith v. Buckingham, 18 W. R. 314; 21
L. T. (N. S.), 819; *Liardet v. Hammond*,
31 W. R. 710; *Cropper v. Smith*, 1 R. P. C.
94.

(r) Per Cresswell, J., 26 L. J. C. P.
p. 143.

(s) 1 R. P. C. p. 92.

not rely on any statements made by the patentee, but they buy the patent, forming their own opinion as to whether it is good or valuable, and as to its worth; taking their chance, unless it has been established, of their failure to establish its validity when the case comes into a court of law." And in the same case, Bowen, L.J., said: "What sensible being in this world who buys a patent buys it on the strength of the assertion made by the patentee in the petition that the patent is new? We know that everybody who buys it, as a rule, takes it for what it is worth." (t)

Assignments in Futuro.—An assignment of a patent expressed to take effect upon the happening of some future event vests the patent in the assignee without further assignment on the happening of that event. (u)

Persons, however, to whom a patentee has agreed to assign his letters patent, although by virtue of such agreement they may be equitable owners, are not, as above mentioned, entitled to take legal proceedings against infringers, nor are they entitled to threaten such infringers; and, if they do so, they may be restrained by injunction. (v)

An assignment of a patent not yet granted may also be made by the applicant to take effect when the letters patent are obtained. (w)

So, likewise, an assignment of a patent coupled with an assignment of all improvements which may subsequently be effected in the invention by the assignor, is good, and will operate as an assignment of any patent subsequently granted for such invention. (x)

But where an assignor of letters patent who covenanted that any improvements on the inventions assigned, of which he should during the continuance of the patents become possessed, should be held to be part of the property assigned, subsequently became by purchase interested with others in two patents not relating to the assigned inventions, such patents were held not to pass to the assignee under the covenant. (y)

Effect of Assignment.—The legal assignee of a patent is the legal owner, and entitled to sue in respect of any infringement;

(t) 1 R. P. C. p. 94

(u) *Cartwright v. Arnatt*, 2 Bos. & P. 43.

(v) *Kensington v. Lane Fox*, [1891] 2 Ch. 573.

(w) *Parnell's Patent*, 5 R. P. C. 126. Cf. as to assignments of future acquired property *Official Receiver v. Tailby*, 13

App. Ca. 523.

(x) *Pneumatic Tyre Co. v. Dunlop*, 13 R. P. C. 553; *London Hosiery Co. v. Griswold*, 3 R. P. C. 251. Such an assignment is not contrary to public policy: *Printing & Numerical Registering Co. v. Sampson*, L. R. 19 Eq. 462.

(y) *Ibid.*

and where an assignment has been made to several assignees jointly, one may sue an infringer alone without joining his co-assignees. (z) He will only be entitled, however, in such case to such proportion of the damages recovered as represents his actual interest in the letters patent. (a)

Rights of Co-owners.—Where a patent is vested in several assignees, no one of them can assign the whole patent, for the disposable interest of each is limited to the extent of his own individual share. (b)

But any one of such assignees may himself use the invention without accounting to the rest for the profits he makes thereby: the position of joint assignees being that of co-owners who derive from the patent not so much a right to work the invention as a right to exclude the rest of the world from doing so.

If this were not the law, it might, where co-owners disagreed, be impossible to work a patented invention at all; and in any case, an indolent and parsimonious co-owner could step in and claim to share the profits solely attributable to the capital and energy of another, who had spent his time and money in pushing the invention. (c)

In *Steers v. Rogers*, (d) Lord Herschell, C., dealing with the respective rights of co-assignees to work the patented invention, said: "What is the right which a patentee has or patentees have? It has been spoken of as though a patent right were a chattel, or analogous to a chattel. The truth is that letters patent do not give the patentee any right to use the invention; they do not confer upon him a right to manufacture according to his invention. That is a right which he would have equally effectually if there were no letters patent at all; only, in that case, all the world would equally have the right. What the letters patent confer is the right to exclude others from manufacturing in a particular way, and using a particular invention. When that is borne in mind, it appears to me very clear that it would be impossible to hold, under these circumstances, that where there are several patentees, either of them, if he uses the patent, can be called upon by the others to pay to them a portion of the profits which he makes by that manufacture; because they are all of them entitled, or,

(z) *Dunncliffe v. Mallet*, 7 C. B. (N. S.), 209; *Sheehan v. Great Eastern Railway Co.*, L. R. 16 C. D. 63.

(a) *Dent v. Turpin*, 30 L. J. Ch. 495; 2 J. & H. 139.

(b) *In re Horsley*, L. R. 8 Eq. 475.

(c) See Romer, J., in *Steers v. Rogers*, [1892] 2 Ch. p. 18. Cf. Lord Cranworth in *Mathers v. Green*, L. R. 1 Ch. 3.

(d) [1893] A. C. 235; 10 R. P. C. 251.

perhaps, any of them is entitled to prevent the rest of the world from using it."

In the case of a patent belonging to several persons in common, each co-owner can assign his share and sue for an infringement; (e) he can also work the patent himself, give licenses to others to work it, and sue for royalties payable for its use. (f) Further, it has been held that even if he is mortgagee of the other share, (g) he is entitled to retain for his own benefit whatever profit he may derive from working the patent; although it is still open to question whether he is not liable to account to his co-owners for what he receives in respect of licenses. (h)

In *Bergmann v. Macmillan*, (i) where the assignment was of a share in the profits arising from the working of a patent under licenses, Fry, J., held that one assignee was not entitled to an account of profits from the licensees in the absence of the other assignees; and that, in order to avoid multiplicity of actions, the account must be taken once for all in the presence of all the persons interested, and that the other assignees ought to have been joined.

While the general rule is that any one of several co-owners of a patent is entitled to work the invention, and enforce the patent against strangers, without being liable to account to the other owners, yet a special agreement for the working of a patent may create a partnership between co-owners, binding them to work it only for the common advantage, and disentitling each to more than his proportionate share of the profits. (j)

Position of an Assignee.—Where the assignor of a patent parts by assignment with the whole of his interest, and attempts subsequently to use the invention, he is liable to an action for infringement at the suit of his assignee, and in such action he cannot set up the defence that the patent is in fact invalid. (k) Nor can an assignee, as against his assignor, allege the invalidity of the patent. (l)

(e) *Lindley on Partnership*, 6th edit. p. 36; *Dunnicliffe v. Mallet*, 7 C. B. (N. S.), 209; *Walton v. Lavator*, 8 C. B. (N. S.), 162; *Dent v. Turpin*, 2 J. & H. 139.

(f) *Sheehan v. Great Eastern Railway*, 16 C. D. 59.

(g) *Steers v. Rogers*, [1892] 2 Ch. 13.

(h) *Ibid.*; *Mathers v. Green*, 1 Ch. 29. See, also, the same point discussed but not decided in *Hancock v. Bewley*, 1 Johns. 601; *Russell's Patent*, 2 De G. & J. 130;

Horsley & Knighton's Patent, 8 Eq. 475.

(i) 17 C. D. 423.

(j) See *Lindley on Partnership*, 6th edit. pp. 64, 575.

(k) *Hocking v. Hocking*, 6 R. P. C. p. 72; *Walton v. Lavator*, 29 L. J. C. P. 275. *Chambers v. Crichley*, 33 Beav. 374.

(l) *Oldham v. Longmead*, 3 T. R. 439. 441. Although an assignee is estopped from denying the validity of the patent assigned by him, the Court will not

On the death of a patentee the patent passes to his executors and administrators ; and the executors may execute a valid assignment of the patent before registering probate. (*m*)

On bankruptcy letters patent pass to the trustee in bankruptcy ; and if a bankrupt, prior to his discharge, takes out a patent, his creditors are entitled to the benefit of it. (*n*) A patentee who has become bankrupt, and whose letters patent have been sold by his trustee in bankruptcy, is not estopped from contesting the validity of the grant if subsequently sued by the purchaser for infringement. (*o*)

Assignees may petition for prolongation of a patent, but for this purpose they do not stand on the same favourable footing as an original patentee. (*p*)

Mortgages of Patent Rights.—A mortgage of a patent differs from an assignment in that a mortgagor in possession continues to be the person entitled to the benefit of the patent, and therefore remains the patentee within the meaning of Section 87 of the Patents Act, 1883, and is entitled to take proceedings in his own name against infringers. (*q*) It is no objection to such a proceeding that the mortgagees have not been joined as plaintiffs. (*r*) The mortgagor, notwithstanding the mortgage, still has substantial rights, and the general rule of law is that no man loses his right to protect his property against the wrong-doing of a stranger simply because he has mortgaged it. (*s*)

The mortgagee of a patent is not entitled by virtue of his mortgage to be entered on the Register of Proprietors. (*t*)

The equitable assignee of a patent or of the share of a patent, on the other hand, is entitled to have his assignment entered on the Register as a document which affects the proprietorship of the patent. (*u*)

The assignee of an assignee takes subject to the liabilities of restrain him by injunction from giving evidence against such patent in an action between his assignee and third parties ; nor from communicating to third parties information tending to shew that such patent is invalid. . See the *London Hosiery Co. v. Griwold*, 3 R. P. C. 251.

(*m*) *Elwod v. Christie*, 10 Jur. (N. S.), 1079 ; 17 C. B. (N. S.), 754 ; 34 L. J. C. P. 130.

(*n*) *Hesse v. Stevenson*, 3 Bos. & B. 565 ; *Bloxam v. Elsee*, 6 B. & C. 169 ; 9 Dowl. & R. 215.

(*o*) *Cropper v. Smith*, 26 C. D. 700 ; 10

App. Ca. 249 ; 55 L. J. Ch. 12.

(*p*) *Hopkinson's Patent*, 14 R. P. C. 5 ; and see p. 376.

(*q*) *Van Gelder v. Sowerby Bridge*, 7 R. P. C. 208 ; L. R. 44 C. D. 374.

(*r*) *Ibid.*

(*s*) Per Bowen, L.J., *ibid.* p. 215. In such case, however, the defendants may apply to have the mortgagees joined as co-defendants (Order XVI. r. 11), which may be necessary if an account is ordered.

(*t*) *Van Gelder v. Sowerby Bridge*, *supra.*

(*u*) *Stewart v. Casey*, 9 R. P. C. p. 15.

the original assignee, and where the terms of the first assignment provide for an account of profits being rendered to the assignor, he may be sued direct by the assignor for not accounting. (*v*)

Where two patents were assigned with a reservation by the assignor of the right to personally work the patents in each case, such right not to be transferable, it was held that the assignor was not entitled to employ other persons with whom he had entered into partnership to manufacture for him under the patents. (*w*)

An assignee who, by the terms of his assignment, covenants to pay a royalty on any article manufactured and sold under the patent, is not thereby impliedly bound to go on manufacturing; that obligation must be imposed upon him, if at all, by an express condition. (*x*) Nor is such an assignee liable if through inadvertence and no want of good faith on his part, the patent lapses through non-payment of the renewal fees, unless he has expressly covenanted to pay them. (*y*)

The assignment of a patent is not a conveyance within the meaning of the Conveyancing Act, 1881, Section 7. (*z*) But a share in a colonial patent and a sole license to use it in a specified district, are "property" within Section 59 (1) of the Stamp Act, 1891, and an agreement for their sale in England carries *ad valorem* stamp duty as if an actual conveyance on sale. (*a*)

Copies of deeds and any other documents affecting the proprietorship in any letters patent must be supplied to the Comptroller for filing in the Patent Office, (*b*) the originals also being produced to the Comptroller when the assignee makes his request to be registered. (*c*)

Assignment to the Secretary of State for War.—The inventor of any improvement in instruments or munitions of war, his executors, administrators, or assigns, may assign to her Majesty's Principal Secretary of State for the War Department, on behalf of her Majesty, all the benefit of the invention and of any patent obtained or to be obtained for the same. (*d*)

Such assignment effectually vests in the Secretary of State for

(*v*) *Werderman v. Société Generale d'Electricité*, L. R. 19 C. D. 247.

(*w*) *Howard v. Tweedale*, 12 R. P. C. 519.

(*x*) *In re Railway Electrical Appliances Co.*, L. R. 38 C. D. 597.

(*y*) *Ibid.*

(*z*) *Guyot v. Thomson*, 11 R. P. C. p. 554 (per Lindley, L.J.).

(*a*) *Smelting Co. v. Commissioners of Inland Revenue*, L. R. [1896] 2 Q. B. 179; [1897] 1 Q. B. 175; 65 L. J. Q. B. 513; 66 L. J. Q. B. 137; 45 W. R. 61, 203.

(*b*) Patents Act, 1883, s. 23 (3).

(*c*) P. R. rule 71; see ante, Register of Patents, pp. 319, 320.

(*d*) Patents Act, 1883, s. 44 (1).

War for the time being the benefit of the invention and patent. All covenants and agreements contained in the assignment for keeping the invention secret and otherwise are valid and effectual, notwithstanding any want of valuable consideration, and may be enforced by the Secretary for War for the time being. (*e*)

Where any such assignment has been made to the Secretary of State, he may at any time before the application for a patent for the invention, or before publication of the specification or specifications, certify to the Comptroller his opinion that, in the interest of the public service, the particulars of the invention and of the manner in which it is to be performed should be kept secret. (*f*)

If the Secretary of State so certifies, the application and specification or specifications with the drawings (if any), and any amendment of the specification or specifications, and any copies of such documents and drawings, shall, instead of being left in the ordinary manner at the Patent Office, be delivered to the Comptroller in a packet sealed by authority of the Secretary of State. (*g*)

Such packet shall, until the expiration of the term or extended term during which a patent for the invention may be in force, be kept sealed by the Comptroller, and shall not be opened save under the authority of an order of the Secretary of State, or of the Law Officers. (*h*)

Such sealed packet shall be delivered at any time during the continuance of the patent to any person authorized by writing under the hand of the Secretary of State to receive the same, and shall, if returned to the Comptroller, be again kept sealed by him. (*i*)

On the expiration of the term or extended term of the patent, such sealed packet shall be delivered to any person authorized by writing under the hand of the Secretary of State to receive it. (*j*)

Where the Secretary of State certifies as aforesaid after an application for a patent has been left at the Patent Office, but before the publication of the specification or specifications, the application, specification or specifications, with the drawings (if any), shall be forthwith placed in a packet sealed by authority of the Comptroller, and such packet shall be, subject to the foregoing provisions respecting a packet, sealed by authority of the Secretary of State. (*k*)

No proceeding by petition or otherwise lies for the revocation of

(*e*) Patents Act, 1883, s. 44, sub-s. 2.

(*f*) Ibid. sub-s. 3.

(*g*) Ibid. sub-s. 4.

(*h*) Ibid. sub-s. 5.

(*i*) Ibid. sub-s. 6.

(*j*) Ibid. sub-s. 7.

(*k*) Ibid. sub-s. 8.

a patent granted for an invention in relation to which the Secretary of State has certified as aforesaid. (*l*)

No copy of any specification or other document or drawing required by Section 44 of the Patents Act, 1883, to be placed in a sealed packet, shall in any manner whatever be published or open to the inspection of the public; (*m*) but the Secretary of State may, at any time by writing under his hand, waive the benefit of this provision with respect to any particular invention, and the specifications, documents, and drawings shall in such case be kept and dealt with in the ordinary way. (*n*)

The communication of any invention for any improvement in instruments or munitions of war to the Secretary of State, or to any person or persons authorized by him to investigate the same or the merits thereof, is not, and nothing done for the purposes of the investigation is, deemed to be a use or publication of such invention so as to prejudice the grant or validity of any patent for the same. (*o*)

(*l*) Patents Act, 1883, s. 44, sub-s. 9.
(*m*) Ibid. sub-s. 10.

(*n*) Ibid. sub-s. 11.
(*o*) Ibid. sub-s. 12.

CHAPTER XVIII.

LICENSES TO USE PATENTED INVENTIONS.

Patent Licenses authorized by the Terms of the Grant.—During the continuance of the patent term the patentee may license other persons to use his invention. In granting such license he does not, as in the case of an assignment, part with the ownership of the letters patent; he merely invests the licensee with an authority which exempts him from the consequences he would otherwise incur as an infringer of the patentee's monopoly. (a)

The right of a patentee to license persons to use his invention is recognized by the provisions contained in the form of letters patent authorized by the Patents Act, 1883; for the form of grant scheduled to that Act confers upon the patentee the sole privilege of making, using, exercising, and vending his invention "by himself, his agents, or licensees;" while, by one of the closing provisoes, the like right is expressly reserved as follows: "Nothing herein contained shall prevent the granting of licenses in such manner and for such consideration as they may by law be granted."

The License need not be under Seal.—The prohibitory part of the grant directed against infringers of the patentee's monopoly would seem to suggest that a license, to be valid, must be under seal, the prohibition forbidding the making use of, or putting in practice the invention, without the consent, license, or agreement of the patentee in writing, under his hand and seal. It has, however, long been determined that a valid license can be given otherwise than by deed.

In *Chanter v. Dewhurst*, (b) the defendants, who were licensees of the plaintiff under an agreement for the use of an invention for a patent furnace, made use of the invention, but declined to pay

(a) See *Heap v. Hartley*, 6 R. P. C. 495; *Muskett v. Hill*, 5 Bing. N. C. 707; *Thomas v. Sorrell*, Vaughan's Repts. 351; *Newby v. Harrison*, 1 J. & H. 393; 3 De G. F. & J. 287.
(b) 12 M. & W. 823; 13 L. J. Ex. 198.

the stipulated price, on the ground that the license, not being under seal, did not comply with the conditions of the letters patent, and was void.

The Court, however, declined to adopt this view, and, while deciding the case against the defendants upon the ground of their actual user of the invention under the license, expressed the opinion that, in any event, the defence that the license was not under seal would not have availed them. "To grant a license not under seal," said Alderson, B., "may be a contempt of the Crown, but does not exempt the man to whom it is granted, and who derives a benefit from it, from paying the price of it." "It is difficult," said Parke, B., "to give effect to all the words of the patent."

In the later case of *Crossley v. Dixon*, (c) the point was finally determined by the House of Lords; it being there held that a license given by a verbal agreement merely, was valid, and that the persons so licensed were estopped from denying the validity of the licensor's patent.

Therefore, notwithstanding the terms of the grant, a deed is not necessary to the legal creation of the relationship of licensor and licensee under a patent; and a license given by any agreement in writing, or even by parol, will be enforced between the parties.

In equity, a mere agreement to grant a license where the terms are concluded between the parties is sufficient, and will be enforced by the Court just as if an actual license had been granted.

Commenting on this in the *Post Card Automatic Company v. Samuel*, (d) Stirling, J., said: "The question has often arisen with reference to the sale of land, when a proposal has been made in terms by a letter, and has been accepted by a letter, subject to the preparation of a formal agreement, whether a contract had been come to between the parties; and there are cases which have gone the length of saying that until a formal agreement is prepared, the parties are not bound. But this is not a case of that nature at all. This relates to the execution of a license by the company, an instrument by which the rights of the parties are to be legally and definitely ascertained. It is much more like the granting of a lease, or the execution of a conveyance, than the preparation of a formal agreement which is to embody the agreement between the parties; and if an agreement is made for a lease in which all the terms are ascertained, and it is made subject to the execution of a formal lease by the parties, then I take it that

(c) 10 H. of L. Ca. 293; 32 L. J. Ch. 617.

(d) 6 R. P. C. 562.

nobody would say that the execution of the lease was a condition precedent to there being an agreement between the parties. Here it seems to me that the true meaning of these letters was this, that the parties became bound, the one to grant, and the other to accept, a license for the use of these patent rights, such license to contain powers for the grantors of the license to sue for commuted royalties and seize the machines and revoke the license, if the instalments of £250 which were payable quarterly were not paid. That was the agreement between the parties: then it follows that in equity they stand in the same position as if they had executed a license, and the power which is stipulated for had been actually reserved."

Various Kinds of Licenses.—A patent license may be a bare license, in which case, whether exclusive or not, it is revocable at will; or it may be a license coupled with an interest in the invention to which it relates. If coupled with an interest the Court will construe it as irrevocable and binding on both parties for the full period for which it purports to be granted; though the failure to observe conditions incorporated in it may entitle the licensor to treat the license as forfeited and sue the licensee as an infringer. (e)

A patentee may impose what conditions he thinks fit upon his licensees; and if they accept licenses from him with knowledge of such conditions, they are bound by them. (f)

The license may extend to the whole or a part only of the invention. It may also limit the exercise of the privilege it confers to a specified geographical area or extend it to the whole of the United Kingdom. (g)

It may further limit the use of the patented article to a conditional user; e.g. a use only in conjunction with some other article sold by the patentee. (h)

There is no limit to the number of persons to whom a patentee may grant the authority of his license. Where, however, he grants an exclusive license, no further license can, it would seem, be granted by him for the same invention in respect of the same district without the breach of an implied contract with the exclusive licensee not to make such grant. (i)

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

(f) *Incandescent Gas Light Co. v. Cantelo*, 12 R. P. C. 264; *Crosthwaite v. Steel*, 6 R. P. C. 190; *Bown v. Humber Co.*, 6 R. P. C. 9.

(g) As instances of local licenses, see *Lovell v. Hicks*, 2 Y. & C. 46; *Smelting*

Co. of Australia v. Inland Revenue, [1896] 2 Q. B. 179; [1897] 1 Q. B. 175; 45 W. R. 61, 203; 74 L. T. 694; 75 L. T. 534.

(h) *Incandescent Gas Light Co. v. Brogden*, 16 R. P. C. 179.

(i) See Fry, I.J., in *Heap v. Hartley*, 42 C. D. 470.

A Bare License.—A bare license does not amount to a grant, and passes no interest, it merely makes an action lawful which without it would be unlawful. (*j*) At common law such a license is revocable even if under seal. (*k*)

The fact that a license is exclusive does not alter its character; it still remains, in the absence of special circumstances, a bare license and, as such, revocable at will; the mere exclusiveness of the license not conferring upon the licensee any interest in the invention itself.

A bare license, therefore, whether exclusive or not, as it passes no interest to the licensee, does not entitle him to sue in his own name a person acting in violation of the patent right.

Commenting on this, in *Heap v. Hartley*, (*l*) Cotton, L.J., said: "It is said that this is an exclusive license, and must be construed in the same manner just as if it had been a grant of a patent right for a limited period, and for a limited space. But it is a very different thing; and some of the cases that have been referred to shew clearly the distinction between licenses which amount to a grant and licenses which do not do so. One of these cases is the ice case, (*m*) and there the Vice-Chancellor shews that where there is only a license which does not entitle the licensee to take anything away, or to acquire any property, then the license simply remains a license, that is, an authority from the person who grants it to the person who receives it, enabling him to do lawfully that which without the license he could not do. . . . In my opinion the license in this case, although it is an exclusive license, and for a limited time, can in no way be considered as a grant of the letters patent, but is simply a license to do that which without that license would be a violation of the monopoly of the patentee."

In the same case, Fry, L.J., defined an exclusive license as follows: "An exclusive license is only a license in one sense; that is to say, the true nature of an exclusive license is this. It is a leave to do a thing, and a contract not to give leave to anybody else to do the same thing. But it confers, like any other license, no interest or property in the thing. A license may be, and often is, coupled with a grant, and that grant conveys an interest in

(*j*) *Muskett v. Hill*, 5 Bing. N. C. 694; *Newby v. Harrison*, 1 J. & H. 393; *Heap v. Hartley*, 42 C. D. 468; *Smelting Co. of Australia v. Inland Revenue*, [1896] 2 Q. B. 183.

(*k*) *Wood v. Leadbitter*, 13 M. & W. 838; 14 L. J. Ex. 161; *Coppin v. Lloyd*, 15 R. P. C. 373.

(*l*) 42 C. D. p. 468; 6 R. P. C. 495.

(*m*) *Newby v. Harrison*, 1 J. & H. 393.

property. But the license, pure and simple and by itself, never conveys an interest in property. It only enables a person to do lawfully what he could not otherwise do, except unlawfully. I think, therefore, that an exclusive licensee has no title whatever to sue." (n)

An exclusive license is therefore less advantageous than an assignment of the patent right even over a limited area; (o) for the assignee can sue in respect of infringements within that area, whereas the licensee cannot. It would also seem that if the licensor has granted other licenses within the same district, the exclusive licensee has no remedy in respect of the injury which may thus be done him, except against his licensor.

Further, an exclusive licensee for a limited area has likewise no remedy if persons who have purchased, without notice of his license, articles made according to the patent beyond his district, proceed to sell them within it. (p)

A License Coupled with an Interest.—A license, however, may be something more than a bare license; it may be a license coupled with an interest, and thus amount to a grant. Where this is the case the license is not revocable at will.

The following cases illustrate the circumstances under which the Court will hold that an interest passes with the license, and gives it the character of a grant.

In *Ward v. Livesey*, (q) the license was an authority enabling the licensees not merely to make the patented articles, but also to sell them when made to any persons they liked, and at any profit they liked, provided they paid the stipulated royalty and complied with the terms and conditions of the license. This was held to be a license coupled with an interest, and, as such, not revocable at will.

In *Guyot v. Thomson*, (r) an exclusive license which had been granted under seal by the patentee, as beneficial owner for the residue of the patent term, provided (*i.a.*) that the licensee should push the sale of the invention, that the licensor should not commence proceedings against infringers without the consent in writing of the licensee, and that the licensee should have the option of terminating the license on six months' notice. This was held not to be a mere license, but a grant to use the patent

(n) 42 C. D. p. 470.

(o) As authorized by the Patents Act, 1883, s. 36.

(p) *Heap v. Hartley*, 5 R. P. C. 603;

42 C. D. 461.

(q) 5 R. P. C. 105.

(r) 11 R. P. C. 541.

coupled with obligations both on the grantor and the grantee, and, as such, almost to amount to an assignment, and to be inconsistent with a right in the licensor to revoke it.

Rights of the Licensee.—A license to manufacture and sell the patented article entitles the vendee of the licensee to vend the article again without the consent of the licensor. If the law were otherwise, the whole object of the license would be defeated. (*s*)

But the sale in England of articles manufactured abroad under a license granted under a foreign patent, is an infringement of an English patent for the same invention. (*t*)

Although every sale of a patented article by the patentee licenses by implication the use or re-sale of that article in the hands of any subsequent purchaser, it has been recently held that this implied license may be rebutted by express notice to the buyer, of a less extensive license. Thus, in the *Incandescent Gas Light Company v. Brogden*, (*u*) the Court held that the patentees could limit the license by notice that on selling they only authorized the use or re-sale of their invention in conjunction with another article also supplied by them; and re-sale or user without that adjunct was held to be an infringement.

A licensee cannot sue in respect of infringements of the patent; any proceedings must be taken by or in the name of the patentee. But an exclusive licensee is apparently entitled for this purpose to use the name of the patentee. (*v*)

Estoppel by License.—So long as the license continues the licensee cannot dispute the title of the licensor; he is therefore estopped from denying the validity of the patent. (*w*) Hence, it is no defence to an action for royalties that the patent has been cancelled (*x*) or found invalid in an action between the licensor and third parties. (*y*)

However invalid the patent may be, the licensee, so long as he continues to use the alleged invention under his license, is liable to pay the royalties reserved thereby.

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

(*t*) *Societe Anonyme v. Tilghmann*, 25 C. D. 1; 53 L. J. Ch. 1.

(*u*) 16 R. P. C. 179.

(*v*) *Renard v. Levinstein*, 2 H. & M. 628.

(*w*) *Crossley v. Dixon*, 10 H. of L. Ca. 293; 32 L. J. Ch. 617; *Trotman v. Wood*, 16 C. B. (N. S.), 479; *Clarke v. Adie*, L. R.

2 App. Ca. 423; *Useful Patents Co. v. Rylands*, 2 R. P. C. 255; *Ashworth v. Law*, 7 R. P. C. 231; *Mills v. Carson*, 9 R. P. C. 338; 10 R. P. C. 9, p. 17; *Basset v. Graydon*, 14 R. P. C. 701; *Noton v. Brooks*, 8 Jur. (N. S.), 115; 7 H. & N. 499.

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

(*y*) *Grover v. Millard*, 8 Jur. (N. S.), 713.

Nor can a person who pays for the use of a patented invention recover the money back (in the absence of fraud), should it subsequently appear that the patent is bad; for in such case both parties have contracted innocently, on the footing that the patent is good, and there is no implied warranty to bind the licensor. (z)

The rule that a licensee cannot dispute the validity of his licensor's patent only applies to a person who has actually obtained a license, and has no application to one who can only become a licensee by complying with certain terms and conditions. (a)

The terms of the agreement under which the licensee is authorized to use the invention may, however, prevent estoppel arising. Thus, in *Wilson v. The Union Oil Mills Company*, (b) the agreement was entered into "subject to an enquiry as to the validity of the plaintiff's patent," and the licensees were held entitled to put the validity of the patent in issue when sued for royalties. It would be otherwise, however, if the licensees under such an agreement worked the invention without enquiry; they could not then be heard to say that the patent was bad as an excuse for not paying for its use. (c)

Although a licensee is estopped from denying the validity of the patent in respect of which he has received his license, he may, if sued for royalties, shew that what he has done is beyond the ambit of the invention; and for that purpose the Court will, at his instance, enquire into the scope and meaning of the specification. (d) "The position of a licensee who under a license is working a patent right," said Lord Blackburn, in *Clark v. Adie*, (e) "for which another has got a patent is very analogous indeed to the position of a tenant of lands who has taken a lease of those lands from another. So long as the lease remains in force, and the tenant has not been evicted from the land, he is estopped from denying that his lessor had a title to that land. When the lease is at an end, the man who was formerly the tenant, but has now ceased to be so, may shew that it was altogether a mistake to have taken that lease, and that the land really belonged to him; but during the continuance of the lease

(z) *Hare v. Taylor*, 1 Bos. & P. (N. R.), 260; 1 W.P. C. 292.

(a) Per Lord Herschell, in *Bassett v. Graydon*, 14 R. P. C. 709.

(b) 9 R. P. C. 57.

(c) *Ibid.*

(d) See *Young v. Hermand Oil Co.*, 8 R. P. C. 285; 9 R. P. C. 373.

(e) L. R. 2 App. Ca. p. 435.

he cannot shew anything of the sort; it must be taken as against him that the lessor had a title to the land. Now, a person who takes a license from a patentee is bound upon the same principle, and in exactly the same way. The two cases are very closely analogous. In analogies there are always apt to be some differences, but I know of none in this. The tenant under a lease is at liberty to shew that the parcel of land which he and the lessor are disputing about was never comprised in the lease at all; he may shew that he took the lease of *Blackacre* from the person who granted him the lease, and that the spot of land then in question, *Greenacre*, we will suppose, is a piece of land which was never included in the lease at all, and which belongs to him (the tenant) under some other right. So may a licensee under a patent shew that, although he accepted the license, and worked the patent, and the patentee could never, therefore, so long as that license was in existence, bring an action against him as an infringer, yet the particular thing which he has done was not a part of what was included in the patent at all, but that he has done it as one of the general public might have done it, and therefore is not bound to pay royalty for it. If he has used that which is in the patent, and which his license authorizes him to use without the patentee being able to claim against him for infringement, because the license would include it, then, like a tenant under a lease, he is estopped from denying the patentee's right, and must pay royalty. Although a stranger might shew that the patent was as bad as any one could wish it to be, the licensee must not shew that."

A licensee who, when sued for royalties, relies on the defence that what he has done is not covered by his license, is practically in the position of a defendant in an infringement action, who is estopped from denying the validity of the plaintiff's patent; (f) and the true test of the licensee's liability in such case is found in the answer to the question whether what the licensee has done is an infringement of the licensor's patent. If so, no matter how far the invention has been modified or improved by him in his use of it, he remains liable to account under the terms of his license. (g)

A license may be granted for the use of an invention after provisional protection has been obtained and before the complete

(f) *Young v. Hermand*, 8 R. P. C. 285; 190; *Useful Patents Co. v. Rylands*, 2 9 R. P. C. 373; per Lord Watson, p. 389. R. P. C. 255.

(g) *Crosthwaite v. Steel*, 6 R. P. C.

specification has been filed. In one case where this was done the Court refused to consider, in an action for royalties, whether the complete specification covered less than the invention disclosed in the provisional. (*h*)

Termination of the License.—When, however, the license is terminated the estoppel is gone; (*i*) and whether the termination comes by effluxion of time, or revocation, or forfeiture, makes no difference.

In *Muirhead v. the Commercial Cable Company*, (*j*) where the license bound the licensees for the whole period during which the patent should last, the defendants were allowed to shew that the letters patent, which had been granted in America, had expired by operation of law, as this was not denying the validity of the patent, but proving only that a right originally good had come to an end.

So, too, a licensee, when his license is not expressly limited to a definite period, may repudiate the license, after which he will not be liable to be sued for royalties but only as an infringer, when it will be open to him to contest the validity of the patent. (*k*)

If a licensee elects to take this course he must give clear notice to the licensor, (*l*) otherwise his continued use of the invention will be accounted not an infringement but a user under the license, and subject to the payment of royalties. For this purpose notice by a statement in a pleading is not sufficient. (*m*)

A licensee who continues to work the invention after he has had notice that his license has been revoked is liable to be sued as an infringer of the patent rights. (*n*) And a licensee whose license authorizes him to use the invention in connection with a particular class of article (*e.g.* lamps) loses the protection of his license if he adapts it to a different class (*e.g.* stoves), and becomes liable to be restrained by injunction as an infringer. (*o*)

A license which reserves a royalty on all articles manufactured thereunder does not impose upon the licensee the obligation to go

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

(*i*) *Dangerfield v. Jones*, 13 L. T. (N. S.), 142; *Azmann v. Lund*, L. R. 18 Eq. 330; *Neilson v. Fothergill*, 1 W. P. C. 287; *Pidding v. Franks*, 1 Mac. & G. 56.

(*j*) 11 R. P. C. 317; 12 R. P. C. 39.

(*k*) See *Redges v. Mulliner*, 10 R. P. C. 27; *Crossley v. Dixon*, 10 H. of L. Ca. 293; 32 L. J. Ch. 617.

(*l*) As to the necessity of notice, see

Mellor v. Watkins, L. R. 9 Q. B. 400. As to what notice is sufficient to entitle a licensor to enforce a forfeiture on breach of conditions, see *Ward v. Livesey*, 5 R. P. C. 102.

(*m*) *Cheetham v. Nuttall*, 10 R. P. C. 333.

(*n*) *Coppin v. Lloyd*, 15 R. P. C. 373.

(*o*) *Société Anonyme v. Midland Railway Co.*, 14 R. P. C. 419.

on manufacturing such articles, but only to pay the royalty in respect of all such actual user of the invention. (*p*)

Where a license was expressed to terminate if the patent under which it was granted should be declared invalid by the Court, and the Vice-Chancellor of Lancaster found the patent invalid, but his judgment was subsequently reversed by consent, on terms agreed between the parties, Mathew, J., held that the condition contemplated by the license had not arisen, and that it was still in force. (*q*)

In *Cutlan v. Dawson*, (*r*) the license was for the period covered by the terms of the letters patent, and by any extension or prolongation thereof, and by any other letters patent to which the licensor might become entitled for any improvements, alteration, or addition to the machinery (the subject-matter of the patent) during the license term. The agreement by which the license was given contained a provision that the licensor might at his election determine the license if he desired to do so, but none giving a like right to the licensee. The Court of Appeal held, reversing the Divisional Court, that the licensee had no power to determine the license on reasonable notice.

Renewal Fees—Royalties.—A condition in an agreement for a license that the patentees will, at their own costs and charges, by all means in their power, protect and defend the letters patent from all infringements by any person, imposes upon the patentees an obligation to pay the renewal fees and keep the patent in force.

In *Lines v. Usher*, (*s*) where the patentees were subject to such a condition and failed to make the required payments, the licensee was held entitled to recover back royalties paid after the lapsing of the patent. Where the license contains no stipulation as to who shall pay the patent renewal fees, it would seem that these should be paid by the patentee; (*t*) though, perhaps, the licensee might properly pay them and deduct them from the next instalment of royalties. (*u*)

A license sometimes contains a covenant by the licensor for quiet enjoyment; such a covenant is not co-extensive with a covenant by the licensee to pay the royalties. If, therefore, it is broken by a failure of the licensor to pay the renewal fees, that does not absolve the licensee from further payments of royalties. (*v*)

(*p*) *Chestham v. Nuttall*, 10 R. P. C. 321.

(*q*) *Ibid.*

(*r*) 13 R. P. C. 710; 14 R. P. C. 249.

(*s*) 13 R. P. C. 685; 14 R. P. C. 206.

(*t*) See *Mills v. Carson*, 9 R. P. C. 338; 10 R. P. C. 9. Per Lord Esher, M.R., and Lopes, L.J.

(*u*) *Ibid.* per Kay, L.J.

(*v*) *Ibid.*

Thus, in *Mills v. Carson*, (w) the licensees covenanted absolutely, in express terms, to pay a lump sum by yearly instalments to be spread over the unexpired portion of the patent term; while the licensor, on his part, covenanted that the licensees, paying the money reserved and performing their covenants, should, at all times during the residue of the said term, peaceably and quietly hold, exercise, and enjoy the license, without any lawful interruption or disturbance by the licensor or any other person whatsoever. The patent having lapsed through non-payment of the renewal fees, the licensees alleged a breach of the covenant for quiet enjoyment, and declined to make any further payments under the license.

The Court, however, held that even assuming such breach to have been occasioned by the non-payment of the renewal fees, the licensees still remained liable on their covenant.

In *Siemens v. Taylor* (x) a license to work several patents contained a provision that the royalties to be paid should continue payable until the expiration, by effluxion of time, of all the terms of years respectively granted by the said letters patent. Under this provision it was held that royalties continued payable even on those patents which had expired, so long as any one of the several patents still remained in force.

Mere License not Assignable.—A mere license is not assignable. (y) But a license given to a licensee and his assigns, would no doubt, so long as it was unrevoked, estop the licensor from proceeding against the person to whom the licensee had handed on such license. And where a patentee accepts royalties from the assignee of a licensee with knowledge that the licensee has purported to assign the license, he is estopped from denying the validity of the transaction. (z)

A patentee who has assigned his invention has no longer the right to grant licenses. (a) And where an agreement has been entered into by the patentee which amounts to an equitable assignment, any licenses subsequently granted by the patentee to persons having notice of such agreement are void as against the assignor, and their invalidity is not covered by a priority of registration.

In the *New Icion Company v. Spilsbury*, (b) the registered

(w) 9 R. P. C. 338; 10 R. P. C. 9.

R. P. C. 696.

(x) *Ibid.* 393.

(a) *Betts v. Willmott*, L. R. 6 Ch. 239.

(y) *Bower v. Hodges*, 22 L. J. C. P. p. 198; see, also, 13 C. B. 765

(b) 15 R. P. C. 567. [1898] 2 Ch. 484; 79 L. T. 229.

(z) *Lawson v. Macpherson & Co.*, 14

proprietor of certain letters patent entered into an agreement in June, 1896, to transfer his business and patents to the plaintiff company. In September, 1897, he granted a license to the defendants, who had express notice of the prior agreement. The defendants had their license entered on the Register. In October, 1897, the patents above mentioned were, in pursuance of the agreement of June, 1896, assigned by deed to the plaintiffs, who thereupon commenced an action against the defendants, claiming a declaration that the license was void and an injunction. Kekewich, J., held they were entitled to this relief, and his decision was affirmed on appeal.

Licenses to be Registered.—Copies of licenses, and any documents affecting the proprietorship in any license under letters patent, must be supplied to the Comptroller, for filing in the Patent Office. (c) For this purpose, an attested copy of the license must be left at the Patent Office by the licensee, with a request that a notification thereof may be entered in the Register. The licensee must also produce the original, and leave it for verification of the copy, if required. (d)

Stamp Duty.—It has recently been held that a sole license to work a patent in a specified district is “property” within Section 59 sub-section 1 of the Stamp Act, 1891, and that an agreement to purchase such license from the licensee is therefore chargeable with *ad valorem* duty. (e)

(c) Patents Act, 1883, s. 23 (3).

(d) P. R. rule 77.

(e) *Smelting Company of Australia v. Commissioners of Inland Revenue*, [1896]

2 Q. B. 179; [1897] 1 Q. B. 175; 65 L. J. Q. B. 513; 66 L. J. Q. B. 187; 74 L. T. 694; 75 L. T. 584; 45 W. R. 61, 203.

CHAPTER XIX.

COMPULSORY LICENSES.

The Board of Trade may order Licenses to be Granted.—If, on the petition of any person interested, it is proved to the Board of Trade that by reason of the default of a patentee to grant licenses on reasonable terms—

(a) The patent is not being worked in the United Kingdom ; or

(b) The reasonable requirements of the public with respect to the invention cannot be supplied ; or

(c) Any person is prevented from working or using to the best advantage an invention of which he is possessed ;

—the Board may order the patentee to grant licenses on such terms as to the amount of royalties, security for payment, or otherwise, as the Board, having regard to the nature of the invention and the circumstances of the case, may deem just, and any such order may be enforced by mandamus. (a)

This jurisdiction to compel the granting of licenses conferred upon the Board of Trade by the Patents Act, 1883, has until recently remained dormant. Nor have the hearings of the petitions which have hitherto been presented yet resulted in clearly establishing a settled practice on all points which are likely to arise on such proceedings. Without attempting to discuss here the necessity for, or convenience of, this jurisdiction, its scope and the existing practice, so far as that practice can be gathered from the Patent Rules and the decisions of the Board, will be the subject of the present chapter.

The Tribunal.—And first as to the Tribunal. By Section 25 of the Patents Act, 1888, all things required or authorized to be done by, to, or before the Board of Trade under the Patents Act, 1883, may be done by, to, or before the President, or a secretary, or an assistant secretary of the Board. Applications for

(a) Patents Act, 1883, s. 22.

compulsory licenses are not, however, heard by the President, or by any secretary of the Board; for on receipt they are referred by the Board to a legal expert as referee for consideration and report, before whom, if an enquiry is necessary, the parties and their witnesses are heard. This can hardly be called a convenient form of tribunal, as the referee who hears the case has no power to do more than report, while the Board, which does not hear the evidence, grants or refuses the order for a license. As the Board is not bound to act upon the report of the referee, but may form its own view of the facts, the referee has not that control over the proceedings that he would have if the ultimate decision lay with him.

Moreover, the report of the referee is not made public, and the decision of the Board is intimated by a bare order dismissing the application, or directing a license to be granted on specified terms. Thus, no reasoned judgment is given, and the parties are left to gather as best they can the grounds of the Board's decision from such observations as may be made by the referee during the course of the public hearing before him. If this jurisdiction is to command the confidence of the public, it would seem that some other mode of exercising it, more consonant to the prevailing procedure in English Courts, will have to be adopted.

The Application is by Petition.—The application for a compulsory license is made by petition to the Lords of the Committee of Privy Council for Trade, praying that an order may be made by the Board of Trade that the patentee shall grant a license to the petitioner.

Who may Petition.—The right to present a petition is not a promiscuous right, but limited to such persons as are interested in the relief claimed. (b) Where the petition is founded on the circumstance that the patentee's monopoly prevents the use to the best advantage of another invention, the person possessed of that invention is an essential party to the petition; but if not in a position himself to manufacture under the license, there would seem to be no reason why he should not ask for the grant of the license to some other person who is prepared to put the invention into use on his behalf, and join such person as a co-petitioner; (c) for a petition may be presented by more than one petitioner, and in respect of more than one patent. (d)

(b) P. R. rule 60.

(c) No exception was taken to this course in the *Continental Gas Gluhlicht Petition*, 15 R. P. C. 727; Gordon, 214.

(d) *Ibid.*; *Levinstein's Petitions*, 15 R. P. C. 732; Gordon's *Compulsory Licenses*, pp. 219; *Levinstein's Petition (Cassella's Patent)*, Gordon, p. 234.

Where the license is sought under a patent which is not being worked in the United Kingdom, or with respect to which the reasonable requirements of the public are not being supplied, any person will have an interest sufficient to support a petition who is prepared to make good the patentee's default, either by manufacturing or by supplying the requirements of the public, as the case may be. It would also seem that in these cases any members of the public whose commercial interests are prejudiced by the patentee's default, may petition. At the same time, where the interests of co-petitioners are identical, the Board might properly (and probably would) refuse to hear them separately.

In the official form of petition no mention is made of a respondent, but the patentee, when served with the petition, necessarily becomes such. (e)

Contents of the Petition.—A petition may be presented in respect of more than one patent. It must set out clearly the nature of the petitioner's interest, the grounds upon which he claims to be entitled to relief, the circumstances of the case in detail, the purport of the order to be made, and the terms on which it is asked for. (f)

In *Levinstein's Petition re Meister Lucius Patents*, the form of license which the petitioner sought was set out in a schedule to the petition. (g) There is nothing in the official form to suggest that the petition must be signed by the petitioner, though in the petitions hitherto presented this has generally been done. (h)

Procedure on the Petition.—The petition and an examined copy thereof must be left at the Patent Office, accompanied by the affidavits or statutory declarations and other documentary evidence (if any) tendered by the petitioner in proof of the default of the patentee, in respect of which relief is claimed. (i)

The petition and evidence are referred by the Board to a legal expert as referee, to report whether or not a *primâ facie* case for relief is made out. If the referee reports that the petitioner has not made out a *primâ facie* case, the petition will be dismissed forthwith. (j) If, on the contrary, the report is favourable to the petition, then the petitioner will be directed to deliver copies of the petition and evidence to the patentee. No special mode of

(e) *Levinstein's Petition*, Gordon, 219;
15 R. P. O. 732.

(f) P. R. rule 60.

(g) 15 R. P. C. 73; Gordon, 355.

(h) Gordon, p. 176.

(i) P. R. rule 61.

(j) *Chisholm's Petition re Dunlop Pneumatic Tyre Co.'s Patents*, Gordon, 280.

serving the patentee is laid down by the rules; but as to this directions may be given by the referee.

The term "patentee" in the Patents Act, 1888, means the person for the time being entitled to the benefit of the patent. (*k*)

There is no rule requiring public intimation to be given of the petition. The patentee alone is entitled to notice. There is no obligation, therefore, upon the petitioner to serve an exclusive licensee, (*l*) or any other person who may have entered into an agreement with the patentee which will be seriously prejudiced by a compulsory license; though, if such person gives notice of opposition to the petition and applies to be allowed to intervene, he will be heard by the referee. (*m*)

Evidence on Petitions.—The evidence may be tendered either in the form of affidavits or statutory declarations. In the *Wolverhampton Tyre Syndicate's Petition* it was presented by the petitioners in the latter form. (*n*)

The patentee has a period of fourteen days from the delivery to him of the petition and evidence within which to deliver evidence in opposition. This he does by leaving it at the Patent Office within the prescribed time, and likewise a copy for service on the petitioner. (*o*)

The rules do not require the patentee to deliver any formal statement by way of answer to the petition. But there is nothing to prevent his adopting this course, as was done in *Levinstein's Petition re Meister Lucius Patents*, where the patentees delivered an answer and affidavits in support of it. (*p*)

A further period of fourteen days is allowed the petitioner in which to deliver evidence in reply to the patentee. Such evidence must be strictly confined to matters in reply only. (*q*)

The referee will thereafter consider the petition and the evidence on both sides, and again report to the Board of Trade whether any further directions are necessary, or the petition may be at once heard.

The Hearing of the Petition.—The Board of Trade fix the date and place of the hearing, and have unrestricted power to regulate the procedure, subject, however, to full opportunity being given to

(*k*) Sect. 48.

(*l*) An exclusive licensee is not a patentee: *Heap v. Hartley*, 42 C. D. 461; 6 R. P. C. 495; 58 L. J. Ch. 790; 61 L. T. 538; 38 W. R. 136.

(*m*) *Gormully & Jeffrey's Petition*, Gor-

don, 249; *Wolverhampton Tyre Syndicate's Petition*, Gordon, 262.

(*n*) Gordon, 264.

(*o*) P. R. rule 64.

(*p*) 15 R. P. C. 732; Gordon, 358.

(*q*) P. R. rule 65.

the patentee to shew cause against the petition. (r) On the hearing before the referee, any party may appear in person, or by counsel, or by a patent agent. Either side may tender further evidence, and the referee will hear oral evidence. Persons who have made affidavits or statutory declarations may be required to attend for cross-examination; but the Board of Trade have no power to compel the attendance of witnesses. The refusal of any witnesses, however, to attend and submit to cross-examination would necessarily destroy the value of any affidavit or declaration he might have made.

On the hearing the petitioner is entitled to begin, and has a right of reply. (s) Although, as already noticed, the petitioner is not required to serve any one but the patentee with the petition, it is obviously desirable that all parties having an interest in the patent should be represented at the hearing. Where the patentees had entered into an agreement to grant a limited number of licences only, the licensees were allowed to appear as interveners, and the petition was amended by adding their names as respondents, "and any other person interested in the patent." (t)

Where it is desired thus to amend the petition an application for leave ought to be sent by letter to the Board of Trade. (u)

Parties Intervening.—Persons not respondents to the petition who desire to intervene in opposition to the petition should give notice at the Patent Office of their intended opposition, and support the notice with affidavits, shewing the grounds on which they claim to be heard.

In *Gormully & Jeffrey's Petition*, (w) the North British Rubber Company, who were not parties to the petition, alleged that they were licensees of the respondents, and had expended large sums on works and machinery; further, that the respondents had entered into a contract with them, under which the respondents were bound not to grant more than one other license beyond the license to themselves and a license held from them by another company. On these facts they claimed to be heard in opposition to the petition. Unconditional leave to appear was given by the Board of Trade.

In the same case, the *Clipper Pneumatic Tyre Company* also

(r) P. R. rule 66.

(s) *Hulton & Bleakley's Petition; re Taylor's Patent*, 15 R. P. C. 749; Gordon, 245.

(t) *Gormully & Jeffrey's Petition re Dunlop Patents*, Gordon, 254, 255.

(u) *Ibid.* p. 255.

(w) *Ibid.* 252, 253.

claimed to intervene, alleging that they were licensees and had paid £70,000 for their license, on the understanding that no other licenses beyond those above mentioned would be granted by the respondents. To them also unconditional leave to appear was given. (x)

Where the Respondent has Contracted to Grant no more Licenses.—It is not yet clear how the Board of Trade will act in ordering a compulsory license where the respondent patentee has entered into a contract with some third person under which he has bound himself not to grant any more licenses. It is obvious that in such a case great injustice might be done to a prior licensee, who had paid a large sum for his license on the footing that no further license would be granted, if he were suddenly exposed to the competition of a compulsory licensee. But the referee has stated more than once upon these applications that the Board can take no cognizance of the existence of an exclusive license, or any agreement limiting the number of licenses which a patentee may grant, as, if such were to be considered a bar to the granting of a compulsory license, any patentee would have it in his power to set the Board of Trade at naught, and wholly defeat the operation of the section. (y)

The point was not decided in the *Gormully & Jeffrey Petition* (z) above mentioned, as the intervening licensees expressed their willingness to manufacture for the petitioners, at a reasonable price, the improved article which embodied the petitioners' invention, and the hearing was adjourned to enable the parties to arrive at a private arrangement.

In *Hulton & Bleakley's Petition*, (a) the Board made an order for a grant of a compulsory license, notwithstanding the fact that the patentees had already granted an exclusive license for the same district. But here the exclusive licensee was only paying a moderate royalty for his license.

Reasonable Requirements of the Public.—In this petition the meaning of the words "reasonable requirements of the public with respect to the invention" came under consideration. The patentee's invention was a mechanism for rapidly printing paragraphs containing late news into a newspaper. The patentees had granted to the proprietors of an evening paper an exclusive license for Manchester and district. There were two other Manchester evening

(x) Gordon, 252, 253.

(y) *Hulton & Bleakley's Petition*, 15 R. P. C. 750; Gordon, 246; *Wolverhampton*

ton Tyre Syndicate, Gordon, 268.

(z) *Supra*.

(a) 15 R. P. C. 749; Gordon, 246.

papers appealing to different sections of political opinion, and the proprietors of one of these petitioned for a compulsory license, alleging that the reasonable requirements of the public in the district were not met by the use of the invention in connection with one paper only, inasmuch as persons whose political views did not agree with those of that paper, and who therefore did not buy it, were deprived of the benefits of the invention. No other ground for granting a license was suggested. The Board endorsed the petitioners' contention that under these circumstances the requirements of the public were not being met, and made an order that a license should be granted.

Discretion of the Board.—The granting of an order for a compulsory license is a matter of discretion. Where, therefore, the license is claimed on the ground that the petitioner is possessed of an invention which the respondent's monopoly prevents him working to the best advantage, the Board will not make the order if such invention is a mere improved variety of the respondent's article, so long as the respondent is willing to manufacture for the petitioner that improved variety on reasonable terms. (b) But the terms must be reasonable. If fair terms are not offered the Board will intervene. (c)

Respondent must be in Default.—The Board has no jurisdiction unless the patentee is in default. A petitioner must therefore be prepared to shew that the respondent has refused to grant him a license on reasonable terms. He ought, therefore, before presenting his petition, to make a written application to the patentee for a license, giving him notice of the grounds upon which, if refused, he will apply for a compulsory license; otherwise a question may arise at the hearing as to whether the patentee has ever had before him materials enabling him to judge what would be reasonable terms on which to offer a license. Where he has not had such means of judging on what terms he could offer a license, his declining to do so could hardly amount to default. (d)

Where a petitioner can shew that an English patent owned by a foreign manufacturer is not being worked in this country, but is simply held for the purpose of blocking trade and enabling foreign-made articles to control the English market, a strong case

(b) *Gormully & Jeffrey's Petition*, Gordon, 260, 261; 16 R. P. C. 641; *Chisholm's Petition*, Gordon, 280.

(c) *Wolverhampton Tyre Syndicate's Petition*, Gordon, 279.

(d) In *Lerinstein's Petition re Cassella's*

Patents, it was contended that upon the correspondence no refusal of a license was made out. There, however, the referee held that there was default; see Gordon, p. 240.

for relief is made out. (e) In *Levinstein's Petition*, (f) where this was alleged, the Board ordered the grant of a license, although the patentees offered to supply the patented products to the petitioners, who were English manufacturing chemists, at the same price at which they were sold in countries where there was no patent.

Petitioner should be prepared to take Practical Advantage of the License.—A petitioner ought to be prepared to give practical effect to the license if granted, either himself or by some co-petitioner.

In the *Continental Gas Gluhlicht Petition*, (g) where the principal petitioners were a foreign company, the petition prayed the grant of a license to an English corporation, who were co-petitioners. The English company, however, withdrew from the petition during the hearing, and no order was made. But inasmuch as the usual mode of working a valuable patent is through a company formed for the purpose, the circumstance that petitioners are only a syndicate without capital, who intend to float a company to work under the license if it is granted, will not prevent the referee reporting to the Board of Trade in favour of the petition. (h)

It would seem that the circumstance that the petitioner has been restrained by injunction from infringing the invention of the patentee will not prevent the Board of Trade entertaining his petition; (i) though how far the granting of a compulsory license would relieve him from the obligation of obeying the injunction may be a matter of doubt. It is submitted, however, that working under such a license would be no breach of the injunction, for it would not, in fact, be an infringement of the respondent's patent.

Royalties under a Compulsory License.—The amount of royalty payable under the compulsory license, as well as the other terms of the license, will be fixed by the Board of Trade. What royalty shall be paid must depend on the special circumstances of each case.

In *Levinstein's Petition*, (j) where the dye stuffs for the production of which the license was wanted were a cheap class of goods exposed to severe competition in the market, the royalty was fixed at one halfpenny per pound of the raw material, equivalent

(e) *Levinstein's Petition re Meister Lucius Patents*, Gordon, 219; 15 R. P. C. 732.

(f) *Supra*. In this case the petitioners required the respondent's products for the purpose of working other chemical inventions for which they held patents.

(g) 15 R. P. C. 727; Gordon, 214.

(h) *Wolverhampton Tyre Syndicate's Petition*, Gordon, p. 271.

(i) *Gormully & Jeffrey's Petition*, Gordon, p. 250; 16 R. P. C. 641.

(j) *Re Meister Lucius Patents*, 15 R. P. C. 732; Gordon, 219.

to 10 per cent. on the net profits of the completed article, or a minimum payment of £250 per annum.

In *Hulton & Bleakley's Petition*, (*k*) where the invention for which the license was granted was a mechanical device for printing late news without seriously delaying the action of the printing press, the royalty was fixed at £20 per annum for each machine in connection with which the invention was used.

The Board of Trade has no jurisdiction to award costs where a petition is dismissed. (*l*) Nor, it would seem, where an order for a license is made, except perhaps by way of condition if the referee reports that the petitioner's conduct has put the respondents to unnecessary costs. But in none of the decisions so far reported have terms as to the payment of costs been imposed.

Enforcing Order.—The order of the Board may be enforced if necessary by mandamus. (*m*) No case of enforcing an order by mandamus has yet occurred.

(*k*) Gordon, 248. In this case the highest royalty previously paid by licensees had been £15. But for the district in which the compulsory license was to be worked an exclusive license had

been granted.

(*l*) *Levinstein's Petition*, 15 R. P. C. 732; Gordon, 219; *Gormully & Jeffrey's Petition*, Gordon, 260; 16 R. P. C. 641.

(*m*) Patents Act, 1883, s. 22.

CHAPTER XX.

EXTENSION OF THE TERM OF LETTERS PATENT.

Expediency of granting Extensions of Patent Terms.—It has already been shewn how the term of letters patent for an invention was limited by the Statute of Monopolies to a period not exceeding fourteen years. (a) The effect of this limitation was not only to preclude the Crown from making a grant for a longer period, but also from making a second grant in respect of the same subject-matter. The Crown was thus deprived of all power to prolong the monopoly of a deserving inventor beyond the statutory period, and the only remedy open to an inadequately remunerated patentee was an application to Parliament for a private Act prolonging his monopoly. Such applications, though extremely costly and rarely successful, (b) were for upwards of two centuries the only means by which an inventor could obtain an extension of his patent term.

No doubt, in the majority of cases the extent to which an invention is adopted by the public is a just test of its intrinsic value; and the inference may generally be justly drawn that a patentee's failure to derive adequate remuneration from his discovery during the fourteen years of his monopoly is due to the inherent worthlessness of what he has invented. (c) But the rule is not of universal application, and special circumstances may rebut the inference. (d) Such special circumstances may arise from the apathy of the public

(a) See ante, p. 11.

(b) Per Lord Brougham, in *Morgan's Patent*, 1 W. P. C. 739.

(c) See *Wright's Patent*, 1 W. P. C. 576; *Simister's Patent*, 1 W. P. C. 723; *Pinkus's Patent*, 12 Jur. 233; *Herbert's Patent*, L. R. 1 P. C. 399; *Allan's Patent*, L. R. 1 P. C. 507; 4 Moo. (N. S.) 443; *Bakerwell's Patent*, 15 Moo. P. C. 386.

(d) *Downton's Patent*, 1 W. P. C. 565; *Kollman's Patent*, 1 W. P. C. 564; *Roberts' Patent*, 1 W. P. C. 575; *Foarde's Patent*, 9 Moo. P. C. 376; *Payne's Patent*, *Coryton's Law of Patents*, p. 220; *Hardy's Patent*, 6 Moo. P. C. 443; *Lee's Patent*, 10 Moo. 226; *Houghton's Patent*, 3 L. R. P. C. 461.

in regard to the invention. Every inventor has a certain amount of *inertia* to contend with, and in some cases this *inertia* proves so formidable that the patentee succumbs before it. (e) Many illustrations of this might be cited. The most remarkable is that afforded by Watt's improvement in the steam engine, of which Lord Brougham, in *Woodcroft's Patent*, said: "It was so many years useless to him, not coming into immediate operation, that he had to obtain an extension of one-and-twenty years from the legislature, but for which he would have been a loser, and probably ruined, by the greatest benefit that was ever given to mankind next to the invention of printing." (f)

Again, the powerful opposition of influential rivals may create such circumstances. An invention which is likely to achieve a revolution in some important trade is often keenly opposed by those who, while best knowing its intrinsic value, are most interested in prejudicing the public against it. (g)

Or the inventor may be involved in costly litigation by the success of his invention tempting many persons to pirate it. (h) The temptation to infringe a patent usually varies in proportion to the merit of the invention, (i) and when the utility is great it sometimes happens that the profits of the unfortunate patentee are swallowed up by the expenses incurred in prolonged and ruinous litigation. (j)

Other circumstances may operate to deprive the patentee of his reward. Ill health may disable him from pushing his discovery into notice; (k) or his invention may be of such a character as only to appeal to a limited class, (l) or afford occasional opportunities only for its exercise. (m) Hence it may happen that a meritorious inventor may find himself at the close of his patent term an actual loser by the skill and enterprise which have given to the public a most valuable invention.

The importance of providing some other means than a private

(e) Per Lord Monkswell, in *Cocking's Patent*, 2 R. P. C. 153.

(f) 2 W. P. C. 32.

(g) *Roberts' Patent*, 1 W. P. C. 575; *Payne's Patent*, *Coryton's Law of Patents*, p. 220; *Marwick's Patent*, 13 Moo. 312; *Stafford's Patent*, 1 W. P. C. 563; *Parson's Patent*, [1898] A. C. p. 677; 15 R. P. C. 349.

(h) *Adair's Patent*, L. R. 6 App. Ca. 176; 50 L. J. P. C. 68.

(i) Per Lord Brougham, see *Whitehouse's Patent*, 1 W. P. C. 477.

(j) *Russell's Patent*, 2 Moo. 496; *Pettit Smith's Patent*, 7 Moo. 133; *Heath's Patent*, 8 Moo. 217; 2 W. P. C. 247.

(k) *Roper's Patent*, 4 R. P. C. 201.

(l) *Lee's Patent*, 10 Moo. 229; *Herbert's Patent*, L. R. 1 P. C. 402; *Berrington's Patent*, cited L. R. 1 P. C. 510; *Roper's Patent*, *supra*.

(m) *Stoney's Patent*, 5 R. P. C. 523. As in the case of inventions only applicable to large machines or very peculiar operations; *Southey's Patent*, 8 R. P. C. 437.

Act of Parliament for extending patent monopolies in special cases was at last recognized by the Legislature, when, in 1835, it empowered the Crown, (*n*) where the Judicial Committee of the Privy Council reported in favour of the extension of a patent monopoly, to grant new letters patent for the same invention for a term not exceeding seven years after the expiration of the first term, any law, custom, or usage to the contrary notwithstanding. The jurisdiction thus conferred on the Crown gave to the patentee at once a cheaper and easier mode of relief, so that, not only was the meritorious inventor enabled to secure a prolongation of his patent term at less cost, but also in many cases where formerly his application to Parliament would have been unsuccessful. (*o*)

The jurisdiction to extend letters patent was further regulated by 2 & 3 Vict. c. 67 and 7 & 8 Vict. c. 69. The latter Statute gave the Crown authority to grant extensions in exceptional cases for a period of fourteen years. It, moreover, allowed extensions to be granted to assignees. No modification of this branch of the law was introduced by the Patent Law Amendment Act of 1852, that Statute merely adopting the provisions already in force under the earlier Acts. These Acts were repealed by the Patents Act, 1883, and the law relating to applications for the extension of letters patent is now contained in Section 25 of that Act. This section is substantially a codification of the pre-existing law, and in *Newton's Patent* (*p*) the Judicial Committee expressed the opinion that the section was not intended to alter in any way the principles upon which their Lordships have always acted in advising the Crown upon these applications.

Application for Extension, how made.

Petition to the Queen in Council.—An application for the prolongation of a patentee's monopoly must be made by petition addressed to her Majesty the Queen in Council. The petition should be presented by the patentee. (*q*) Under the Patents Act, 1883, the term patentee includes the person for the time being entitled to the benefit of the patent. (*r*)

(*n*) 5 & 6 Wm. IV. c. 83.

(*o*) *Per* Lord Brougham, *Soame's Patent*, 1 W. P. C. 734. See also *Morgan's Patent*, 1 W. P. C. 739.

(*p*) 9 App. Ca. 592, 1 R. P. C. 177. The only material alteration affected by the Act of 1883 is that the former jurisdiction of the Privy Council under 5 & 6

Wm. IV. c. 83, s. 2, to recommend the confirmation of invalid patents, is not preserved.

(*q*) Patent Act, 1883, s. 25 (1). For Forms of Petitions, etc., see Appendix IV. post.

(*r*) Sec. 46.

The petition must be presented at least six months before the time limited for the expiration of the patent. (s) Subject to this restriction, it is desirable that the petitioner should delay as long as possible presenting the petition, as the profits made even at the close of the patent term are a material element to be considered; for however unremunerative the previous years of a patent may have been, it is always possible that the profits of the last year may amount to a sufficient remuneration of the inventor. (t) Where, having regard to this consideration, a petition is, in the opinion of the Committee, presented prematurely, the hearing will be adjourned to a later date. In preparing his petition the applicant must remember that prolongation being a matter of grace and favour and not of right, it is essential that the petition should contain a full and candid disclosure of all material facts relative to the position and history of the patent. In *Clark's Patent* this had not been done, and although the matters omitted from the petition were stated by counsel for the petitioner the Board held this insufficient, laying down the principle that a petitioner seeking the grace and favour of the Crown is bound to strict truth and to the utmost candour and frankness, to *uberrima fides* in his statement. (u)

Hence, although the Judicial Committee have not laid down a general rule that no petition lacking in candour will be entertained, it is of the utmost importance that the petitioner should make a full and candid disclosure of his position, as any failure to do so will undoubtedly militate seriously against the success of his application. (v)

Procedure Rules.—New rules regulating the practice on these petitions were made by the Queen in Council in November, 1897, and all applications for the prolongation of patent monopolies must now be made in conformity therewith. (w)

An intending petitioner must give public notice of his intention to apply for an extension of his patent term, by advertising three times in the *London Gazette* and once at least in three London

(s) Patent Act, 1883, s. 25 (1). If this is not complied with there is no jurisdiction to entertain the application. *Adam's Patent*, 16 R. P. C. 1.

(t) *Mackintosh's Patent*, 1 W. P. C. 739.

(u) L. R. 3 P. C. 426.

(v) See *Pitman's Patent*, L. R. 4 P. C. 86, where a failure to disclose that an American patent had been taken out and

allowed to expire, was held fatal to the petition. Cf. *Adair's Patent*, L. R. 6 App. Ca. 178.

(w) The Lords of the Judicial Committee may excuse a failure to comply with these rules (rule 7); but this power will presumably not be exercised except for good reason. They have no power to excuse a failure to comply with the Statute; *Adams' Patent*, 16 R. P. C. 1.

newspapers. (x) If the petitioner's place of business is situated in the United Kingdom at a distance of fifteen miles or more from Charing Cross, or if not having a place of business, he yet carries on the manufacture of anything made under his specification, at such distance from Charing Cross, he must also further advertise once at least in some local newspaper published or circulating in the town or district where his place of business is or where he carries on such manufacture. If a petitioner has no place of business and carries on no such manufacture, but resides at a distance of fifty miles or more from Charing Cross, he must also advertise once at least in some newspaper published or circulating in the town or district where he resides.

The petitioner's advertisement must state (1) the object of his petition; (2) the day on which he intends to apply for a time to be fixed for the hearing thereof; (y) (3) that caveats must be entered at the Council Office on or before such day so named in the advertisements.

The petition is required to be presented within one week from the publication of the last of the advertisements inserted in the *London Gazette*. (z) An affidavit or affidavits must accompany the petition, proving the publication of the requisite advertisements. Statements contained in such affidavits may be disputed at the hearing. (a)

The petitioner must apply to the Lords of the Judicial Committee to fix a time for hearing the petition. When this time has been fixed the petitioner must forthwith give public notice thereof by advertising, once at least, in the *London Gazette* and in two London newspapers. (b)

If the specification of the petitioner's patent has been printed, the petitioner must, not less than fourteen days before the day fixed for the hearing, lodge eight printed copies at the Council Office. When the specification has not been printed, and the expense of making eight copies of any drawing therein contained or referred to would be considerable, the lodging of two copies is deemed sufficient. Within the same time the petitioner must likewise lodge eight copies of the balance sheet of expenditure and receipts relating to the patent. (c) Three copies of this balance

(x) Rule 1.

(y) This day must not be less than four weeks from the date of the publication of the last of the advertisements to be inserted in the *London Gazette*. Ibid.

(z) Rule 2. See *Hutchinson's Patent*,

14 Moo. 364.

(a) Ibid.

(b) Ibid.

(c) These accounts are subsequently to be proved on oath before the committee.

sheet must also be furnished to the Solicitor to the Treasury. This provision is to enable the Attorney-General to have the opportunity of inspecting the accounts and making any enquiries which appear necessary in respect of them. (d) The petitioner must, on receiving two days' notice, allow the Solicitor to the Treasury, or any person deputed by him for the purpose, reasonable facilities for inspecting and taking extracts from the books of account by reference to which he proposes to verify the balance sheet at the hearing, or from which the items in the balance sheet are derived. (e)

Oppositions to Prolongation.—Any person may enter a caveat, addressed to the Registrar of the Council at the Council Office, against the extension. (f)

Any person intending to oppose the petition must enter a caveat before the day on which the petitioner applies to fix a date for the hearing. Where an intending opponent omits to enter a caveat within the prescribed period, the Board will not extend the time in his favour unless special reasons for so doing are shewn. (g)

An opponent who has properly entered a caveat is entitled to four weeks' notice from the petitioner of the time appointed for the hearing; he is also entitled to be served with a copy of the petition, and the petitioner must produce an affidavit of such service on the application to fix the date of the hearing. (h)

Opponents served with the petition must lodge at the Council Office eight printed copies of the grounds of their objections to the granting of the petition, within three weeks from the service of the petition upon them. It is not necessary to give particulars in detail of the grounds relied on. Thus, when the opponents relied on anticipation, and referred to certain documents as proving their objection, it was held that they were not confined on the hearing to the actual instances of anticipation of which notice had been given. (i)

Parties are entitled to be supplied at their own expense with copies of all papers lodged in respect of any petition. (j)

All petitions and statements of grounds of objection are required to be printed in the form prescribed by the Judicial Committee.

(d) Cf. *Johnson's Patent*, L. R. 5 P. C. 87.

(e) Rule 3.

(f) Patents Act, 1883, s. 25 (2).

(g) *Hopkinson's Patent*, 13 R. P. C. 114.

(h) Rule 4.

(i) *Ball's Patent*, 4 App. Ca. 171; 48 L. J. P. C. 24. This case was decided under the former Rules, but the words of the new Rules are the same.

(j) Rule 5.

Balance-sheets of expenditure and receipts must be printed in a form convenient for binding along with the petition. (*k*)

The Crown is always represented at the hearing of the petition, and does not require to enter any caveat. (*l*) The Lords of the Judicial Committee will hear the Attorney-General, or other Counsel, on behalf of the Crown on the question of granting the prayer of the petition. The Attorney-General is not required to give notice of the grounds of any objection he may think fit to take, or of any evidence which he may think fit to place before the Lords of the Committee. (*m*) As a general rule, the Attorney-General does not call evidence, but contents himself with cross-examining the petitioner and his witnesses. Where the petitioner has a good case the Attorney-General opposes lightly, and not as a trade rival might do. (*n*) He appears to watch the public interest and to assist, and, if necessary, instruct the Judicial Committee. (*o*) His duty is to see that the petitioner makes out a case for prolongation, rather than to oppose the case when made out. (*p*)

At the same time, the Attorney-General's opposition is not a mere matter of form. In every case he directs a searching enquiry by a Patent Office examiner into the novelty and character of the invention and by an accountant acting under the Treasury solicitor into its commercial history and the patentee's accounts. This is necessary in the public interest, to insure the Judicial Committee being fully informed as to all important facts bearing on the petition. No petitioner, therefore, can safely rely on concealing unfavourable circumstances from the Judicial Committee. Any want of candour will probably, even where no opponent appears, have disastrous consequences for the patentee. (*q*)

Practice at the Hearing.—The Board sit to protect the public as well as to reward deserving inventors. They will therefore require a petitioner to establish his title, whether it is disputed or not.

(*k*) Rule 5.

(*l*) *Erard's Patent*, 1 W. P. C. 557 n.; *Whitehouse's Patent*, 1 W. P. C. 474.

(*m*) Rule 8. *Livet's Patent*, 9 R. P. C. 327.

(*n*) *Allan's Patent*, L. R. 1 P. C. 507.

(*o*) *Stoney's Patent*, 5 R. P. C. 522.

(*p*) The Committee will not hear counsel on behalf of a department of the public service interested in the invention in question. The presence of the Law Officer affords sufficient protection to such interests, and they are adequately repre-

sented by him. *Wright's Patent*, 1 W. P. C. 561; *Galloway's Patent*, 1 W. P. C. 726; *Pettit Smith's Patent*, 7 Moo. P. C. 136.

(*q*) The following cases illustrate how the Attorney-General may bring to the notice of the committee matters not disclosed by the petitioner—*Livet's Patent*, 9 R. P. C. 327 (prior patent); *Standfield's Patent* (prior patents), 15 R. P. C. 17; *Hall's Patent* (triviality of the invention), 12 R. P. C. 401; *McLean's Patent* (accounts), 15 R. P. C. 418.

In cases where Counsel for the Crown admit the merit of the inventor and the inadequacy of the remuneration, and no opposition is offered to an extension of the patent term, the petitioner must still call his evidence and establish his claim to the indulgence which he craves. (r)

The Judicial Committee may call in the aid of an assessor, and, if they do so, fix the remuneration of such assessor. (s)

In considering petitions for the extension of patent monopolies, the Judicial Committee are directed by the Act of 1883 to have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case. (t) The extension of a patent term is anything but a matter of course, (u) and not to be claimed as of right, but conceded rather as an extraordinary privilege by way of equitable reward. (v) Thus an applicant for prolongation is always required to shew extraordinary merit and inadequate remuneration.

In considering these applications the Board allow their judicial discretion to be influenced by any such circumstances as would properly have weight with a sensible and reasonable person. (w)

It will be convenient to consider the authorities under the headings suggested by Section 25 (4) of the Patents Act, 1883.

I.—*The Nature of the Invention in Relation to the Public.*

Special Character of an Invention.—The nature of the invention will be considered by the Judicial Committee where the patentee has failed to bring his invention into general use, for the purpose of seeing whether this failure is due to the worthlessness of the invention or to special circumstances beyond the control of the inventor. (x)

In *Berrington's Patent* the inventor had totally failed to introduce his invention into public use, but as the invention (an improved

(r) *Cardwell's Patent*, 10 Moo. P. C. 490; *Darby's Patent*, 8 R. P. C. 380; *Joy's Patent*, 10 R. P. C. 89.

(s) Patents Act, 1883, s. 28 (2).

(t) *Ibid.* s. 25 (4).

(u) *Derosne's Patent* (per Lord Brougham), 4 Moo. P. C. 448; 2 W. P. C. 1; *Morgan's Patent*, 1 W. P. C. 738; *Jones's Patent*, 1 W. P. C. 577; *Pitman's Patent*, L. R. 4 P. C. 87; *Norton's Patent*,

1 Moo. P. C. (N. S.) 339; *Perkin's Patent*, 2 W. P. C. 18; *Pettit Smith's Patent*, 7 Moo. P. C. 137; *Honiball's Patent*, 9 Moo. 393.

(v) *Hill's Patent*, 1 Moo. P. C. (N. S.), 264; per Sir J. T. Coleridge.

(w) *Hill's Patent* (per Sir J. T. Coleridge), 1 Moo. (N. S.), 264.

(x) *Southworth's Patent*, 1 W. P. C. 487.

knapsack) was one which could only be used by the Government, the Board, in view of its peculiar nature, recommended an extension of the patent. (y) Similar weight was given to the peculiar nature of the invention in *Stoney's Patent*. (z) In that the case invention, which had not come into use, was for improvements in sluices and flood-gates. In recommending an extension of the patent term, Sir W. Grove said: "There is also another matter which has always been considered by this Court, and that is that the invention is not one which would promote itself, if I may use the expression. This is not a case like that of some of those little improvements in forks or knives, in fire-places, or things of that sort, which if once known, the public will necessarily have for their own convenience. On the contrary, this is an invention which only appeals to a small number of minds, is only used in a small number of cases, and requires a considerable outlay, and consequently it is not an invention of daily use, nor one of that class which rapidly gets into daily use; it is exceptional therefore in that respect." (a)

In *Southby's Patent*, (b) which was for improvements in apparatus for refrigerating, the patentee, though he had made a very meritorious discovery, had occupied nearly the whole of his patent term in trying to effect further improvements in his machine instead of pushing his invention as originally patented. On this failure to put the invention into use, Lord Hobhouse said: "Then there comes the fact that the machines have never been used. No doubt, as a rule, the non-user of an invention is proof or strong presumption of its non-utility. But that depends upon the opportunities which the trade have had of making use of the machines; and where those opportunities have been very rare, as in the case of some inventions only usable for large machines, or in very peculiar operations, the presumption of non-utility from non-user is small. In this case, which, as far as I know, is unique in that respect, the non-user has arisen from the conviction of the patentee himself that he has not brought his principle into such practical action as would justify him in offering a machine to the public or to the trade. Their lordships think, under the circumstances, that non-user is accounted for so as to rebut the presumption of non-utility which arises from it."

In the later case of *Semet & Solway's Patent*, the nature of the

(y) Cited in *Allan's Patent*, L. R. 1 P. C. 510; see *Bate's Patent*, 8 W. P. C. 739 n.
(z) 5 R. P. C. 518.

(a) Ibid. p. 523. Cf. also *Jones's Patent*, 1 W. P. C. 579.

(b) [1891], A. C. 432; 8 R. P. C. 437.

invention was also considered as rebutting the inference usually drawn from a failure to bring it into general public use during the patent term. There the patent was for improvements in apparatus for coking and distilling coal. In recommending an extension, the Judicial Committee said: "The invention appears to be one which from its very nature cannot reasonably be expected to come at once, or within a short period, into general use. Its adoption necessitates the destruction of existing and the erection of new apparatus, and will therefore, in all probability, be gradual, as the old-fashioned apparatus wears out." (c)

Nature of the Invention as Bearing on Merit.—The Judicial Committee will also consider the nature of the invention for the purpose of seeing whether it is calculated to confer some great benefit upon the public. (d)

In *Woodcroft's* case, the patent was for improvements in revolving paddles for propelling boats. (e) Lord Brougham said: "Now, we always take into account also, independently of the evidence, the nature of the invention. It appears to my mind that there is a clear step in the progress of steam navigation, and in the construction of that very useful instrument in steam navigation, the screw, for the purpose of propulsion. The step made is as to the increase of velocity, and its overtaking the water as it goes on, and that is obviated by a very refined and ingenious contrivance, and speaking as a scientific man merely, an original one—I mean substituting for a rectilinear screw wound round the cylinder, a curvilinear screw wound round the cylinder. I am of opinion, speaking upon scientific principles, that these are ingenious and important novelties in this matter. It is introducing a new mathematical principle, as well as a new mechanical principle, and I hold it to be a highly important improvement." (f)

Again, in *Houghton's Patent*, (g) their lordships considered favourably the nature of a discovery which had provided a new raw material in a trade of vital public interest, in which raw materials were scarce. James, L.J., said: "It appears to their lordships that the discovery is one of great importance, inasmuch as it is the application of a very valuable new material for the purpose of making paper pulp, which material is fibrous and not cellular, being produced from wood, a material which nobody

(c) 12 R. P. C. p. 16 (per Lord Watson).

(d) Per Romilly, M.R., in *Norton's Patent*, 1 Moo. P. C. (N. S.), 343.

(e) 2 W. P. C. 32.

(f) 2 W. P. C. 32.

(g) L. R. 3 P. C. 461; 7 Moo. P. C. (N. S.), 309.

ever supposed to be capable of producing such pulp; and produced by a process which has been shewn to be practically efficient for the purpose; and which, if it answer (and there seems a probability that if the trade could be induced to adopt it, it must), will be a great benefit, inasmuch as it is a valuable addition to the number of raw materials in a trade in which raw materials are very scarce and dear." So, too, the nature of inventions as tending to promote the safety of the public is viewed with favour by the Judicial Committee.

In *Hardy's Patent*, (*h*) the invention was for improvements on the axletrees of railway carriages. The Committee gave great weight to the nature of the invention, as calculated to secure increased safety in travelling, and Lord Brougham described the inventor as "a public benefactor, if ever there was one."

In *Lee's Patent*, (*i*) where the invention also related to railway travelling, similar weight was given to its nature.

In *Herbert's Patent*, (*j*) the invention was for improvements in constructing and mooring light-vessels and buoys. In recommending an extension, their lordships viewed with much favour the nature of the invention as providing night-guards for shipping in our channels. Sir William Erle said: "No one who is at all conversant with the litigation arising out of accidents from collisions in those channels, can fail to appreciate the advantage which such an invention as this may prove to be to the shipping interest."

In *Roper's Patent*, (*k*) where the invention was a life-saving raft, much weight was given to "the great utility of the invention in saving life."

In *Joy's Patent*, (*l*) the invention related to improvements in steam engines. By a regulation of the steam in its access to the piston a great saving in fuel was effected. It was estimated that in nine years' use of the patent this saving had amounted to £70,000. The patentee had been inadequately rewarded, and an extension of seven years was allowed.

Special Nature of an Invention may militate against Prolongation.—On the other hand, the nature of the invention in relation to the public may be an objection to the continuance of a monopoly in respect of it. Thus, in *McDougal's Patent*, (*m*) the Board, in refusing

(*h*) 6 Moo. P. C. 441.

(*i*) 10 Moo. P. C. 226.

(*j*) L. R. 1 P. C. 399; 4 Moo. P. C. (N. S.), 300.

(*k*) 4 R. P. C. 201.

(*l*) 10 R. P. C. 89.

(*m*) L. R. 2 P. C. 1; 37 L. J. P. C. 17; 5 Moo. P. C. (N. S.), 1.

to recommend an extension of the patent term, indicated as one of the grounds of such refusal the nature of the patent as being for a disinfectant; a discovery, the unrestricted use of which, in the interest of public health, ought not to be postponed.

II.—*The Merits of the Invention in Relation to the Public.*

The Merit must be Exceptional.—A high degree of merit must be made out. (n) The Judicial Committee will not lightly postpone the enjoyment by the public of its vested right to the free use of the patentee's invention, on the termination of the patent term, and any extension implies such a postponement. (o) Thus, it is not merely the degree of utility which is required to support a patent at law which will induce the Privy Council to extend a patent term. (p) In *Stoney's Patent*, (q) Sir William Grove said: "The theory of patents is that they are granted *ex mero motu* by the Crown on the recommendation of the legal advisers of the Crown upon *primâ facie* novelty and *primâ facie* merit. But to induce the Lords of the Privy Council to extend a patent, there must be something more than that; in other words, there must be more merit than would merely support a patent in a court of law."

In *Beanland's Patent*, (r) the extension was refused on the ground of want of merit. Lord Hobhouse said: "In this case, as regards the invention itself, there is no novelty in any portion of it. It is agreed that a hinged quadrant is not new; that lifting levers are not new, and that it is not new to apply a lifting lever to a hinged bar or quadrant. All that is new is that these contrivances are fitted with cords, and have been applied to fastenings and the openings of windows. It is a neat contrivance, but it has none of that merit which belongs to a person who strikes out a new principle, nor, as their lordships think, is there that merit which belongs to a person who makes a difficult and not easily seen combination of old principles."

To enable the Board to gauge the merit of the invention it is necessary that they should know the state of knowledge at the time the letters patent were granted. (s) The petition should therefore refer to any prior patents for similar inventions, so that

(n) *Saxby's Patent*, L. R. 3 P. C. 292; 7 Moo. P. C. (N. S.), 82 (per Lord Cairns).

(o) *Hill's Patent*, 1 Moo. P. C. (N. S.), 258; 9 L. T. (N. S.), 101.

(p) *Saxby's Patent*, supra. See, also,

Cocking's Patent, 2 R. P. C. 151.

(q) 5 R. P. C. 518.

(r) 4 R. P. C. 489.

(s) *Fountain Livel's Patent*, 9 R. P. C. 327; *Standfield's Patent*, 15 R. P. C. 17.

the committee may see exactly what step in advance was made by the invention of which an extended monopoly is asked.

Although a strong case of merit must always be made out, the Committee will not weigh degrees of merit in golden scales. In *Woodcroft's Patent*, Lord Brougham said: "If there is considerable merit with originality and some considerable usefulness to the public that is sufficient." (t)

Merit considered apart from Remuneration.—The Judicial Committee will consider the merits of the invention apart from the question of the patentee's remuneration, and even where the remuneration has been *nil*, exceptional merit is still required. (u) It is impossible to define generally in what merit consists. In its degrees it may vary indefinitely, and what degree is required in the circumstances of any given case rests entirely in the discretion of the Judicial Committee. In *Hill's Patent*, (v) Sir John Coleridge said: "Now, one may strictly be an inventor within the legal meaning of the term—no one before him may have made and disclosed the discovery in all its terms as described in his specification—but this may have been the successful result of long and patient labour, and of great and unaided ingenuity, without which, for all that appears, the public would never have had the benefit of the discovery; or it may have been but a happy accident or a fortunate guess; or it may have been very closely led up to by earlier, and in a true sense, more meritorious, but still incomplete experiments. Different degrees of merit must surely be attributed to an inventor under these different circumstances. The moral claim to an extension of time may in this way be indefinitely varied, according as the circumstances approach nearer to the one or the other of the above suppositions. The same principle will apply to the consideration of benefit conferred upon the public. The extent of the benefit conferred must vary in each case with the circumstances."

Merit may lie in the difficulty attending the discovery as well as in the utility of the invention when it is found out. In *Swaine's Patent*, (w) both these classes of merit combined. Their lordships said: "We consider the invention as very meritorious, the result of a great deal of labour, care, and science, and that it is extremely useful in its effects."

(t) 2 W. P. C. 31.

(u) Per Lord Hobhouse, in *Beanland's Patent*, 4 R. P. C. 491. See, also, *Hall's Patent*, 12 R. P. C. 401.

(v) 1 Moo. (N. S.), 258; 9 L. T. (N. S.),

101.

(w) 1 W. P. C. 559.

Simplicity does not Negative Merit.—At the same time, it is not to be inferred that the merit is in proportion to the extent of the step taken by the patentee in making his discovery; a very small step may imply the greatest merit.

In *Soames's Patent*, (x) Lord Brougham said: "It is very fit that their lordships should guard against the inference being drawn, from the small amount of any step made in improvement, that they are disposed to undervalue that in importance; if a new process is invented, if new machinery is invented, if a new principle is found out and applied so as to become the subject of a patent right, embodied in a manufacture, then, however small it may be in advance of the state of science or of art previous to the period of that step being made, that is no reason whatever for undervaluing the merits of the person who makes a discovery in science, or an invention in art, because the whole history of science, from the greatest discoveries down to the most unimportant—from the discovery of the system of gravitation itself, and the fractional calculus itself, down to the most trifling step that ever has been made—is one continued illustration of the slow progress by which the human mind makes its advance in discovery."

In *Stoney's Patent*, (y) Sir William Grove said: "As to the simplicity of the invention, that is a matter upon which it is very difficult to express an opinion. Some of the most valuable inventions have been very simple in their character, and yet they have struck the world as a great novelty when they were first made, and the question of invention is very much a question of degree. Sometimes to see a thing which everybody else has not seen shews a high degree of inventive faculty, sometimes it shews little or none, and its merits can only be estimated by the particular matter to which it is applied, and by the general opinion of scientific men, or men acquainted with the particular subject with which the invention deals when it has been made known. There is no scale by which you can measure the merit in an invention, further than general opinion, and the opinion of people well acquainted with the subject. The best testimony to the merit of an invention is that it is a requisite unknown before, and which works efficiently."

In *Hazeland's Patent*, (z) the invention was an improved machine for planing wood: the point of the invention was the use of a thick elastic roller to feed the wood to the planing knife; the result was an extraordinary rapidity in the operation of planing and a great

(x) 1 W. P. C. 729.

(y) 5 R. P. C. 518, p. 522.

(z) 11 R. P. C. 467.

saving of labour. In recommending an extension of this patent for seven years the Committee said that the mere simplicity of the invention was no objection to prolongation, as it embodied a distinct step in advance of previous knowledge.

In *Semet & Solvay's Patent*, (a) which related to improvements in apparatus for coking and distilling coal, Lord Watson said: "Although the invention is apparently a very simple one, it is proved to be of considerable commercial utility. It not only effects a saving in the cost of maintaining the coking apparatus, but it yields a much larger percentage of coke with a considerably increased amount of the products of distillation. Their lordships have, under these circumstances, had no difficulty in coming to the conclusion that the invention is of sufficient merit to justify them, if the other circumstances of the case be favourable, in recommending an extension of the patent."

Merit in Relation to the Public.—The merit required is merit in relation to the public.

In *Johnson's Patent*, (b) letters patent had been taken out in England for an invention also patented in America, France, and Belgium. An extension of the patent had been granted in America, and the value of the invention was great; but it was shewn that the articles protected were manufactured exclusively in America and thence imported into England. The Committee refused prolongation. James, L.J., said: "What are the merits of the case? The merits of the case, so far as regards the English patent, appear to their lordships to be *nil*. The patentee, by taking out a patent in England, has in effect secured to himself a monopoly during a period of fourteen years of the sale of articles manufactured in America, and exported from America here, which would have been manufactured there and exported to this country quite in the same way if no English patent had been taken out, but with this difference, that the patentee would not have had the monopoly of his patent, and would not, therefore, have had any opportunity of securing the monopoly of prices. The merits, therefore, so far as regards the introduction of the invention into this country, seem to their lordships to be nothing."

Merit in the Case of an Importer.—The merit of an importer is less than that of an inventor. In *Soames's Patent*, (c) Lord

(a) [1895], A. C. 78; 12 R. P. C. 10; (N. S.), 291.
64 L. J. Ch. 41.

(b) L. R. 4 P. C. 75; 8 Moo. P. C.

(c) 1 W. P. C. 729, p. 733.

Brougham said: "We are now sitting here judicially, and it is an argument against the patent that it was imported and not invented. I do not say it takes away the merit, but it makes it much less." An importer, however, who has spent large sums in introducing a useful invention, may establish a strong case for prolongation. Thus, in *Berry's Patent*, (d) an extension was granted for seven years to an importer of a foreign invention, whose adventurous spirit and outlay of capital had so benefited the public as to afford solid grounds of reward.

In *Claridge's Patent*, (e) the extension was refused. There the importer, who had introduced, not a piece of complicated machinery, or a manufacture of difficulty or science, but something in general use at Paris, had formed a joint stock company, which had been induced to pay him £8000 for the invention. The Committee held that the importer had not taken upon himself much responsibility or perseverance, and that this was an adequate remuneration "for the introduction of a well-known substance from a foreign land."

Merit in the Case of an Assignee.—The merit of an assignee differs necessarily from the merit of an inventor. The test of an assignee's merit may be said to be the measure of the assistance rendered by him to the inventor in bringing the invention into public notice. (f) It sometimes happens that the inventor of a useful invention lacks the means required to advertise and push his invention; in such cases the public would never get the good of the patentee's discovery, unless the patentee were able to find some one willing to afford him financial assistance, either by taking the whole patent off his hands, or by taking a share of the patent, or by advancing him a loan upon it. When the invention is of high merit, the Court has always viewed with favour a party rendering such assistance to an impecunious patentee; but in granting an extension to an assignee, it has usually protected the interests of the original inventor by imposing terms on the assignee so as to secure to the inventor a share of the profits likely to accrue from the extension of the monopoly. (g)

Thus, in granting extensions to assignees the Board have regard not only to the merit of the assignee in aiding the patentee,

(d) 7 Moo. P. C. 187.

(e) 7 Moo. 394.

(f) *Norton's Patent*, 1 Moo. (S.), 339; 11 W. R. 720.

(g) See *Whitehouse's Patent*, 1 W. P. C.

477; 2 Moo. P. C. 496; *Jones's Patent*, 1 W. P. C. 579; *Hardy's Patent*, 6 Moo. 445; *Markwick's Patent*, 13 Moo. 313; 8 W. R. 333.

but also to the interests of the inventor himself. By favourably listening to the application of the assignee, their lordships consider that they are, though not directly, yet mediately and consequentially conferring a benefit upon the inventor; seeing that if extension was in no case granted to an assignee, the chance of the patentee making an advantageous conveyance of his patent would be materially diminished, and his interest thereby damaged. (*h*)

At the same time, if the price paid by the assignee to the original inventor has afforded the inventor adequate remuneration, no useful purpose is served in prolonging the monopoly, and extension will be refused. (*i*)

In some cases the assignee has been put upon terms to secure that the patentee shall participate in any profits obtained through the prolongation. In *Russell's Patent*, (*j*) the inventor, a mechanic, had assigned his interest to the petitioner, who was his master. The Privy Council, before recommending an extension, required the petitioner to execute an instrument, securing £500 per annum to the inventor. In *Hardy's Patent*, (*k*) the assignees were put upon similar terms to secure the further remuneration of the inventor. In *Herbert's Patent*, (*l*) the patentee, who had assigned half of the patent, petitioned jointly with his assignees, but died before the petition came on for hearing. An extension was granted to the assignees, but only on their undertaking to hold a moiety for the representative of the patentee.

Where the interests of the patentee are already safeguarded, terms will not be imposed on the assignees. In *Houghton's Patent*, (*m*) the assignment, which had been made to a *bonâ fide* company, was paid for partly with 121 paid-up shares in the company, of the nominal value of £50 per share. An extension of seven years was granted without terms.

When the patentee has made a fair profit out of his invention and the assignee has expended large sums without remuneration, terms in favour of the patentee will not be imposed. (*n*)

In *Soames's Patent*, where assignees had paid £800 for the

(*h*) *Morgan's Patent*, 1 W. P. C. 737; *Pitman's Patent*, L. R. 4 P. C. 84; 8 Moo. P. C. (N. S.), 293.

(*i*) *Hopkinson's Patent*, [1897] A. C. 249; 14 R. P. C. 5; *Finch's Patent*, 15 R. P. C. 675.

(*j*) 2 Moo. 497.

(*k*) 6 Moo. 44, s. 1.

(*l*) L. R. 1 P. C. 399; 4 Moo. P. C. (N. S.), 300.

(*m*) L. R. 3 P. C. 461; 7 Moo. P. C. (N. S.), 309; cf. *Davies' Patent*, 11 R. P. C. 27.

(*n*) *Bodmer's Patent*, 6 Moo. 468; *Porter's Patent*, 2 W. P. C. 196.

patent and spent largely upon it without remuneration, so that the invention had proved to them a *damnosa hereditas* and the Court considered the public to have gained something by their public spirit and activity, an extension was granted without terms. (o)

When the assignee has expended nothing on the patent he has no merit, and an extension will not be granted him. (p) So, too, where it was shewn that the patentee himself had made a good profit and that the petitioner had purchased the patentee's stock-in-trade at a fair value, and had been no loser by the transaction, extension was refused. (q)

Assignments by way of Commercial Speculation.—The committee are not disposed to encourage assignments by way of commercial speculation. So, where a joint stock company purchased a patent of small merit from an inventor for a large sum and otherwise incurred large expenditure, the Judicial Committee held that the company had entered into a commercial speculation with a full knowledge of all the circumstances, and that the disappointment of their expectations was no valid reason for prolonging the monopoly. (r)

In *Barff's & Bower's Patent*, (s) the invention had been assigned to a company which had paid the patentees a considerable sum, and worked the invention at a loss. In refusing to recommend an extension of the patent, Lord Watson said: "The cases of *Claridge's Patent* and of *Norton's Patent* appear to their lordships to establish the principle that an assignee who has acquired a patent that is the subject of a commercial adventure is not entitled to obtain a prolongation when the inventor could have no legitimate interest in making such an application himself. In one of those cases the decision of the Board went expressly upon the ground that the applicants were a commercial company, and that the original inventor was dead, and could have no further interest in the patent. In this case the original patentees, the inventors, are alive; but they are, for all practical purposes, for all purposes of the present question, in the same position as if they were simply dead, because they would no longer have any interest to ask for a prolongation on their own account, because they have been sufficiently remunerated at the expense of the patent. Now, there

(o) 1 W. P. C. 735. See also *Foarde's Patent*, 9 Moo. 376.

(p) *Normand's Patent*, L. R. 3 P. C. 193; 6 Moo. P. C. (N. S.), 477.

(q) *Quarrill's Patent*, 1 W. P. C. 740.

(r) *Claridge's Patent*, 7 Moo. 398. See, also, *Pitman's Patent*, L. R. 4 P. C. 84; 8 Moo. P. C. (N. S.), 293.

(s) [1895] A. C. 675; 12 R. P. C. 383.

is no case to be found in which this Board has given an extension of a patent to an assignee which did not directly or indirectly tend towards the benefit of the original inventor, who would, had there been no assignment, have been in a position to claim an extension himself." (t)

A similar course was taken by the Board in *Hopkinson's Patent*, (u) where the petitioners were also a company. There the patentee owed his remuneration to the company, which had incurred loss through the patent. Lord Hobhouse said: "Their lordships consider that they would be departing both from authority and from sound principle, if they were to hold that this company occupies the position of an inventor who has been inadequately remunerated. The company entered on a purely commercial speculation, which, unluckily for them, has up to the present time proved unremunerative. They did not assist to perfect or bring out the invention; they purchased it, or at least the beneficial interest, out and out, from a prior assignee of the inventor, who has, in one way or another, been well paid, and has now no claim or interest to ask for an extension. It is, therefore, impossible for their lordships to make such a report as, under Section 25 of the Act, is the necessary condition of extension." (v)

III. *The Profits of the Patentee as such.*

An extension of the patent monopoly being only granted when the patentee has been inadequately remunerated, the Judicial Committee always require a petitioner to place before them a clear and complete statement of the profit and loss attributable to the invention. Without such disclosure their lordships cannot judge of the inadequacy of the remuneration already received. (w) Hence, where the accounts have appeared unsatisfactory on the face of them, the Committee, treating them as lying on the very threshold of the case, have sometimes refused the petition without going into evidence or considering the merits of the invention. (x)

The Petitioner's Accounts.—The accounts then presented by a petitioner should be clear and plain on the face of them. The

(t) 12 R. P. C. 386.

(u) 14 R. P. C. 5. See, also, *Carment's Patent*, 14 R. P. C. 239.

(v) See, also, *Clark's Patent*, 16 R. P. C. 431.

(w) *Deacon's Patent*, 4 R. P. C. 119.

(x) *Saxby's Patent*, L. R. 3 P. C. 292;

7 Moo. P. C. (N. S.), 82. *Clark's Patent*, L. R. 3 P. C. 421; 7 Moo. P. C. (N.S.), 255. *Weild's Patent*, L. R. 4 P. C. 89. *Houghton's Patent*, L. R. 3 P. C. 461; 7 Moo. P. C. (N. S.), 309. But, see *Betts' Patent*, 7 L. T. (N. S.), 577; 1 Moo. (N. S.), 49.

patentee must not present ambiguous accounts, trusting that the Committee will unravel their meaning; for their lordships cannot undertake to analyse accounts (*y*).

In *Saxby's Patent*, (*z*) Lord Cairns said: "It is the duty of every patentee who comes for the prolongation of his patent to take upon himself the onus of satisfying this Committee in a manner which admits of no controversy as to what has been the amount of remuneration which in every point of view the invention has brought to him, in order that their lordships may be able to come to a conclusion whether that remuneration may be fairly considered a sufficient reward for his invention or not. It is not for this Committee to send back the accounts for further particulars, nor to dissect the accounts for the purpose of surmising what might be their real outcome if they were differently cast; it is for the applicant to bring his accounts before the Committee in a shape which will leave no doubt as to what the remuneration has been that he has received."

The accounts must shew the actual profits and expenditure. Mere estimates will not do; (*a*) nor a general statement that there has been neither profit nor loss. (*b*)

In *Lake's Patent*, (*c*) accounts were presented differing from the books which had been kept. These accounts had been prepared by an accountant. It being stated that the books had been kept on a wrong system, the Board held the accounts insufficient, and declined to admit evidence in explanation of them; stating that a petitioner's application is really an *ex parte* one; and, therefore, full and clear information must be given; for the Committee will not, even when opponents appear, go into the accounts, as a Court would do which was conducting an enquiry between partners. (*d*)

At the same time, this rule, though generally acted upon, may be waived in exceptional circumstances.

"Their lordships do not mean to say," said Lord Hobhouse in the above case, "that there might not be a case in which it would be proper to unravel and investigate accounts. Frauds might have been committed, or there might have been some peculiarity of the business which would render that necessary by some

(*y*) *Perkins' Patent*, 2 W. P. C. 14 (per Lord Campbell). See, also, *Adair's Patent*, L. R. 6 App. Ca. 179.

(*z*) L. R. 3 P. C. 292; 7 Moo. P. C. (N. S.), 82. See, also, *Duncan and Wilson's Patent*, 1 R. P. C. 257; 50 L. J. C. P. 68.

(*a*) *Normand's Patent*, 3 L. R. P. C. 193; 6 Moo. P. C. (N. S.), 477.

(*b*) *Quarrill's Patent*, 1 W. P. C. 740.

(*c*) [1891] A. C. 240; 8 R. P. C. 227; 60 L. J. P. C. 57.

(*d*) *Ibid.*

proceedings, either here or with the aid of the Crown, before the parties arrived at this stage of the business. But then a special case should be made for that purpose. In this case the petition tells us nothing about the necessity of going through these operations; it does not explain why the books were kept in this way, or why it is now proper to alter the accounts; it does not even shew that they are to be altered, it merely states that the petitioner is inadequately remunerated, and then lays the accounts upon the table, from which, as I said before, their lordships cannot judge whether the fact is so or not."

In *Darby's Patent*, (e) where the Committee were satisfied that the patentee had incurred heavy loss through the patent, they excused an inability to prove the loss with accuracy.

In *Thornycroft's Patent*, (f) it appeared by the accounts that handsome profits had been made by the petitioners upon boilers supplied by them for ships built by others, but that on the boilers fitted into their own ships there had been a loss of 10 per cent. No explanation was given of this circumstance. In declining to recommend a prolongation, Lord Davey said: "In the absence of any explanation, the facts proved are consistent with the existence of some error of judgment, miscalculation, or other defect in the petitioners' mode of carrying on their business of boat building, and their lordships cannot accept the evidence as proof that no profit was, or could have been made, in working the patented invention."

Profits Year by Year.—The profits year by year ought to be shewn, for their lordships, in estimating the merit of the invention in relation to the public, consider the ratio of increase or decrease in the profits over the respective years. (g) Thus, where the sales under a patent which has at first had little popularity shew a tendency to increase in the later years, the Committee will view this circumstance with favour as shewing a growing, if late, appreciation by the public of a valuable invention. (h) Thus, in *Cocking's Patent* the accounts shewed profits and loss as follows: 1871–73, £277 3s. profit; 1873–75, £50 loss; 1875–83, £830 1s. 11d. profit; and between 1883–85, £527 5s. 10d. profit. Their lordships

(e) 8 R. P. C. 380.

(f) 16 R. P. C. 204; [1899] A. C. 415.
An invention for water tube boilers.

(g) *Perkin's Patent*, 2 W. P. C. 15.

(h) *Downton's Patent*, 1 W. P. C. 565;
Swaine's Patent, 1 W. P. C. 559; *Roberts' Patent*, 1 W. P. C. 573; *Ryder's Patent*,

Pract. Mech. Journ. vol. vii. p. 238;
Houghton's Patent, L. R. 3 P. C. 461;
7 Moo. P. C. (N. S.), 309; *Cocking's Patent*, 2 R. P. C. 153; *Hardy's Patent*,
6 Moo. 441; *Church's Patent*, 3 R. P. C. 95;
Beanland's Patent, 4 R. P. C. 489.

viewed with favour the increased profits of the later years, as shewing that the invention, though at first unsuccessful, had latterly been in the way of success, although that success had not lasted long enough to remunerate the inventor, and an extension was recommended. (i) So, on the other hand, where the demand for the article has diminished, and the sales have fallen off, that circumstance is unfavourable to an extension. (j) In such a case their lordships will not undertake the wide range of speculation required to consider whether the falling off is due to depression of trade or to general influences of that kind. (k)

The profits made year by year are also material with reference to the number of years for which extension may be recommended. (l) The expenditure incurred, as well as the profits made, should be shewn year by year; for it is necessary to know whether the expenses are to be apportioned against years of large business and profit, or against years in which no business has been done. (m)

The profits which a patentee may make in the closing year of his monopoly are material and should be shewn, for it is always possible that the profit of the last year may bring the remuneration up to what is adequate. (n)

Patent Accounts to be Distinct Accounts.—The patent accounts must be presented distinct from those of any other business in which the patentee may happen to be engaged. (o) The patentee ought therefore from the first to keep a separate account for his patent. For the Committee assume that every patentee knows he may eventually have a claim to an extension of his monopoly, and they expect him, when the necessity arises, to be ready to give the clearest evidence of everything received on account of the patent. (p)

In *Willans & Robinson's Patent*, (q) where the invention was the adaptation of an air buffer to control the moving parts of high-speed single-acting engines, very full accounts were presented by the petitioners. It was admitted, however, that the engines sold

(i) 2 R. P. C. 153. See, also, *Smith's Patent*, 2 R. P. C. 14.

(j) *Beanland's Patent*, 4 R. P. C. 491; *Yates & Kellett's Patent*, 12 App. Ca. 147; 4 R. P. C. 150.

(k) *Beanland's Patent*, supra.

(l) *Perkin's Patent*, 2 W. P. C. 15. In this case, the patent being otherwise satisfactory, an adjournment was granted to allow of the accounts being recast.

(m) *Yates & Kellett's Patent*, 12 App.

Ca. 147; 4 R. P. C. 150. For examples of accounts, see Appendix IV, post.

(n) *Macintosh's Patent*, 1 W. P. C. 739, note.

(o) *Clark's Patent*, 16 R. P. C. 431.

(p) *Bell's Patent*, 1 Moo. (N. S.), 61; 7 L. T. (N. S.), 577; *Sazby's Patent*, L. R. 3 P. C. 292; 7 Moo. (N. S.), 82; *Duncan & Wilson's Patent*, 1 R. P. C. 257; *Willacy's Patent*, 5 R. P. C. 695.

(q) 13 R. P. C. 550.

by the patentees owed their popularity, at least in part, to the use of another patented invention relating to a central valve, and no attempt had been made in the accounts to apportion between the two patents the profits attributable to each. The petitioners urged that owing to the working of their business it was not possible to do this. The Board refused prolongation, stating that on the accounts as presented they could not say that the remuneration had been inadequate.

Manufacturer's Profit.—The rule that the patentee must disclose all the profits made by him which are attributable to the invention requires that where an inventor is likewise manufacturer of the patented article the accounts must shew his manufacturer's profits. In such case it is usually the patent which gives him his market, and secures the sales. (r)

In *Hill's Patent*, their lordships said: "It is to be remembered that the accounts which a patentee renders in support of such a petition as the present are not such as might be proper between two several claimants on the returns of a mercantile firm, but such as shew what profits made by a firm or individual are in a large sense attributable to the possession of the patent-right, those which without the patent would not have existed at all; not, of course, excluding all just deductions for labour, capital, etc. If, but for the patent there would have been no manufactory, then the net profits of the manufacturer are in that large sense attributable to the patent. With it the manufacturer has a monopoly. . . . The patent may be said to create his trade, at least to develop it to an extent which would be impossible without it; it cannot be reasonable, then, that when called on to state what profits he owes to the patent, the patentee should withhold these, which he estimates at two-thirds of his total profits, from the account. Their lordships cannot satisfactorily discharge their duty unless they have the whole case before them; they must know the whole remuneration; different considerations may be applicable to different parts of it; but if to any extent the patentee has received his remuneration by the making and selling the patented article, the profits on that sale must be disclosed and taken into account." (s)

(r) *Muntz Patent*, 2 W. P. C. 119 (per Lord Brougham); *Bell's Patent*, 1 Moo. (N. S.), 49; *Hill's Patent*, 1 Moo. (N. S.), 267; 9 L. T. (N. S.), 101; *McInnes's Patent*, L. R. 2 P. C. 54; 5 Moo. P. C.

(N. S.), 72; 37 L. J. P. C. 23; *Saxby's Patent*, supra.

(s) 1 Moo. (N. S.), 270; 9 L. T. (N. S.) 101.

So, too, in *Saxby's Patent*, Lord Cairns said: "It has been decided more than once, by this Committee, that when a patentee is also the manufacturer, the profits which he makes as manufacturer, although they may not be in a strict point of view profits of the patent, must undoubtedly be taken into consideration upon a question of this kind. It is obvious that in different manufactures there will be different degrees of connection between the business of the applicant as a manufacturer and his business or position as the owner of a patent. There may be patents of some kind which have little or no connection with the business of the manufacturer, and there may be patents of a different kind, where there is an intimate connection with the business of the manufacturer, and the possession of the patent virtually ensures to the patentee his power of commanding orders as a manufacturer." (t)

Thus, in a patent for railway signals, where the owners of the invention were likewise manufacturers of the patented articles, the Court considered that railway companies, knowing the interest of the owners in the perfect making of the articles, would be more likely to purchase from them than from other makers, and consequently viewed the manufacturing profits as in a large degree the product of the patent. (u)

Foreign Profits.—The Court must know all the profits made by the patentee, whether made in this country or abroad. Therefore, where an English patentee has likewise obtained foreign patents for the same invention, he must disclose his profits on the foreign patents as well as on the English one. (v). In a recent case it was argued that the words of Section 25 sub-section 4 restricted the enquiry as to profits, and that in naming the profits of the patentee the legislature had intended to confine the enquiry to the profits of the patentee as such only, and that a disclosure of the profits of foreign patents was not now necessary, but the Judicial Committee took a different view, and followed the old practice; adding that the words of the section were indicative of one class of profits which must be considered, and not restrictive of the Committee's discretion, and that at least they would go into the consideration of general profits as falling under "all the circumstances of the case." (w)

So, too, the accounts must include all profits which may have

(t) L. R. 3 P. C. p. 295; 7 Moo. (N. S.), 1 R. P. C. 177.

82.

(u) Ibid.

(v) *Newton's Patent*, 9 App. Ca. 592;

(w) Ibid. See also *Pieper's Patent*, 12 R. P. C. 292.

accrued to the patentee from articles made for exportation and sale abroad. (x)

And of course the rule as to the inclusion of manufacturer's profits applies to a patentee's foreign patents as well as to English patents. For all the profits, whether in one county or another, must be shewn. (y)

Profits made by other Persons.—Besides knowing what the patentee has earned by his invention, the Judicial Committee further require that it should be clearly shewn to them what the public have had to pay for it. In *Trotman's Patent*, (z) it was said that a petitioner should include in his statement of account, not only his own profits, but also all profits attributable to the patent made by other persons; and that if a patentee had so dealt with his patent rights as to put it out of his power when the time arrived for asking for a renewal of his term to give the requisite evidence under this head in support of his application, his petition would be refused. (a)

In this case the inventor, with the object of avoiding the expense of himself erecting works for the manufacture of his invention, had given licenses, and the Court held that it was not sufficient merely to disclose the royalties received, but that the manufacturing profits of the licensees should also have been shewn. (b)

In *Thomas & Gilchrist's Patent*, (c) one-third of the patent had been assigned to persons who held a free licence, and had worked on a large scale under that licence. The profits made under the licence were not disclosed. On this Lord Hobhouse said: "All the profits that were made by virtue of the assignment of the third share in the patent are properly profits of the patent so far as the manufacturing profits are assignable to the patent, and all the profits that have been made by the use of a free licence, as compared with profits made by other persons who have paid royalties for their licence, are also profits of the patent. The accounts shew absolutely nothing of those two items. How large they are we do not know. We could not tell without further accounts to what extent that remuneration has gone beyond the amount admitted.

(x) *Hardy's Patent*, 6 Moo. P. C. 441.

(y) *Johnson's Patent*, L. R. 4 P. C. 75; 8 Moo. P. C. (N. S.), 291. In this case the English profits were £5400. But in America £16,000 had been derived from the invention. Extension was accordingly refused. See also *Thomas & Gilchrist's*

Patent, 9 R. P. C. 367; *Davies' Patent*, 11 R. P. C. 27.

(z) L. R. 1 P. C. 118; 3 Moo. P. C. (N. S.), 488.

(a) *Ibid.*

(b) *Ibid.*

(c) 9 R. P. C. 367.

Upon that ground their lordships think that this case falls distinctly within the principle of *Saxby's* case. . . . They hold that the accounts are inadequate, and that the petition must be dismissed with costs."

At the same time, in many cases it would be obviously impossible to give an account of the profits of every licensee, and the correct rule would seem to be that the special circumstances of the case must in each instance be taken into consideration. (d)

Patent assigned to a Company.—So, too, where the patentee has transferred his rights, either in whole or in part, to a company, it is essential that there should be deposited, not only an account of the patentee's profits, but also of the profits of the company. (e) If a company petitions, the petition should state whether any, and what, dealings have taken place in the shares.

Where a patentee had sold his invention to a limited company, who had worked it for some years, and the petitioner gave no information as to the dealings in the company's shares, the accounts were held insufficient. Lord Watson said: "There is another point upon which no information is given, and which ought not to be lost sight of. In this case it appears that a joint stock company, which must have been incorporated in terms of an Act of Parliament, because it is a limited company, carried on business for eight years. What the public paid in respect of that will depend upon two things, first, upon the trade with regard to the patent, and, in the second place, upon their dealing with shares upon the Stock Exchange. That has been pointed out already in more than one case as a matter very seriously affecting the question." (f)

In *Barff's & Bower's Patent*, (g) Lord Watson, during the argument, said: "There ought to be always a statement in these cases—having regard to observations that have been made by this Board from time to time—when a company come as petitioners, as to whether any, and if so what, dealings have taken place in the shares. In one case we dismissed an application because it appeared that the individual members of the company had benefited themselves by the sale of shares."

Deductions allowed from Gross Profits.—In gauging the profits of a patent, the Judicial Committee consider what the *nett* profit has been. The patentee has, therefore, always been allowed to

(d) 9 R. P. C. p. 372.

(e) *Deacon's Patent*, 4 R. P. C. 119.
The profits of an exclusive licensee should

be shown: *Shone's Patent*, 9 R. P. C. 438.

(f) *Lane Fox's Patent*, 9 R. P. C. 413.

(g) [1895] A. C. 675; 12 R. P. C. 383.

make certain deductions from the gross profits. The expenses of taking out the patent, the cost of experiments necessary to perfect the invention, and the outlay incurred in pushing it, may be deducted. (*h*)

But the deductions must not be in the form of sums stated as mere estimates; and where expenses are deducted, the expenses should not be generally thrown together in a round sum, but clearly explained and made out in detail.

In *Clark's Patent*, (*i*) the following was one of the items set off in the accounts against the profits of the invention: "By travelling, office, printing, and incidental expenses for proposed patent docks at Portsmouth, Vancouver Island, Bermuda, Marseilles, Bordeaux, Toronto, Brindisi, Brest, Constantinople, Amsterdam, Rio Janeiro, Melbourne, Liverpool, Falmouth, Lisbon, Genoa, Cuba, Jamaica, Calcutta, Barcelona, Cadiz, etc., in respect of which no separate accounts have been kept, but the total of which exceeds £2000; being, in fact, that proportion of the general expenses of the petitioner's office and staff of assistants in his profession of a civil engineer which he considers fairly attributable to his efforts to establish docks on his system at the several places mentioned." The Committee disapproving of this as a sum stated merely as an estimate, the accounts were held insufficient.

In *Willacey's Patent*, (*j*) utility was not made out as to the whole patent, but only as to the third combination; the accounts included deductions for expenses incurred in pushing the patent, but did not shew how far these deductions were fairly referable to the third combination only. The Committee intimated that on different accounts the extension of the third part of the patent might have been granted, but under the circumstances it was with regret refused.

Deductions by way of Salary to Inventor.—The patentee is entitled to deduct a sum for remuneration for his time and labour in superintending the working of the invention and pushing it into public notice, where he does work which might have been done by some one hired for the purpose. (*k*) But as a charge of this kind will be narrowly watched, (*l*) the patentee must be prepared to satisfy the Judicial Committee that he has really been devoting

(*h*) See *Roberts' Patent*, 1 W. P. C. 575; *Galloway's Patent*, 1 W. P. C. 729; *Bett's Patent*, 7 L. T. (N. S.), 577; 1 Moo. P. C. 19.

(*i*) L. R. 3 P. C. 421; 7 Moo. P. C.

(N. S.), 255.

(*j*) 5 R. P. C. 695.

(*k*) *Roberts' Patent*, 1 W. P. C. 574.

(*l*) *Carr's Patent*, L. R. 4 P. C. 539.

his time to the development of the invention during the whole of the period over which the deduction is made. (*m*)

In *Wield's Patent*, the Committee disapproved of items charged for the patentee's personal allowance after he had become incapable of conducting business or giving any active superintendence to the invention. (*n*) What sum the patentee may deduct as a *quantum meruit* for his personal services must in each case depend on the particular surrounding circumstances. (*o*) It is obvious that the value of a patentee's time must vary very greatly according to the knowledge and skill he possesses. In *Perkin's Patent*, (*p*) where the superintendence of the invention required great attention, skill, and knowledge of the trade, a charge of £400 for thirteen and a half years (£5400 in all) was allowed to the patentee. (*q*) So, too, in *Carr's Patent* a charge of £400 was allowed during some years, on the ground that the patentee was a gentleman of science and great mechanical skill, whose time was fully as valuable as the price he set upon it. (*r*)

A patentee is not entitled to deduct, however, for time spent by him in visiting and superintending the works of his licensees. (*s*)

A foreign patentee resident abroad is entitled to deduct the expense he has been put to in employing an agent to push the invention in England. (*t*)

Deduction of Legal Expenses.—Where the patentee has been involved in litigation, he may deduct the loss arising from legal expenses. (*u*) But he must furnish the Judicial Committee with the means of ascertaining with precision the amount of his legal outlay. The item should not be put down merely in a lump sum, the Committee being left to feel its way as to how that sum is made up and can be justified, but the patentee must give them all the light in his power on such a deduction.

Where the patentee in some cases of expensive litigation made settlements under compromises, and gave up claims to costs to

(*m*) *Furness's Patent*, 2 R. P. C. 175.

(*n*) L. R. 4 P. C. 89; 8 Moo. P. C. (N. S.), 300.

(*o*) *Bailey's Patent*, 1 R. P. C. 1. Whether it be £400 or £4000 must depend on the circumstances of the particular case (per Lord Blackburn).

(*p*) 2 W. P. C. 17.

(*q*) See, also, *McInnes's Patent*, L. R. 2 P. C. 54; 37 L. J. P. C. 23; 5 Moo. P. C. (N. S.), 72; and *Cocking's Patent*, 2 R. P. C. 151.

(*r*) L. R. 4 P. C. 539. See *Joy's Patent*, 10 R. P. C. 89, where £400 was also allowed.

(*s*) *Trotman's Patent*, L. R. 1 P. C. 118; 3 Moo. P. C. (N. S.), 488.

(*t*) *Poole's Patent*, L. R. 1 P. C. 514; 36 L. J. P. C. 76; 4 Moo. P. C. (N. S.), 452.

(*u*) *Bett's Patent*, 1 Moo. (N. S.), 62; *Galloway's Patent*, 1 W. P. C. 729; *Roberts' Patent*, 1 W. P. C. 575; *Kay's Patent*, 1 W. P. C. 568.

which he had an apparent title, the Committee disapproved of this deduction taking the form of a general unexplained lump sum. (v)

Deductions made must have Reference to Patent only.—Where a patentee, who is also a manufacturer, deducts general manufacturer's charges, the charges must be shewn to be directly attributable to the patent only. In *Duncan & Wilson's Patent*, the petitioners, besides working the patent, did a general business, and the accounts did not distinguish the charges incurred for the patent from those of the rest of the business. Cartage, shipping, and travelling expenses and another large sum for advertising and commission were put down to be deducted from the profits of the patent, though it seemed clear that these were all the expenses of the kind which had been incurred in the whole business. This was held insufficient. (w)

A petitioner will not be allowed to give evidence regarding deductions which he has not entered in his accounts or referred to in his petition; for the public interest requires that notice of all proposed deductions should have been given to facilitate those whose duty it is to watch the patentee's accounts. (x)

Loss of Books not Generally Excused.—It must not be forgotten that the onus of satisfying the Judicial Committee is on the patentee, so that allowance will not generally be made for such circumstances as may have put it beyond his power to give the information required. (y) In *Markwick's Patent*, the absence of proper accounts was explained on the ground that the patentee's books had been lost in the Bankruptcy Court. Evidence was given to shew that they could not be found, and had probably been destroyed as waste paper. But the Committee refused to proceed until an account, verified by affidavit, was submitted to the Attorney-General. And this was done. (z) In *Adair's Patent*, (a) the petitioner had made up his accounts after the destruction of a number of his books by rats; the Committee rejected the accounts as resting on no valid foundation. In *Yates & Kellett's Patent*, (b) the accounts did not shew the profits clearly, but were confused by the insertion of matters relating to other business. The petitioner sought to excuse this on the ground that the books had been destroyed. But their lordships, while recognizing that

(v) *Hill's Patent*, 1 Moo. (N. S.), 258; *Willacy's Patent*, 5 R. P. C. 695.
9 L. T. (N. S.), 101.

(w) 1 R. P. C. 257.

(x) *Bailey's Patent*, 1 R. P. C. 1.

(y) *Bett's Patent*, 1 Moo. (N. S.), 61;

(z) 13 Moo. 310.

(a) L. R. 6 App. Ca. 176.

(b) L. R. 12 App. Ca. 147; 4 R. P. C.

150.

the books might have been destroyed honestly, and with no intention to conceal the truth, said the petitioner could not escape the consequences. "A man," said Lord Hobhouse, "is bound to shew what his profits have been before he can come for a renewal of a patent. If he destroys his books he destroys the very means upon which he must rely for a renewal of his patent." (c)

Opponents are not entitled to see the petitioner's accounts for purposes of inspection before the hearing. (d) The object of requiring copies to be left at the office (e) is in order that the Law Officer may have the opportunity of examining and testing the accounts by making inquiries respecting them, if necessary. (f)

In *Johnson & Atkinson's Patent*, where the rule as to this had not been complied with, and the accounts had not been filed till the morning of the day of hearing, the Judicial Committee refused to look at them, but allowed an adjournment. (g)

IV.—All the Circumstances of the Case.

Laches of an Inventor.—The extension of letters patent being a grant by way of equitable reward, and not a claim of right, the applicant is bound to strict good faith. He must shew good faith in his conduct during the term of years for which he has already enjoyed his monopoly. Thus, he must shew that during that period he has used all reasonable means to make the most of his discovery, and to enlist the public support. "A patentee must not lie idle, but must do his best reasonably to promote his invention." (h) The Committee must be satisfied that all reasonable means have been used to make the patent productive, and that, despite such means, the remuneration has been inadequate. (i)

In *Norton's Patent*, (j) Romilly, M.R., said: "Their lordships think that, if nothing has been done with this patent for the period of ten years, during which the petitioner has had it, it must be either because the patent itself cannot be practically employed for any useful or beneficial purpose, or because the petitioner has purposely abstained from endeavouring so to

(c) See, also, *Lawrence's Patent*, 9 R. P. C. 119.
P. C. 85.

(d) *Bridson's Patent*, 7 Moo. 499.

(e) P. C. Rules, 1897, R. 3.

(f) *Johnson & Atkinson's Patent*, L. R. 5 P. C. 87.

(g) *Ibid.* See, also, *Deacon's Patent*, 4

(h) Per Sir W. Grove, in *Stoney's Patent*, 5 R. P. C. 523.

(i) *Honiball's Patent*, 9 Moo. 393.

(j) 1 Moo. (N. S.), 339, p. 341; 11 W. R. 720.

employ it. If the former were the case, that would furnish a decisive reason why their lordships should not grant an extension of the patent; or, on the other hand, if the fact be that this patent can be put to a useful and beneficial purpose, but the petitioner has abstained from doing so, their lordships are unable to understand, and would require to have it explained to them, why it should not have been put to a useful and beneficial purpose during the ten years that the petitioner has been possessed of it. Their lordships think it would be setting a bad precedent, which would lead to injurious consequences, if they were to countenance that species of wilful delay. It may well happen in the progress of discovery and improvement that is daily taking place in every department of science and art, that inventions and discoveries might be made applicable to the particular subject-matter of some patent which, in conjunction with, and as an addition to it, might be of great value to the inventors, but which not only could not be put into practice without making use of the previous invention, but for which patents had been obtained on the faith that, on the expiration of the patent for the original invention itself, they would become profitable. And if their lordships were to permit a patentee to keep his patent unemployed for a period of ten or twelve years in the expectation that such a state of things might arise, and then, when it arose, come and ask for an extension of the patent, on the ground that he had not obtained sufficient remuneration for it, he would be obtaining an undue and an unfair advantage; that would be making use of the intentional non-employment of his invention in order thereby to obtain a share of the profits properly due to the inventions of others, and would thus frustrate the object for which the monopoly granted by letters patent was created, viz. the rewarding of inventors for their merit, and thereby to encourage them in making discoveries useful to mankind."

In *Dolbear's Patent*, it appeared that no proper attempt had been made to push the patent commercially between 1882 (when it was taken out) and 1894. In the absence of any sufficient explanation of this, prolongation was refused. (*k*)

In *Pieper's Patent*, (*l*) a failure to push the invention during a period of two years after the patent was taken out was viewed with disapproval by the Committee.

When Delay will be Excused.—At the same time, an inventor who has been guilty of laches will not be prejudiced thereby if

(*k*) 13 R. P. C. 203.

(*l*) 12 R. P. C. 292.

he can shew some reasonable excuse for the delay. Pecuniary difficulties and the absence of the necessary funds required to push a patent have been held to afford good ground of excuse. (m)

In *Roper's Patent*, it was found that a long illness, the result of an accident, had interfered with the pushing of the patent, and the Court granted an extension for seven years. (n). But in *Patterson's Patent*, where the invention had not been brought before the public till within a short time of the expiration of the first monopoly, the Court refused to accept in justification of this delay the fact that the patentee had been prevented from pushing his invention in consequence of disputes which had arisen out of an agreement he had made with other parties for working the patent. Lord Langdale said: "The petitioner has been unfortunate; but even admitting that it was impossible for him to come to terms with the persons who he at first joined, still it was his own act that he joined them." (o)

The Full History of the Patent must be Disclosed.—The Judicial Committee also require the utmost good faith in the statements placed before them by the applicant. And this rule applies to the facts generally, as well as to the accounts. (p) In *Clark's Patent*, it was laid down that a petitioner seeking the grace and favour of the Crown is bound to strict truth, and the utmost candour and frankness, to *uberrima fides*. (q) In his petition the applicant should disclose fully and truthfully all facts which it may be material for the Judicial Committee to consider. The whole history of the patent should appear on the face of the petition. (r) Therefore, when no mention was made by a petitioner of works at Malta, for which a contract had been made nine months before the petition was presented, and the petition, while purporting to disclose all the receipts and advantages derived from the patent, only stated that the petitioner had every reason to believe that his system was greatly approved, and would shortly be adopted at Malta and other places, the Committee held the non-disclosure of the Malta works to amount to a want of candour and frankness on the part of the petitioner, and refused his application as lacking in that strict truth, *uberrima fides*, which the Crown requires of those who are seeking its favour. (s)

(m) *Downton's Patent*, 1 W. P. C. 565; *Norton's Patent*, 1 Moo. (N. S.), 342 (but here extension was refused after ten years' delay by a person of ample means); *Bakewell's Patent*, 15 Moo. 386.

(n) 4 R. P. C. 201.

(o) 6 Moo. 469, p. 470.

(p) *Ibid.* 470.

(q) L. R. 3 P. C. 426 (per James, L.J.).

(r) *Standfield's Patent*, 15 R. P. C. 17.

(s) *Ibid.*

In *Johnston's Patent*, (t) the petition referred to foreign patents having been taken out for the same invention, but did not state fully the facts respecting those patents. On this James, L.J., said that the Committee thought it very desirable that in petitions for prolongation every matter applicable to the patent should be stated.

In *Pitman's Patent*, (u) where there was an American patent which had been renewed on expiration, the Committee expressed the opinion that there ought to have been a full disclosure of all the circumstances relating to this patent.

In *Adair's Patent*, (v) the petitioner stated that he had exhibited his invention in foreign countries, and endeavoured to push it there; but did not mention the fact that he had obtained several foreign patents, two of which had been allowed to expire. This, it was held, should have been disclosed.

The circumstance that foreign patents for the same invention have been allowed to lapse, while not an absolute bar to prolongation, is a matter of weight against the applicant, and must be disclosed. (w). So likewise the fact that foreign patents have run out is an objection to the prolongation of an English patent.

In *Carl Pieper's Patent*, (x) Lord Watson said: "The patent sought to be prolonged is one of four, three of which were issued in continental countries; one of them expired four years ago, and the last of them expired two years ago, since which date the patent in question has still been current, and her Majesty's subjects exposed to some degree of prejudice which was not occasioned to the inhabitants of any other country. Their lordships are not prepared to say that, in these circumstances, there can be no renewal of the patent; but they are certainly prepared to go this length, that the circumstance of its being the last patent, the sole survivor, in these circumstances is a great obstacle to granting a renewal of it."

Assignment of Patent to Sham Company.—In *Horsey's Patent*, (y) the petition was presented by a limited company, and the plain meaning of the petition, on the face of it, was that a company

(t) L. R. 4 P. C. 75; 8 Moo. (N. S.), 291.

(u) L. R. 4 P. C. 84; 8 Moo. (N. S.), 293.

(v) 6 App. Ca. 176; 50 L. J. C. P. 68.

(w) *Semet & Solvay's Patent*, 12 R. P. C. 17. As to this, the cases decided under the Patent Act of 1852, such as

Hill's Patent (1 Moo. (N. S.), 263), *Winan's Patent* (L. R. 4 P. C. 93), and *Blake's Patent* (L. R. 4 P. C. 535), would seem to be no longer binding authorities; see *Livel's Patent*, 9 R. P. C. 327; *Pieper's Patent*, 12 R. P. C. 292.

(x) 12 R. P. C. 294.

(y) 1 R. P. C. 225.

had been formed independently of the patentee, with which the patentee had made an agreement, and to which he had assigned his patent. In reality the company was a sham. Seven persons had been given seven nominal shares as a compliance with the Companies Acts. The persons really interested were the patentee and another person who had lent him money, and the application was practically solely on their behalf. The invention had merit, and the past remuneration had not been adequate, but the Board refused to recommend an extension, on the ground that the petitioners, in representing a *bonâ fide* company to have been formed, when, in fact, no real company existed, had shewn a want of candour towards the Crown.

Exclusive Licenses.—Exclusive licenses are usually viewed unfavourably by the Judicial Committee, as tending to interfere with the enjoyment of the invention by the public; and where such licenses have been granted, their surrender will generally be required on prolongation. (z) In *Lyon's Patent*, (a) the Judicial Committee imposed the condition that licenses should be granted on equal terms to all, and fixed the extreme limit of the royalty to be paid at 10 per cent. upon the selling price of each machine.

In *Cardwell's Patent*, (b) it appeared that the patentee had granted an exclusive license to a company, and had also covenanted that, at the expiration of the patent, he would use his interest to obtain a renewal of the monopoly, and that the petition was presented in pursuance of the above covenant. Their lordships refused to grant any extension on grounds of public policy, considering that, under the circumstances, the application was substantially the application of other persons than the petitioner.

In *Parson's Patent*, (c) however, prolongation for five years was granted to a petitioner who had granted an exclusive license to a company, without exception being taken to that license by the Committee. But in this case the petitioner's sole prospect of adequate remuneration depended upon the successful working of this license by the company, in which he was himself a considerable shareholder.

Validity of the Patent not usually Considered by the Committee.—It is no part of the duty of the Judicial Committee to adjudicate on the validity or invalidity of the patent. (d) That is a matter to

(z) *Darby's Patent*, 8 R. P. C. 380;
Lyon's Patent, 11 R. P. C. 537; *Shone's Patent*, 9 R. P. C. 438.

(a) *Supra*.

(b) 10 Moo. 488.

(c) [1898] A. C. 673; 15 R. P. C. 349.

(d) *Bett's Patent*, 1 Moo. (N. S.), 49;
7 L. T. (N. S.), 577; *Heath's Patent*, 8

be decided elsewhere, and the extension, if granted, does not in any way affect the subsequent determination of that question. (e)

Therefore, their lordships have refused to look nicely into the questions of novelty and utility, where some degree of novelty and utility were *primâ facie* apparent, (f) to enquire whether or not the patent has lapsed through an omission to pay the patent fees. (g) So, too, the circumstance that the patent has been held invalid by a Court of first instance, from which appeal may be made, is not fatal to prolongation. (h) When the validity of the patent is doubtful, the Judicial Committee (if satisfied that the remuneration is inadequate) will give the patentee the benefit of the doubt, and grant an extension. (i)

In *Kay's Patent*, an extension was granted on the merits, although the patent was at the time the subject of litigation; (j) and in *Heath's Patent*, a larger extension was granted on account of pending litigation, in which the validity of the patent was attacked, as it seemed certain that considerable time would elapse before the patentee could get the good of his extended term. (k)

Validity, when Considered.—The Judicial Committee will, however, so far consider the validity of a patent as to see whether or not it is, on the face of it, manifestly and grossly illegal. Where this is clear, or nearly so, their lordships will not grant an extension. (l)

In *Woodcroft's Patent*, Lord Brougham said: "Where there is a disputed right as to the validity of the patent, and where the validity of the patent itself must come in question, two things are to be considered. First, is the case to prove the invalidity of the patent, to prove the patent void, clear, past all ordinary and reasonable doubt? Or, secondly, does the case hang so doubtful that their lordships would retire from its consideration, and not, because it is not necessary, decide the question here? In the former instance, namely, where it is a clear case, their lordships will not grant an extension; first, because they do not see merit; and, secondly, because they will not put the parties against whom the patent right is granted and is sought to be extended, to the

Moo. 224; *Pinkus's Patent*, 12 Jur. 233;
McDougal's Patent, L. R. 2 P. C. 1;
37 L. J. P. C. 17; *Stewart's Patent*, 3
R. P. C. 9.

(e) *Woodcroft's Patent*, 2 W. P. C. 81;
Galloway's Patent, 1 W. P. C. 725.

(f) *Stoney's Patent*, 5 R. P. C. 522;
Church's Patent, 3 R. P. C. 95.

(g) *Dolbear's Patent*, 13 R. P. C. 205.

(h) *Lane Fox's Patent*, 9 R. P. C. 411.

(i) Per Lord Brougham, *Woodcroft's
Patent*, 2 W. P. C. 30; *Pinkus's Patent*,
12 Jur. 234; *Saxby's Patent*, L. R. 3 P. C.;
Cocking's Patent, 2 R. P. C. 153.

(j) 3 Moo. 24.

(k) 8 Moo. 224.

(l) *Kay's Patent*, 3 Moo. 24; *Stoney's
Patent*, 5 R. P. C. 522.

vexation, trouble, and expense either of bringing a *scire facias* to repeal the letters patent, or of sustaining an action for infringement. But when the matter hangs very doubtful, when there is conflicting evidence, where upon the construction of the specification, on the patent, or in any other way, questions of law or questions of fact, as it may be, shall arise, their lordships have not been used to refuse to exercise their discretionary powers, vested in them by the legislature, of recommending an extension, merely because elsewhere the validity of the patent may reasonably be contested." (m)

The Committee will take into consideration the meaning of the specification and the general character of the claims advanced in their probable bearing on the public interest. Thus, in *McDougal's Patent*, (n) they found that the invention for which the petitioner asked an extension was not the invention described in his specification.

In *McInnes's Patent*, (o) an extension was refused on the ground (*i.a.*) that, looking to the wide terms of the specification, it would be contrary to public interest to grant a prolongation of such a patent. Sir W. Erle said: "Their lordships also, taking into consideration, with reference to the public interest, that the individual substance for the application of which the patent is sought to be prolonged, is not specifically defined, every kind of metallic soap being within the limits of the specification, are of opinion that many questions affecting the patent might be raised if any metallic soap was used by the public in ignorance of the specification being as wide as it is." But the mere obscurity of a specification will not prevent an extension, if a sufficient claim can be read out of it. (p)

Where it appears that the patentee has not dealt candidly with the public, but has kept out of his specification an important part of his invention, prolongation will be refused. In *Livet's Patent*, (q) Lord Hobhouse said: "The petitioner's specification is so framed as to make success dependent on expanding the flues in 'certain scientific proportions.' Those proportions are not defined by any measurements or by reference to the objects aimed at, or to the conditions under which the flues are to work. They remain

(m) 2 W. P. C. 30. In *Burlingham's Patent* (15 R. P. C. 195), the case of a patent with an admittedly bad claim was discussed, but the Board did not decide what they would do in such case.

(n) L. R. 2 P. C. 1.

(o) L. R. 2 P. C. 54; 5 Moo. P. C. (N. S.), 72; 37 L. J. P. C. 23.

(p) See *Napier's Patent*, 6 App. Ca. 174; 50 L. J. P. C. 40.

(q) 9 R. P. C. 327, p. 332.

in the knowledge of the patentee; and in point of fact we find that, except to an insignificant extent, his profits have been earned by building furnaces, and that there is no instance of the grant of a licence under which the licensee has constructed his own furnace. Their lordships do not doubt that the petitioner has constructed furnaces of great merit, but apart from his skill in construction they fail to see that his invention is of great merit, or that he has imparted to others the knowledge which might enable them to do the work which he has done himself."

Novelty as a Test of Exceptional Merit.—Although the Judicial Committee will not usually go into the question as to whether the novelty of a patent is sufficient to support it at law, but will abstain from expressing an opinion on that point, yet they will consider whether or not the novelty is sufficient to constitute exceptional merit, for novelty of a minute description is not meritorious. (*r*)

Extension of Part of the Patent only.—Where their lordships have been favourably impressed with a portion of a patent, and not with the rest, they have granted an extension of the part only. In *Bodmer's Patent*, (*s*) the Committee extended a part of the patent only, there being no evidence that the other parts had been worked. In *Lee's Patent*, (*t*) the grant covered a variety of inventions, but only two of these were brought before the notice of the Committee, viz. an invention relating to axles, and an invention relating to brakes. Their lordships found that the first did not appear to have been used, and was not at all likely to be used. They recommended an extension of the patent so far as it related to the second only.

In *Napier's Patent*, (*u*) the invention was for a differential brake. This brake in its application to windlasses and cranes had been proved to be of considerable utility. Other machines were mentioned in the specification as suitable for having this brake applied to them; but the Privy Council, holding that there was no evidence of the utility of the invention in these cases, confined the prolonged patent to windlasses and cranes.

Where the Patent has been Improved upon.—It is no objection to the extension of a patent that the original invention has been improved upon, if otherwise a proper case is made out (*v*). Indeed,

(*r*) *Stewart's Patent*, 3 R. P. C. 7.

(*s*) 8 Moo. 282.

(*t*) 19 Moo. 227.

(*u*) 6 App. Ca. 174; 50 L. J. P. C. 40;

see, also, *Willacy's Patent*, 5 R. P. C. 695;

Church's Patent, 3 R. P. C. 95.

(*v*) *Galloway's Patent*, 1 W. P. C. 727;

Bodmer's Patent, 8 Moo. 284.

such a circumstance is rather in the petitioner's favour. (*w*) But if the applicant has taken out himself a more recent patent for an improvement of his invention which is of such a nature that it will practically give him a continued monopoly, this is a circumstance adverse to prolongation of the prior patent (*x*). Nor is it an objection that the applicant's invention consists of improvements on an expired imported patent. (*y*) Nor that the patentee has altered his mode of manufacture under the patent if the merit is not diminished. (*z*). In *Southby's Patent*, (*a*) the patentee having devoted much time and labour to perfecting the invention (which related to improvements in refrigerating apparatus), a subsequent patent for a mode of getting over a difficulty in starting the machine was, inasmuch as other modes of obviating this difficulty might be devised, deemed not to be a bar to prolongation, as it did not appear to the Board to afford sufficient protection to secure future remuneration to the inadequately remunerated patentee.

Adequate Remuneration.—What is adequate remuneration must depend on the circumstances of each particular case. In an invention of trifling importance a nominal sum may be sufficient, whereas in a patent of great public utility many thousands of pounds may be less than the inventor has deserved. In *Hill's Patent*, (*b*) their lordships said: "The principal question always is, has the individual patentee under all the circumstances received what in equity and good sense may be considered a sufficient remuneration? On his own part, of course, there must have been no want of good faith or prudent exertion; and, further, as the loss to the public may be important in the consideration, it may be necessary in some cases not to confine the enquiry to the state of things at the date of the patent, but to regard also the circumstances existing at the time when the application is made."

Where there has been no profit at all, (*c*) or where the profits have been exceeded by the patentee's expenses, (*d*) the inadequacy of the remuneration (provided the merit and utility of the invention

(*w*) *Soame's Patent*, 1 W. P. C. 735.

(*x*) *Nussey & Leachman's Patent*, 7 R. P. C. 22.

(*y*) *Bovill's Patent*, 1 Moo. P. C. (N. S.), 348.

(*z*) *Heath's Patent*, 8 Moo. P. C. 217; 2 W. P. C. 247.

(*a*) [1891] App. Ca. 432; 8 R. P. C. 433.

(*b*) 9 L. T. (N. S.), 101; 1 Moo. P. C. (N. S.), 258.

(*c*) *Houghton's Patent*, L. R. 3 P. C. 461.

(*d*) *Swaine's Patent*, 1 W. P. C. 560; *Stafford's Patent*, 1 W. P. C. 564; *Jones' Patent*, 1 W. P. C. 579; *Napier's Patent*, 6 App. Ca. 174.

and the good faith of the inventor are made out) will be obvious.

In *Robert's Patent*, (e) where the invention was for improvements in the spinning jenny, the accounts shewed a gross profit of £35,988, against which a sum of £29,044 was put for expenses. This left an apparent net profit of £6,944. But the patentee's premises had been attacked and burnt down by an ignorant mob, who resented the improvements introduced by his discovery, and the losses he thus incurred (after allowing for insurance) had not only swallowed up the whole of his profit, but left him a loser to the amount of £10,154. In this case an extension for seven years was granted.

The circumstance that the patentee's profits have only been made in the last years of the monopoly is no reason for granting a prolongation where such profits amount to an adequate remuneration to the inventor. (f) Indeed, in the last year alone, a sufficient remuneration may be obtained. (g)

The following cases may be cited by way of illustration. In *Pitman's Patent*, (h) where the invention had been assigned for £400, a profit of £3,000 was held sufficient.

In *Ryder's Patent*, (i) a profit of £7,000, made during the last four years of the patent, was held adequate remuneration. In *Bailey's Patent*, (j) £8,038 16s. 4d. was held adequate. In *Johnson's Patent*, (k) for improvements in the sewing machine, £4500 was held sufficient, having regard to the fact that £16,000 had been made on an American patent for the same invention.

On the other hand, in *Perkin's Patent*, (l) £6,576 was held inadequate in view of the exceptional utility of the invention. In *Joy's Patent* (m) a profit of £6,000, and in *Davies's Patent* (n) of £11,000, was held insufficient. The largest sum which has hitherto been held an inadequate remuneration is £20,000. (o)

A patentee is not entitled to rely upon losses which have been incurred through unskilfulness in the management of his business, as evidence of inadequate remuneration. (p)

Period of Extension.—The Crown has usually granted extensions

(e) 1 W. P. C. 573.

(f) *Ryder's Patent*, *Pract. Mech. Journ.*, vol. vii. p. 238.

(g) *Macintosh's Patent*, 1 W. P. C. 759.

(h) L. R. 4 P. C. 84.

(i) *Pract. Mech. Journ.* vol. vii. p. 238.

(j) 1 R. P. C. 1.

(k) L. R. 4 P. C. 75; 8 Moo. (N. S.),

291.

(l) 2 W. P. C. 6.

(m) 10 R. P. C. 89.

(n) 11 R. P. C. 28.

(o) *Thomas's Patent*, 9 R. P. C. 367.

(p) *Thornycroft's Patent*, [1899] A. C. 415; 68 L. J. P. C. 68; 16 R. P. C. 204.

for periods of shorter duration than seven years, but the length of an extension, like the extension itself, must necessarily depend on the peculiar circumstances of each case. In a considerable number of cases extensions of seven years have been given, and in some cases extensions of ten years have been recommended by the Committee. (q) But such an extension has always been treated as unusual, and now, under the Act of 1883, it can only be given in exceptional cases. (r)

In *Stoney's Patent*, where the invention was for improvements in sluices and flood-gates, their lordships, in granting an extension for the unusually long term of ten years, said: "As to the duration of the term of prolongation, the matter, no doubt, is a difficult one, upon which the minds of separate judges would never be likely to hit off independently the exact number of years for the term—it must depend very much upon the view which each mind takes of the particular invention to be dealt with, and, moreover, it must also depend, not only on the want of remuneration in the past, but upon the probability of remuneration in the future, and how soon that remuneration is likely to be attained. Now, in the case of a common application such as I have spoken of, relating to improvements of daily use, when the patent once becomes known, and known to be useful, it will get rapidly into use; and if by some means it has been ignored by the public, and the patentees come before the Court for a prolongation of their patent, the mere advertisement, if I may so call it, of the petition for the prolongation of the patent, would materially assist and start the invention; and that, in the case of an invention of common and daily use, would probably lead to its getting into rapid application, and to its becoming rapidly remunerative to the patentee. But this is not an invention of that description. It is from its nature an invention which cannot be very largely used, and which only applies to peculiar cases, namely, where sluices are wanted for large bodies of water, to regulate the flow of that water, and to do it without friction and without substantial leakage. It can, therefore, only be profitably applied, at all events in certain large undertakings, which must be few and far between. The best hope for the patentee in the case is the Manchester Ship Canal. He is not, as I understand, yet retained in that case, but there seems every reasonable prospect that his invention will be applied to that canal. If so, that will, in itself, it is hoped, afford the

(q) *Ruthven's Patent*, *Pract. Mech. Journ.* 2nd series, vol. viii. p. 159;

Stoney's Patent, 5 R. P. C. 520.

(r) 46 & 47 Vict. c. 57, s. 25 (5).

patentee considerable remuneration. But that is only one case, and he may, and probably will, have but a comparatively small number of other cases; and, therefore, it will take him a considerable time before he can fairly get remuneration, considering the very long time, namely, fourteen years, for which he has devoted himself to this invention, and the isolated nature of the invention in the sense that there can only be here and there a few cases of its applicability, and but rare chances of its being applied. Under these circumstances, my lords think that this is an exceptional case within the meaning of the Statute, and that there should be a prolongation of this patent granted for the term of ten years. (s)

In *Darby's Patent*, (t) the invention was a broadside steam-digger for land cultivation. It was of high merit, and the inventor had sustained a loss of £8000. The Board, while intimating that they would only in rare cases advise a prolongation for more than seven years, recommended one for ten in this instance, as they thought the losses made would not be recovered in a shorter period. Lord Hobhouse said: "The power to her Majesty in Council to extend the term is not exceeding seven years, or, in exceptional cases, fourteen years, and it is only in rare cases that their lordships report to her Majesty that the term of prolongation or extension should be more than seven years. In this case they think that there are exceptional circumstances. They think that the patent is of more than usual merit—more so than the patents which commonly come before them. They have regard to the great losses that the patentee has suffered, which it is fair to him he should have some opportunity of recovering, and which it is not likely he can recover in any short space of time, even in seven years, seeing the great difficulty there is in introducing such machines into use." (u)

(s) Per Sir W. Grove, 5 R. P. C. 523, 524.

(t) 8 R. P. C. 380; see p. 384.

(u) The following cases shew the periods for which extensions of letters patent have been granted:—For three years, see *Kay's Patent* (1 W. P. C. 568; 3 Moo. 24), *Deacon's Patent* (4 R. P. C. 119); for four years, *Hardy's Patent* (6 Moo. 445), *Mallet's Patent* (L. R. 1 P. C. 308); for five years, *Downton's Patent* (1 W. P. C. 565), *Wright's Patent* (1 W. P. C. 561), *Lowe's Patent* (2 W. P. C. 158), *Perkin's Patent* (2 W. P. C. 6), *Bodmer's Patent* (6 Moo. 468), *Payne's Patent*

(Coryton, 220), *Smith's Patent* (7 Moo. 133), *Herbert's Patent* (1 L. R. P. C. 399), *Johnson & Atkinson's Patent* (5 L. R. P. C. 87), *Cocking's Patent* (2 R. P. C. 151), *Church's Patent* (3 R. P. C. 95), *Southby's Patent* (8 R. P. C. 433), *Lyon's Patent* (11 R. P. C. 537), *Semel & Solvay's Patent* (12 R. P. C. 10), *Parson's Patent* (15 R. P. C. 349); for six years, *Whitehouse's Patent* (1 W. P. C. 477), *Russell's Patent* (2 Moo. 496), *Honibal's Patent* (2 W. P. C. 196), *Berry's Patent* (7 Moo. 187), *Derosne's Patent* (2 W. P. C. 1), *Foarde's Patent* (9 Moo. 376), *Schlumberger's Patent* (9 Moo. 1), *Carr's Patent* (4 L. R. P. C. 539); for

Extension how given.—If the Judicial Committee report that the patentee has been inadequately remunerated, her Majesty in Council may extend the term of the monopoly for a further period not exceeding seven or (in exceptional circumstances) fourteen years. (v) Instead of prolonging the original patent the Crown may grant the extension in the form of a new patent for the invention. (w) The usual practice now is to direct a fresh patent to be sealed for the period allowed.

Where an extension is recommended by the committee, the grant is made to those having the legal estate in the original letters patent at the time of the petition. (x)

The Crown, in granting an extension of a patent monopoly, may impose such restrictions, conditions, and provisions as the Committee may see fit to recommend. (y) The terms upon which assignees are usually put for the protection of the interest of the original inventor or his representatives have been already noticed; (z) also the practice of sometimes limiting the extension to a portion only of the original patent.

Prior to the Patents Act, 1883, it was the custom of the Committee, acting as guardians of the public interest, to require the petitioner in certain cases to make concessions to the public, as a condition of the prolongation.

Thus, in *Mallet's Patent*, (a) where a license of an almost exclusive character had been granted to one manufacturing firm, the patentee was required to grant licenses of as ample a nature to as many of the public as chose to apply for them. In *Hardy's Patent*, (b) the petitioners were put on terms to sell the protected article at a certain fixed price.

Where the invention is likely to be of use in the public service the patentee has been required to concede to the Crown the right

seven years, *Erard's Patent* (1 W. P. C. 557), *Swaine's Patent* (1 W. P. C. 559), *Kollman's Patent* (1 W. P. C. 564), *Roberts' Patent* (1 W. P. C. 573), *Heath's Patent* (8 Moo. 217), *Hughes' Patent* (4 App. Ca. 175), *Napier's Patent* (6 App. Ca. 174), *Houghton's Patent* (3 L. R. P. C. 461), *Bischof's Patent* (1 R. P. C. 162), *Roper's Patent* (4 R. P. C. 201), *Smith's Patent* (2 R. P. C. 14), *Shone's Patent* (9 R. P. C. 438), *Joy's Patent* (10 R. P. C. 89), *Davies' Patent* (11 R. P. C. 27), *Hazeland's Patent* (11 R. P. C. 467); for ten years, *Ruthven's Patent* (*Pract. Mech. Journ.* 2nd series, vol. viii. p. 159), *Stoney's Patent* (5 R. P. C.

520), *Darby's Patent* (8 R. P. C. 380), *Currie & Timmis' Patent* (15 R. P. C. 63).

(v) Patents Act, 1883, s. 25 (5).

(w) *Smith's Patent*, 2 R. P. C. 14.

(x) *Southworth's Patent*, 1 W. P. C. 575; *Heath's Patent*, 2 W. P. C. 247; *Downton's Patent*, 1 W. P. C. 565; *Dodmer's Patent*, 6 Moo. 469; *Pettit Smith's Patent*, 7 Moo. 156; *Newton's Patent*, 14 Moo. 156.

(y) Patents Act, 1883, s. 25 (5).

(z) See p. 374, supra.

(a) L. R. 1 P. C. 308.

(b) 6 Moo. 445.

to use his invention without a license. (c) As, however, the Patents Act, 1883, (d) makes provision for compelling a patentee to grant licenses on reasonable terms where the Board of Trade decide that they ought to be granted, and for securing to the servants of the Crown the benefit of an invention on such terms as the Treasury, after hearing all parties interested, may direct, it is conceived that in future the Judicial Committee will not impose terms in such cases, but leave the patent to the operation of these sections, as was done in *Smith's Patent*. (e)

In *Goucher's Patent*, it was held that the Judicial Committee have no jurisdiction to grant a second extension, after one prolongation has been given. (f)

Costs of the Petition.—The costs incident to proceedings for the prolongation of letters patent are in the discretion of the Committee, whose orders as to costs are enforceable, as if they were Orders of the High Court. (g)

Their lordships have always shewn a disposition to encourage a fair opposition. In *Westrupp & Gibbins's Patent*, (h) Lord Lyndhurst said: "My opinion on the subject of costs is this: If a party to oppose does come and oppose, and opposes successfully, if we do not give costs, we shall discourage persons coming to protect the interests of the public." It is generally the case that private opposers have better means of stating the objections to the continuance of a patent than the Law Officers of the Crown, however experienced and able they may be; (i) and as the Committee court the fullest enquiry, and desire to know all that can be alleged against the patent which is the subject of the application, it is in the public interest to encourage *bonâ fide* opposition. (j) Hence, where such opposition is fair and successful, it would be unjust that the expense should not in part fall on the patentee whose petition is the occasion of it. (k)

In *Jones's Patent*, Parke, B., said a fair opposition "ought not to be made at the expense of the parties opposing." (l) But where the evidence led by an opposer has been vexatious and irrelevant, and the Committee have been unfavourably impressed by his witnesses, costs have been refused despite the success of the

(c) *Pettit Smith's Patent*, 7 Moo. 133; *Lancaster's Patent*, 2 Moo. (N. S.), 189; *Hughes' Patent*, 4 App. Ca. 174; *Napier's Patent*, 6 App. Ca. 174.

(d) See ss. 22 & 27.

(e) 2 R. P. C. 14.

(f) 2 Moo. (N. S.), 532.

(g) Patents Act, 1883, s. 25 (7).

(h) 1 W. P. C. 554.

(i) *Jones's Patent*, 9 Moo. 43 (per Parke, B.).

(j) *Wield's Patent*, L. R. 4 P. C. 89.

(k) *Hill's Patent*, 1 Moo. (N. S.), 271.

(l) 9 Moo. 43.

opposition. (m) Costs may be taxed before the registrar, who has a full discretion to disallow payments to expert witnesses. (n)

As it is often difficult, however, to decide minute points as to costs, the Judicial Committee sometimes award the opposers a lump sum for costs, to be divided amongst them. In *Jones's Patent*, where there were two opponents, £100 was given. (o) In *Hill's Patent*, where the opposition (there were six opponents) had involved great expense, and had been fair and successful, £1000 was directed by the registrar to be paid for distribution amongst the opposers. (p)

In *Johnson's Patent*, the same practice was adopted, and £500 was directed to be paid by the applicant to the opposers. (q) So also in *Wield's Patent*, a like lump sum of £500 was given as costs, between two sets of opposers. (r)

In *Thomas's Patent*, (s) one set of costs was given amongst the opponents. In *Hopkinson's Patent*, (t) £400 was ordered to be paid as a lump sum for costs. In that case there were seven sets of opponents.

Where the petition is abandoned, the petitioner will generally be directed to pay the costs of those who have lodged notice of objection. (u) But costs being matter of discretion, this rule is not absolute. In such a case, however, the presumption is in favour of the opposers. (v)

In *Milner's Patent*, one set of costs was given to the opponents viewed as a body; or, in the alternative, taxation on an order. (v)

In *Bridson's Patent*, (w) (where the petition never came to a hearing) all the opposers got their costs.

On the other hand, where the Committee have been of opinion that there was no proper ground for opposition, the opposers have been made to pay the extra costs occasioned by their opposition. (x)

(m) *Honiball's Patent*, 9 Moo. 378; *Muntz's Patent*, 2 W. P. C. 122. In *Church's Patent* (3 R. P. C. 95) costs were refused to successful petitioners.

(n) P. C. Rules, R. 6.

(o) 9 Moo. 43.

(p) 1 Moo. P. C. (N. S.), 258; 9 L. T. (N. S.), 101.

(q) L. R. 4 P. C. 75; 8 Moo. P. C. (N. S.), 291.

(r) L. R. 4 P. C. 89; 8 Moo. P. C. (N. S.), 300.

(s) 9 R. P. C. 367; see, also, *Lane Fox's Patent*, 9 R. P. C. 411.

(t) 14 R. P. C. 5; see, also, *Dolbear's Patent*, 13 R. P. C. 203.

(u) *Macintosh's Patent*, 1 W. P. C.; *Bridson's Patent*, 7 Moo. 499; *Hornby's Patent*, 7 Moo. 503; *Morgan Brown's Patent*, 3 R. P. C. 212.

(v) *Milner's Patent*, 9 Moo. 39.

(w) 7 Moo. 499.

(x) *Downton's Patent*, 1 W. P. C. 565.

Order for Prolongation.—As above stated, the usual practice now, when a petition is favourably entertained, is to direct a new patent to be sealed for the period of prolongation allowed. An office copy of the order must be left forthwith at the Patent Office by the person in whose favour it is made. (*y*)

(*y*) P. R. rule 74.

CHAPTER XXI.

RIGHTS OF THE PATENTEE UNDER HIS LETTERS PATENT: THE LAW OF INFRINGEMENT.

Privileges of the Patentee derived from the Patent Grant.—The privileges of the patentee being derived from the patent grant, their scope and operations must be gathered from the terms of the letters patent.

The form of letters patent now used by the Crown in grants to inventors contains the following provisions. “*Know ye, therefore, that we, of our especial grace, certain knowledge, and mere motion, do by these presents, for us, our heirs and successors, give and grant unto the said patentee our especial license, full power, sole privilege, and authority, that the said patentee by himself, his agents, licensees, and no others, may at all times hereafter, during the term of years herein mentioned, make, use, exercise, and vend the said invention, within our United Kingdom of Great Britain and Ireland, and Isle of Man, in such manner as to him or them may seem meet, and that the said patentee shall have and enjoy the whole profit and advantage, from time to time accruing by reason of the said invention, during the term of fourteen years from the date hereunder written of these presents.*”

These words of grant are immediately followed by a prohibitory clause, inserted for the protection of the patentee, and intended to secure to him the full enjoyment of his monopoly. “*And to the end that the said patentee may have and enjoy the sole use and exercise and the full benefit of the said invention, we do by these presents, for us, our heirs and successors, strictly command all our subjects whatsoever within our United Kingdom of Great Britain and Ireland, and the Isle of Man, that they do not at any time during the continuance of the said term of fourteen years either directly or indirectly make use of, or put in practice, the said invention, or any part of the same, nor in any wise imitate the same, nor make or cause to be made any addition thereto or subtraction therefrom, whereby to*

pretend themselves the inventors thereof, without the consent, license, or agreement of the said patentee in writing under his hand and seal, on pain of incurring such penalties as may be justly inflicted on such offenders for their contempt of this our Royal command, and of being answerable to the patentee according to law for his damages thereby occasioned."

The Extent of the Monopoly.—The privilege vested in the patentee is thus the right to make, use, exercise, and vend the invention within the prescribed area; and this is granted to him alone, to the exclusion of all other persons, in order that he may have and enjoy the whole profit and advantage from time to time accruing from the invention during the term of his letters patent.

No one, therefore, may within the prescribed area, and during the prescribed time, make, use, exercise, or vend the invention without the sanction of the patentee.

The prescribed time is the fourteen years of the patent grant, and it begins to run from the date of the acceptance of the complete specification at the Patent Office, though no proceedings can be instituted against infringers until the patent has been sealed. (a) If an extension of the patent term is granted for a further period, such period must also be included. But the monopoly does not cover any interval which may elapse between the conclusion of the first term and the date of prolongation by a subsequent grant. (b)

The area of the monopoly is the United Kingdom of Great Britain and Ireland and the Isle of Man. The Channel Islands are no longer included as they were under the Patent Law Amendment Act of 1852. (c)

Infringement by Manufacture.—Any person manufacturing the patented article without the sanction of the patentee is an infringer of the patent, and liable as such. Nor will an infringer be the less liable because he procures the invention to be made in England by some one else, (d) or manufactured abroad, if he thereafter imports it into the United Kingdom. At the same time, the making which is prohibited is a making for profit either direct or indirect; *i.e.* a making calculated to interfere with the benefit which the patentee would otherwise derive from his invention.

Experiment is not Infringement.—It is no infringement, therefore,

(a) Patents Act, 1883, s. 15.

(b) See *Russell v. Ledam*, 14 L. J. Ex. 353; 14 M. & W. 574; 16 L. J. Ex. 145; 16 M. & W. 641; 1 H. of L. Ca. 687.

(c) 15 & 16 Vict. c. 83, s. 18.

(d) *Gibson v. Brand*, 1 W. P. O. 631;

4 M. & G. 179; *Incandescent Gaslight Co. v. Brogden*, 16 R. P. O. 179. In this case the defendant handed orders on to a private maker, receiving a commission of 5 per cent. This was held an infringement.

of a patent to make the patented article by way of *bonâ fide* experiment merely.

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

User is Infringement.—Using or exercising the invention is likewise an infringement.

In *Betts v. Neilson*, (f) the defendants sought unsuccessfully to escape from the consequences of unauthorized use of a patented invention, on the ground that such use by them had been *in itinere* only. In that case, metal capsules manufactured abroad were placed by a Scottish brewer upon beer bottles in Scotland intended for exportation. These bottles were then sent through England, for export, none of the beer being consumed there. The capsules were an infringement of an English patent, and the patentees claimed an injunction and damages. Lord Chelmsford and (on appeal) the House of Lords held they were entitled to both, as the capsules performed their function during the whole period of transit, and had therefore been used while in England.

In this case, it was suggested for the defendants that the user of the capsules was passive only and not active, and therefore no infringement. In rejecting this contention, Lord Chelmsford, C., said: “I do not appreciate the distinction which was pressed upon me in argument, between an active and a passive use of a thing, and the difference suggested on that ground between this case and *Caldwell v. Vanvlissengen*. (g) The screw propeller in the one case, though in motion during its use, was just as passive an agent as the capsules in the present case. It is the employment of the machine or the article for the purpose for which it was designed which constitutes its active use; and whether the capsules were

(e) L. R. 9 C. D. pp. 66, 67.

537; L. R. 5 H. of L. 1.

(f) L. R. 3 Ch. 436; 34 L. J. Ch.

(g) 9 Hare, 415.

intended for ornament, or for protection of the contents of the bottles upon which they were placed, the whole time they were in England they may be correctly said to be in active use for the very objects for which they were placed upon the bottles by the vendors. If the beer, after being purchased in Glasgow, had been sent into England, and had been afterwards sold here, there can be no doubt (I suppose) that this would have been an infringement, because it would have been a profitable user of the invention, and I cannot see how it can cease to be a user because England is not the final destination of the beer." (h)

At the same time, it has been held that Custom House agents who pass an infringing article through the Custom House and obtain permission for landing and storing it in premises belonging to the importers, do not exercise such a user as makes them personally liable to the patentee. (i)

"The Court of Chancery," said James, L.J., in *Nobel's Explosives Company v. Jones*, "has always held a hand over agents; but then, it appears to me, they must be actually agents. They must be agents who are agents in the making, in the using, in the exercising, or in the vending of the invention. . . . If it were to be said that any person who had anything to do, either directly or indirectly, with the means by which the goods got from one place to another was to be liable to an action at law, or an injunction in a suit by the plaintiffs, it would be giving a wide and most injurious encouragement to idle and vexatious litigation." (j)

As in the case of infringement by making, infringement by user may be negatived by shewing that the user has been by way of experiment only.

At the same time, the Court will narrowly scrutinize the defence of user for experiment only, and will not allow it to prevail if satisfied that the user has been for profit, or with the object of obtaining profit, though even to a limited extent.

On this ground, in *Frearson v. Loe*, the Court held the defendant liable. "Where you see a man using a machine," said Jessel, M.R., "as this defendant has done, under claim of a right to use it, and under that claim of right he makes a quantity of goods, even though a small quantity, I cannot call that an experiment within the meaning of the rule as to experiments. He has made a machine, and, knowing it to be an infringement of the

(h) L. R. 3 Ch., p. 439; see, also, *British Motor Syndicate v. Taylor*, 17 R. P. C. 189. 721; 8 App. Ca. 5.
 (j) L. R. 17 C. D. pp. 742, 743; 50
 (i) *Nobel's Explosives v. Jones*, 17 C. D. L. J. Ch. p. 586.

patent, he claims the right to make and use it, and his experiment is made to see how his machine works. That is the experiment, as he calls it, putting his machine to work from time to time, and then making screws according to the other patent, and making the screws with the view of trying the screws themselves. It does not appear to me, when I consider the circumstances under which the defendant made these alleged experiments, that I ought to treat this as coming within the rule which prevents mere experiments being subject to the liability of action being brought against those who make them, and to the costs of an injunction being granted against them." (k)

So, too, where the experimental user is for the advantage of the person using the machine, even when pecuniary profit does not directly result, such user is an infringement.

In the *United Telephone Company v. Sharples*, (l) the defendant alleged that his use of certain pirated instruments was confined to experiment by himself, and to the instruction of his pupils, whom he permitted to take the apparatus to pieces, on account of its cheapness. In rejecting the contention that this was not a user of the patented invention, and an infringement, Kay, J., said: "To say that to buy a telephone which is an infringement of an English patent for the purpose of instructing your pupils who are learning the business, to let them use and experiment with it, to let them, if they please, pull it to pieces, for the purpose of saving the expense of using the patent telephone, and experimenting with, or pulling that to pieces, to say that that is not a user in this country is a thing which I cannot accede to. It seems to me plainly to be a user."

In *Proctor v. Bailey*, (m) where the invention was an apparatus for the distribution of coal over a fire surface, the defendants endeavoured to escape liability on the ground that their user of the invention had been experimental only. It was proved, however, that several of these automatic stokers had been used in the defendant's works during a number of months, reducing the necessity for hand firing, or the use of other mechanical means for keeping up the supply of coal in their furnaces, and thus conducing to the more economical management of their business. Under these circumstances such user was held to be more than

(k) 9 C. D. p. 67.

(l) 29 C. D. 164; 54 L. J. Ch. 633.

(m) 6 B. P. C. 106; L. R. 42 C. D. 390; 59 L. J. Ch. 12; 38 W. R. 100; 61 L. T. (N. S.), 752. See, also, *Muntz v.*

Foster, where the quantity made was considered by Tindal, C.J., as too considerable to be consistent with mere experiment; 2 W. P. C. p. 101.

experimental, and to constitute an infringement of the plaintiff's patent.

User on Foreign Vessels in British Waters.—By section 43 of the Patents Act, 1883, it is enacted that—

“ A patent shall not prevent the use of an invention for the purposes of the navigation of a foreign vessel within the jurisdiction of any of her Majesty's Courts in the United Kingdom or Isle of Man, or the use of an invention in a foreign vessel within that jurisdiction, provided it is not used therein for or in connection with the manufacture or preparation of anything intended to be sold in or exported from the United Kingdom or the Isle of Man.

“ But this section shall not extend to vessels of any foreign State of which the laws authorize subjects of such foreign State, having patents or like privileges for the exclusive use or exercise of inventions within its territories, to prevent or interfere with the use of such inventions in British vessels while in the ports of such foreign State, or in the waters within the jurisdiction of its Courts, where such inventions are not so used for the manufacture or preparation of anything intended to be sold in or exported from the territories of such foreign State.” (n)

No Infringement unless used for the same Purpose as the Patentee.—To establish infringement by user, however, it must be shewn that the infringer is using the invention for the same purpose as that claimed by the patentee.

In *Higgs v. Goodwin*, (o) the patent was for a method of precipitating the animal and vegetable matter in sewage water so as to make the same applicable to agricultural and other useful purposes. This result the patentee achieved by employing a chemical agent—hydrate of lime. The defendants, a Local Board of Health, having first treated sewage by filtration, deodorized the resultant liquid by adding hydrate of lime. This was held to be no infringement, the object of the patent being the production of a useful manure, while the defendants aimed only at purifying the sewage, and rejected all the sewage matter. (p)

In *Fletcher v. The Glasgow Gas Commissioners*, (q) where the patent related to improvements in cooking-stoves and ranges, the respondents used in their mechanism a latch similar to one used by the complainer, but for a diametrically opposite purpose; the latch in one case being designed to keep a door open, in the other to keep it closed, and this was held to be no infringement.

(n) Cf. 15 & 16 Vict. c. 83, s. 26, now repealed; *Caldwell v. Vanvliessengen*, 21 L. J. Ch. 97; 9 Hare, 415.

(o) 27 L. J. Q. B. 421; E. B. & E. 529.

(p) See, also, *Lister v. Eastwood*, 9 L. T. (N. S.), 766.

(q) 4 R. P. C. 389.

Infringement by Sale.—The patent grant confers an exclusive right to vend the patented article, and although the word “vend” does not occur in the Statute of James, letters patent for inventions have for hundreds of years been drawn so as to give the patentee an exclusive right to vend his invention, and the Courts, acting upon this, have always regarded a sale as an infringement. (r)

Therefore the mere seller of an infringing article who has not himself made the article in question, and who may even be ignorant of the fact that it is an infringement of a patent monopoly at all, is none the less liable to the patentee.

“It is true,” said James, L.J., in *Von Heyden v. Neustadt*, (s) “that the Statute of James only mentions ‘the sole working or making of any manner of new manufacture within this realm.’ But it is to be observed that the Statute gives no right to the inventor. The Statute is a Statute for abolishing and forbidding monopolies, and the sixth section, under which the Crown acts in these matters, is a mere proviso excepting from the operation of that Act certain patents or grants of privileges which are to be ‘of such force as they should be if that Act had never been made, and of none other.’ And it is from the ancient power and prerogative of the Crown, so saved and preserved, that every patentee derives his monopoly. What the Crown could lawfully do, and has lawfully done, after that Statute is shewn by the uniform tenor of the letters patent which have since been issued—issued by the advice and authority of every law officer and every holder of the Great Seal for upwards of two centuries and a half. Nor has there been any straining of the old Statute in what has been so done. All that was required was to assume that, when the Crown’s right to grant the sole privilege of working or making was saved, there was saved with it the power to make such privilege effectually profitable to the true inventor. We see no reason to doubt the conclusion arrived at in *Elmslie v. Boursier*, (t) that the sole right granted by the Crown ‘to make, use, exercise, and vend the invention within the United Kingdom,’ and the right to ‘have and enjoy the whole profit, benefit, commodity, and advantage accruing and arising by reason of the said invention,’ includes a monopoly of the sale in this country of products made according to the patented process, whether made in the realm or elsewhere.”

(r) *Badische v. Dawson*, 6 R. P. C. 396. The sale of an article in the making of which a patented product is an essential ingredient is an infringement: *Saccharin Corporation v. Anglo-Continental Chemical*

Works, 48 W. R. 444; see, also, *British Motor Syndicate v. Taylor*, 17 R. P. C. 189.

(s) L. R. 14 C. D. 232, 233; 50 L. J. Ch. p. 130.

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

Thus the sale in England of articles made in France, according to an English patent, is an infringement of that patent. (u) "I am clearly of opinion," said Kelly, C.B., in *Wright v. Hitchcock*, (v) "that if a man takes out a patent by means of which an article is made at a considerably less cost than the same article was produced before at, one who buys and sells such articles—I do not say on a single occasion, for each case must be determined on its own circumstances; but when he becomes, in the way of trade, a buyer and seller of quantities of such articles—knowing them to be manufactured by a machine which is, *de facto*, though unknown to him, itself an infringement, such buying and selling is an infringement by him of the patent. If the law were otherwise, then when a man has patented an invention, the profit of which consists in selling articles manufactured by means of the invention, another might, by merely crossing the Channel, and manufacturing abroad, and selling in London for far less than the original price, but also at a trifle less than the price charged by the patentee, articles made by the patented process, wholly deprive the patentee of the benefit of his invention. It is therefore impossible to suppose that an exclusive right to vend is not given, and the defendants have therefore infringed the plaintiff's right, and it is immaterial whether it was or was not known to them that *Orr's* machine was identical with the plaintiff's."

It is equally an infringement of the patent monopoly to import into England articles bought abroad which are an infringement of an English patent, even when such importation is immediately followed by exportation after re-sale to a foreign customer. (w) Nor apparently will the circumstance that the goods so dealt in are, in fact, never landed in the United Kingdom negative infringement, provided they are brought for trans-shipment into British waters. (x)

But a foreign manufacturer who sells and delivers an infringing article outside the United Kingdom cannot be made liable as an infringer in the English Courts, even if he so acts with knowledge that such article is bought for importation into England. (y)

So, too, a person who (without the licence of the patentee) manufactures and offers for sale a patented article is liable as

(u) *Elmslie v. Boursier*, L. R. 9 Eq. 217.

(v) L. R. 5 Ex. p. 47; 39 L. J. Ex. p. 103.

(w) *United Telephone Co. v. Sharples*, 2 R. P. C. p. 31.

(x) *Nobel's Explosives Co. v. Jones*, L. R.

17 C. D. 721; 50 L. J. Ch. 582.

(y) *Badische Anilin v. Johnson*, 14

R. P. C. 405, 919; [1897] 2 Ch. 322; 66 L. J. Ch. 497; 76 L. T. 434; 45 W. R. 481.

an infringer even if no sale is effected. (z) But the sale of materials which may be used for making a patented article, to a person other than the patentee, even if the vendor knows they are to be used by such person for that purpose, in breach of the patentee's rights, is no infringement for which an action will lie.

In *Townsend v. Haworth*, (a) where the patent was for a process of preserving cloth from mildew, the sale of the chemical compounds used by the patentees was held to be no infringement of the patent right.

"No judge," said Jessel, M.R., "has ever said that the vendor of an ordinary ingredient does a wrong if the purchaser coming to him says, 'I want your compound. I wish to try the question with the patentee.' No one would doubt that that sale would be perfectly legal. You cannot make out the proposition that any person selling any article, either organic or inorganic, either produced by nature or produced by art, which could in any way be used in the making of a patented article, can be sued as an infringer because he knows that the purchaser intends to make use of it for that purpose. What is every person prohibited from doing? He is prohibited from making, using, or vending the prohibited articles, and that of course includes, in the case of machinery, the product, if I may say so, of the machinery which is the subject of the patent. It is that which is produced by the patent. But has any one ever dreamt before this case, that that extends to the component articles which enter into the patent?"

A sale of parts adapted for fitting together would, however, probably be held to be an infringement. (b) So, too, a person who contracts to put the ingredients together puts the invention in practice, even if he employs a sub-contractor to do part of the work. (c)

In the *Incandescent Gas Light Company v. the New Incandescent Mantle Company*, (d) *Tossel*, one of the defendants, argued that he had not infringed, as he had only sold fittings for use with gas mantles. It was proved, however, that *Tossel* was selling gas-fittings intended for use with infringing mantles made by the other defendants, and that, in this way, *Tossel* was carrying on a trade, in conjunction with the other defendants, in adjuncts

(z) *Oxley v. Holden*, 8 C. B. (N. S.), at p. 686.

(a) L. R. 12 C. D. 831, n.

(b) Per Pearson, J., *United Telephone Co. v. Dale*, 25 C. D. 778, p. 782;

53 L. J. Ch. 295.

(c) *Sykes v. Howarth*, 12 C. D. 826; 48 L. J. Ch. 769.

(d) 15 R. P. C. 81.

indispensable to the use of their infringing mantles. On this Mathew, J., held that the defendant *Zossel* had also infringed.

In *Innes v. Short*, (e) a vendor who invited his customers to use in an infringing manner the articles he sold was held to be himself guilty of infringement.

Whether Repairing is Infringement.—It is no infringement of a patent to merely repair a patented article. But if the process of repairing is carried so far as to result in what is really a new article made according to the patented invention, the person executing such repairs will be liable as an infringer.

In the *Dunlop Pneumatic Tyre Company v. Neal*, (f) the defendant undertook to repair a worn-out cycle tyre by providing a new case and fitting the wires of the worn-out tyre into it. The result was, in effect, a new cycle tyre made according to the patented invention.

In holding this to be an infringement, North, J., said: "In my opinion, the authority or license given by the fact of sale is to use the tyres till worn out. Simple repairs may be done by a person without a license from the manufacturer; but when the whole thing is taken, and practically a new tyre sold with only the old wires in it, I think there is no license to use these old wires for the purpose of putting them into and making up precisely the combination claimed by the patent."

So, too, where repairing a patented article necessarily involves the introduction anew of some component part, itself the subject of a patent claim, such repairing can only be effected (without infringement) by some person holding a license from the patentee of that component part. (g)

Infringement by Licensee.—Once a patented article is lawfully made and sold, its re-sale and subsequent use in the hands of another purchaser is protected. For, by sale, the patentee licenses the use of the article in the hands of any future buyer, and such buyer is no infringer. (h) A patentee may, however, by notice to a purchaser, impose conditions which will have the effect of giving such purchaser a limited license only. Where this is done, the use of the invention by a licensee who exceeds the limits of his license is an infringement.

Thus, although every sale of a patented article by the patentee

(e) 14 T. L. R. 492.

(f) [1899] 1 Ch. 807; 16 R. P. C. 247;
47 W. R. 632; 80 L. T. 746; 68 L. J.
Ch. 378.

(g) *United Telephone Co. v. Nelson*,
W. N. [1887], 193.

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

implies a license to the buyer to re-sell, or otherwise use the article as he shall think fit, such implied license may be excluded by an express license of more limited scope; e.g. by a license that the article shall only be used or sold in conjunction with another article made by the same patentees. In the *Incandescent Gas Light Company v. Brogden*, (i) the plaintiff company sold their gas mantles subject to a limited license, which was printed as follows on every box in which their mantles were sold: "The Incandescent Gas Light Company, Limited, in supplying the mantle contained in this box, grant a limited licence to the purchaser to use or sell the same, on the express condition that neither the purchaser, nor any other person into whose hands the same may come, shall use or sell the said mantle except in connection or for use with burners sold or supplied by the company, and any other sale or use will amount to infringement of the company's patents. The company supply mantles for the purpose of renewals at the nominal price of 1s. 3d., subject to the limitations above set forth."

This license was held by Kennedy, J., to be binding upon any person buying with notice of it, and a user or sale in contravention of its terms to be an infringement, in respect of which damages could be recovered.

Liability of Aliens for Infringement.—In *Caldwell v. Vanvlisengen*, (j) it was argued that, although the patentee's monopoly extended to the whole of the United Kingdom, it did not operate to prevent the subjects of foreign powers using the invention within that area. In rejecting this contention, Turner, V.C., said: "Foreigners coming into this country are, as I apprehend, subject to actions for injuries done by them whilst here to the subjects of the Crown. Why, then, are they not to be subject to actions for the injury done by their infringing upon the sole and exclusive right which I have shewn to be granted in conformity with the laws and constitution of this country? And if they are subject to such actions, why is not the power of this Court, which is founded upon the insufficiency of the legal remedy, to be applied against them as well as against the subjects of the Crown? It was said that the prohibitory words of the patent were addressed only to the subjects of the Crown; but these prohibitory words are in aid of the grant, not in derogation of it, and they were probably introduced at a time when the prohibition of the Crown could be enforced personally against parties who ventured to

(i) 16 R. P. C. 179.

(j) 21 L. J. Ch. 97; 9 Hare, 426.

disobey it. The language of this part of the patent does not, therefore, appear to me to alter the case."

Nor is it any answer to an action for infringement of a patent to prove that the infringer has only acted under the orders of a foreign sovereign. "If parties in England," said Cotton, L.J., in *Vavasour v. Krupp*, (k) "are doing that which is an infringement of a patent, they cannot justify it by saying that some one, who has no power to authorize them to use the patent, has authorized them to do so."

Unauthorized Acts of Workmen.—An infringement is none the less an infringement because it is committed by workmen in disobedience to express orders to the contrary. If so committed in the service of an employer, such employer will be liable, as an infringer, to the patentee.

In *Betts v. De Vitre*, (l) Lord Chelmsford, C., said: "I will assume that the orders not to work in a particular manner were given, and that the disobedience to those orders was secret, although the evidence hardly warrants this conclusion. But granting all this to be the case, I should still hold that the directors were liable. A master is responsible for all the acts of his servant which are done in the execution of his duty. If a coachman drives his master's carriage where he is ordered to go, and by negligent driving does an injury, the master is responsible; but if he takes a carriage without permission, and employs it for his own purpose, he alone is answerable for any injurious consequences which arise during his use of it. The alleged infringement of the plaintiff's patent took place in the company's works, and in the course of the performance of the proper duties, in which the workmen were engaged. Those who have the control of the working are responsible for the act of the subordinates, and it is not sufficient for them to order that the work shall be so done that no injury shall be occasioned to any third person. That, of course, must be avoided, whether orders to that effect are given or not; but the directors were bound to take care that their orders were obeyed, and if there was a violation of them, whether openly or secretly, they are liable for the consequences."

In *Montgomerie v. Paterson*, (m) a case decided in the Court of Session, it was argued that the mere granting of licenses to third parties to infringe a patent was itself an infringement. The Court, however, refused to adopt this view. "I am not able to hold," said Lord Kyllachy, "that a patent is infringed by the mere

(k) L. R. 9 C. D. p. 359.

(l) L. R. 3 Ch. p. 442.

(m) 11 R. P. C. 221, p. 237.

granting of licenses, authorizing or permitting third parties to use the patented process or some equivalent. I asked at the debate whether there was any authority for this proposition, and it was admitted that none could be found. In the absence of such authority, I do not feel justified in holding that a person who does no more than give another a license to infringe a third party's patent is himself an infringer."

At the same time, a person found in possession of infringing articles, although no actual user can be proved against him, will be restrained by injunction from infringing the patent in question; his possession of such articles raising the presumption that he intends to use them. (*n*)

Letters Patent bind the Crown.—A patent has to all intents the like effect against her Majesty the Queen, her heirs and successors, as it has against a subject. (*o*)

Formerly letters patent were read with an exception in favour of the Crown, that being the general rule in the construction of Crown grants, and this exception was held to extend to those acting on behalf of and as agents for the Crown. (*p*) But not to contractors carrying out a contract entered into with a public department of government. (*q*)

Though the Crown is now as much bound by the prohibition in letters patent as a subject, yet for the protection of the public service it has been enacted that—

"The officers or authorities administering any department of the service of the Crown may by themselves, their agents, contractors, or others, at any time after the application for a patent, use the invention for the services of the Crown on terms to be before or after the use thereof agreed on, with the approval of the Treasury, between those officers or authorities and the patentee, or in default of such agreement, on such terms as may be settled by the Treasury after hearing all parties interested." (*r*)

Intention not Material to Infringement.—Considering the principles of infringement more in detail, it may first be observed that intention or *mens rea* is no necessary ingredient of infringement. Whether the infringer knows or not that he is infringing the patentee's monopoly is wholly immaterial: even proof that he did

(*n*) *Adair v. Young*, 12 C. D. 13; see, also, *The United Telephone Co. v. London & Globe Telephone Co.*, 1 R. P. C. 117; 26 C. D. 766; 32 W. R. 870.

(*o*) Patents Act, 1883, s. 27 (1).

(*p*) *Feather v. The Queen*, 35 L. J. Q. B.

200; 6 B. & S. 257.

(*q*) *Dixon v. The London Small Arms Co.*, L. R. 10 Q. B. 130; 1 C. B. D. 384; L. R. 1 App. Ca. 632; 44 L. J. Q. B. 63; 46 L. J. Q. B. 617.

(*r*) Patents Act, 1883, s. 27 (2).

not know of the existence of the monopoly upon which he has trespassed will not in itself constitute a defence to an action of infringement.

In *Heath v. Unwin*, (s) the judges in the Court of Exchequer had at one time expressed a contrary opinion, but this they afterwards withdrew when the case came before the House of Lords. "In delivering the judgment of the Court of Exchequer in a former stage of this case," said Parke, B., in giving his opinion to the House, "I stated the opinion of the Court to be, that there could be no indirect infringement if the defendant did not intend to imitate at all. That part of the judgment has been since justly objected to in *Stevens v. Keating*, and no doubt we were in error in that respect. There may be an indirect infringement as well as a direct one, though the intention of the party be perfectly innocent, and even though he may not know of the existence of the patent itself." (t)

"We think it clear," said Wilde, C.J., in *Stead v. Anderson*, "that the action (of infringement) is maintainable in respect of what the defendant does, not what he intends." (u)

"I am satisfied," said Bramwell, B., in *McCormick v. Gray*, "that there is no difference between making a thing with one intent and another. If a man may do a thing he may do it with whatever intent." (v)

So, too, in *Nobel's Explosives Company v. Jones*, Lord Blackburn pointed out that to support an action of infringement it was not necessary to shew that what was complained of was done knowingly. "I do not think that it would be material, in order to support an action for the infringement of their (the plaintiffs') property, to shew that it was knowingly infringed. Whether it was done knowingly or not, it would equally be an infringement of their property." (w)

"The right of the patentee," said Cotton, L.J., in *Proctor v. Bennis*, "does not depend on the defendant having notice that what he is doing is an infringement. If what the defendant is doing is, in fact, an infringement, his having acted *bonâ fide* and honestly will not protect him from an injunction." (x)

(s) 13 M. & W. 593; 14 L. J. Ex. 156.

(t) 5 H. of L. Ca. p. 537; 25 L. J. O. P. p. 19.

(u) 2 W. P. C. 156; 16 L. J. O. P. 251.

(v) 7 H. & N. p. 39; see, also, *Newall v. Elliott*, 13 W. B. p. 18; 10 Jur. (N. S.), 958.

(w) 8 App. Ca. p. 12; 50 L. J. Ch. 582; 42 L. T. (N. S.), 754; see, also, *Walton*

v. Lavator, 29 L. J. O. P. 279; *Plimpton v. Spiller*, 4 C. D. 288; *Wittman v. Oppenheim*, 27 C. D. 260; 54 L. J. Ch. 56; *Young v. Rosenthal*, 1 R. P. C. 29; *Geary v. Norton*, 1 De G. & S. 9.

(x) L. R. 36 C. D. p. 760; 4 R. P. C. 357; 57 L. J. Ch. 22; see, also, *Proctor v. Bailey*, 6 R. P. C. 106.

Ambit of the Invention.—Although intention is no part of infringement, and the wrongdoer is equally liable whether he intends to invade the patentee's monopoly or not, there can be no infringement unless that monopoly is actually invaded. It is, therefore, necessary in every case of alleged infringement to first clearly ascertain what the limits of the monopoly claimed are; in other words, what is the preserve from which the public are fenced off by the prohibitory words of the grant, for unless that is trespassed upon there is no infringement. This is sometimes called the area or ambit of the invention.

Once the area of monopoly is defined it becomes possible to ascertain whether what the infringer has done amounts to an invasion of the rights of the patentee. Where the identical thing of which the patentee has the monopoly is done, the infringement will be clear; but in most cases distinctions and differences will be found to exist, (y) and difficult questions will sometimes arise as to whether what is done amounts to independent invention, or conceals, under non-essential differences, a substantial identity with the protected discovery.

Essence of the Invention to be Ascertained.—In such cases the Court, having ascertained in the first instance the ambit of the invention, will then proceed to consider what is its essential and characteristic feature, what, to quote the words of Lord Cairns, is its "pith and marrow," for unless these are found in the alleged infringement there will be no invasion of the patentee's monopoly. But, on the other hand, if the infringer has availed himself of these, no matter how disguised and concealed, he is a trespasser on the patentee's monopoly, and liable as such, for the wrong he has committed. (z)

"I think," said Bowen, L.J., in *Hocking v. Hocking*, "it will be found that the true view is that which was laid down in the House of Lords, and which has been acted on in many cases: that you must ask yourself whether the substance and pith of the invention is taken substantially. A mere addition to the original machine will not prevent the new machine from being an infringement; nor will diminishing or subtracting this or that part of the original machine necessarily prevent an infringement of it from taking place. You must recall yourself, after making

(y) "No infringer of patents is such a blunderer at the work of infringing as to go and make a thing exactly like the patent." Per Esher, M.R., in *Peckover v.*

Rowland, 10 R. P. C. p. 233.

(z) See *Dudgeon v. Thomson*, 3 App. Ca. 39 (per Lord Cairns, C.).

allowance for the subtraction, to the question whether in substance the invention has been borrowed.

“I think there is this further common-sense maxim to be borne in mind, and that is, that as what you have to consider is not whether there has been an improvement on the old machine, but whether the old machine has in fact been plundered, you must not be led away by the mere terminology which the patentee uses in describing his machine; for example, supposing that the addition made or the subtraction made is one which, in strict language, prevents the original terminology of the patentee from being applicable as accurately to the new machine as it would have been to the old machine, although that, I think, is a fact to be considered, yet it is not the determining standard. You must still go back and ask yourself, not what the machine is properly called which is said to infringe, but what it is in substance, and whether it has in substance taken the invention which has been described in the patent. That seems to me to be a sensible canon to bring to bear on the question of infringement.” (a)

Identity of purpose, not of name, is therefore the true test of infringement. Things may be called by the same name and yet perform totally different functions in different inventions. “This thing,” said Lord Cottenham, in *Outler's Patent*, “may be called a pin, and may be correctly called a pin, and the other no doubt may be called a pin, but it is not because they go by the same name they are to be considered as identical; they are not used for the same purpose in any one respect.” (b)

The case of *Dudgeon v. Thomson* (c) affords a good illustration of the importance of grasping the essence of the invention as a test of infringement. In that case the patent was for a new or improved expander of boiler tubes. The apparatus alleged to be an infringement consisted of three rollers in the form of tapering cylinders, placed together round a central cylinder, which by its rotation gave motion to these wedge-formed tapering cylinders. The whole operated as a revolving wedge inserted in the tube, and caused its expansion by rotation. The plaintiff's apparatus, on the other hand, consisted of cylindrical rollers, into the centre of which a tapering plug was introduced as an expander, which operated on the tube by driving out these cylinders, and so creating a heavy continuous pressure on the inside of the tube.

(a) Per Bowen, L.J., in *Hocking v. Hocking*, 4 R. P. C. 442, 443; approved by Lord Watson in S. C. 6 R. P. C. 78.

(b) 1 W. P. C. 427.

(c) L. R. 3 App. Ca. 42.

The House of Lords being of opinion that the essential feature of the plaintiff's invention was the central plug creating lateral pressure, held that the defendants had not taken the essence of the invention, and that their apparatus was therefore a different mode of attaining the same result, and no infringement.

Wider Ambit of a Master Patent.—In construing the ambit of an invention with the view of ascertaining whether what a defendant has done is an infringement of the patent rights, the Court will deal more liberally with a patent for a pioneer invention which strikes out some new track of discovery and may be described as a master patent, than with an invention which is in the nature of an improvement and the subject-matter of which has already been the subject of prior patents.

“Where the thing is wholly novel,” said Wood, V.C., in *Curtis v. Platt*, (d) “and one which has never been achieved before, the machine itself which is invented necessarily contains a great amount of novelty in all its parts, and one looks very narrowly and very jealously upon any other machines for effecting the same object, to see whether or not they are merely colourable contrivances for evading that which has been done before. When the object itself is one which is not new, but the means only are new, one is not inclined to say that a person who invents a particular means of doing something that has been known to all the world long before has a right to extend very largely the interpretation of those means which he has adopted for carrying it into effect. . . . One looks more jealously at the claims of inventors seeking to limit the rights of the public at large for effecting that which has been commonly known to all the world long ago. Of course no patent can be taken out for effecting this as a new object, but only for effecting it by a new means. What those means may be, and what is the extent of a claim which the patentee has a right to insist upon as to those means, is often a matter of much difficulty.”

So likewise in *Proctor v. Bennis*, (e) the same distinction was laid down by Fry, L.J. “It appears to me that the cases and the reason of the case, draw a broad distinction between combinations which are old as regards their elements, and old as regards the object to be attained, and combinations which though old as regards the elements, are new as regards the mode of putting them together, and new as regards the object to be attained. I think that a comparison of what was said in *Curtis v. Platt*, where

(d) L. R. 3 C. D. 136, n.

(e) 4 R. P. C. p. 361.

a broad distinction was drawn by Lord Hatherley between old and new objects, with what was said by Lord Cairns in the case of *Clark v. Adie* (*f*) in indicating the second mode (*g*) in which the combination might be infringed in that case, and with what was said by the present Master of the Rolls in the case of *Nordenfelt v. Gardner*, (*h*) goes to shew that there is a broad line of distinction to be drawn between cases of combination for an old object and cases of combination for a new object, and, as I have already said, reason, as I think, goes a long way with those authorities."

At the same time, the Courts will not construe the ambit of a master patent so widely as to conflict with the well-established rule that there can be no patent for a principle. For even where an invention attains an entirely new result, the Courts will not prevent another inventor attaining the same result by essentially different means.

Improvements are still Infringements.—It affords no answer to an action of infringement to shew that the article or process complained of is, in fact, an improvement upon the plaintiff's patent, if the original invention has been taken. An infringement which embodies improvements is none the less an infringement. (*i*)

"Although the respondents' invention," said Lord Chelmsford in *Saxby v. Clunes*, (*j*) "is a decided improvement upon the appellant's, yet, if in carrying it out they make use of any part of the appellant's invention to which his patent extends, and which is new and material, they are liable for an infringement."

"If," said Lord Esher, M.R., in *Needham v. Johnson*, (*k*) "the defendants have used the plaintiffs' combination, and also something added to it, that combination remaining a necessary part of their machine, but the addition to it being an improvement, and if they have used that, but without acknowledgment, that is to say, without acknowledgment that they are using an improvement, that would be an infringement, no doubt. If they had invented such a machine as I have described, they would have been entitled to take out a patent, not for that machine, as a new machine, but for an improvement upon the plaintiffs' machine. If they had claimed the improvement on the plaintiffs' machine, they could not use their improved machine without paying the

(*f*) 2 App. Ca. 320.

(*g*) By taking the essential characteristics. See, also, *Incandescent Gas Light Co. v. De Mare*, 13 R. P. C. 301, 559.

(*h*) 1 R. P. C. 61.

(*i*) See *Neilson v. Harford*, 1 W. P. O.

310; *Russell v. Leddam*, 14 M. & W. p. 581; *Bateman v. Gray*, Macr. P. C. 102; *Young v. Rosenthal*, 1 R. P. C. 32, 33.

(*j*) 43 L. J. Ex. 241.

(*k*) 1 R. P. C. p. 53.

proper price to the plaintiffs for having used their machine although improved. If they used it without paying, they would infringe."

"If the pith and marrow of the invention is taken," said Bowen, L.J., in *Wenham Gas Company v. Champion Gas Company*, (l) "it is no excuse to say that you have added something or omitted something, even if the addition or omission be useful and valuable. The superadding of ingenuity to a robbery does not make the operation justifiable. The fact that that new lamp which is the result of having taken the invention of another person is an improvement upon that other person's idea, does not excuse the person who borrows what is not his."

In the *North British Rubber Company v. Macintosh*, (m) the patentee's invention (which related to improvements in tyres or rims for cycles) was the combination of an outside flexible tyre, that could easily be renewed (because it was not in itself a complete tube), and an inside complete tube, capable of inflation, so that when the inside tube was inflated the flexible tyre was kept on to the grooved, dove-tailed, metal tyre by the pressure of the sides of the flexible tyre against the groove. The defendants had taken the plaintiff's invention, subject to the following alterations. They had increased the size of the outside flexible tyre and the thickening of its edges, also the dove-tailing of the metal-grooved tyre, so as to give a greater grip, and to render it more difficult for the flexible tyre to be forced out of the mouth of the groove. With these alterations they were able to employ for their inflatable inside tubes a more elastic tube, viz. one made wholly of india-rubber, instead of one composed of cloth and indiarubber combined, as mentioned in the plaintiffs' specification. "Take it," said Romer, J., in holding this to be an infringement, "that so far as the patentee is concerned, he has indicated, by the reference to the cotton, that he does not contemplate his inside tube being too elastic, or being made wholly without cotton; and then suppose a man subsequently finds that by much increasing the grip referred to in the patent, he can, without risk of blowing out the outside tyre, make the inside tube more elastic than the patentee thought, and wholly drop the cotton. Would this enable him with impunity, and without being considered an infringer, to take and use the whole of the patentee's invention, so long as he employed the increased grip, and the more elastic inside tube? I think not. He would still be taking and using the essence of the invention (of that which was patented), and would be an infringer, though

(l) 9 R. P. C. 49, p. 56.

(m) 11 R. P. C. 477.

his particular tyre might be an improvement of that precisely indicated by the patentee in the body of his specification." (n)

Where, therefore, a patentable improvement upon an existing patent is discovered by some person other than the patentee, such person, although not precluded by the prior invention from patenting his discovery, cannot, if his use thereof is dependent on the use as well of that prior invention, put his discovery into practice during the term of the original patent without the license of the original patentee. (o)

If modifications which improve a patented invention do not excuse its use by an unauthorized person, *a fortiori*, alterations which make it worse will not do so. (p)

"It is not," said Mathew, J., in *Cheetham v. Nuthall*, (q) "because an inferior article is produced that there has not been an infringement of the patent."

Where detrimental variations are introduced for no good purpose the Court will conclude that they are merely adopted to conceal the piracy and prevent its becoming apparent. (r) A clumsy imitation is none the less an infringement because it is an inferior copy. (s)

Infringement by Taking a Part of the Invention.—It is not necessary to constitute infringement of a patent, that all that is claimed by the patentee should be taken. Taking any essential part of the invention is an infringement of the monopoly.

"All that has to be looked at in questions of infringement," said Pollock, C.B., in *Newton v. the Grand Junction Railway Company*, (t) "is whether the defendant has pirated a part of that to which the patent applies." "If part of the property in the invention is taken," said Lord Blackburn, in *Dudgeon v. Thomson*, "there is an infringement, however much that may be disguised or sought to be hidden. If that is detected by the patentee, and if what is taken is really part of his property given to him by the letters patent, he has a right to proceed against the infringer, however ingeniously the colours may have been contrived to conceal the fact that there has been a taking of part of the property." (u)

(n) 11 R. P. C. p. 488.

(o) Per Tindal, C.J., in *Crane v. Price*, 1 W. P. C. 410; see, also, *Harmar v. Playne*, 11 East, 111; *Lewis v. Davis*, 3 O. & P. 502; *Ex parte Fox*, 1 W. P. C. 431. As to compulsory licenses, see ante, p. 349.

(p) See *Moore v. Thompson*, 7 R. P. C. pp. 334, 335.

(q) 10 R. P. C. 333.

(r) Per Lords Halsbury and Bramwell, in *Moore v. Thompson*, supra.

(s) *Crampton v. Patent Investments Co.*, 6 R. P. C. 287.

(t) 5 Ex. p. 334; see, also, *Hinde v. Osborne*, 1 R. P. C. 64.

(u) 3 App. Ca. p. 53.

“You not only have no right to steal the whole,” said James, V.C., in *Parke v. Stevens*, (v) “but you have no right to steal any part of a man’s invention; and the question in every case is a question of fact—Is it really and substantially a part of the invention?”

No Infringement to take Part where a Combination only is claimed.—Where, however, the patent is for a combination merely, and none of the component parts are claimed separately, it is no infringement to take one of such parts. For parts which are not claimed are not protected. (w) Thus, in *Parke v. Stevens*, (x) the plaintiff claimed generally a special arrangement and combination of parts in the making of railway lamps. One of the elements in the plaintiff’s combination was a spherical sliding door. The defendant put a similar door into his own lamp, and was held entitled to do so, as this was no infringement of the combination, which alone was the subject of the plaintiff’s claim. (y)

In considering whether or not a patent which is alleged to have been infringed is for a combination only, it is not material to ask whether the word combination occurs in the specification. Dealing with this contention in *Proctor v. Bennis*, Cotton, L.J., said: (z) “The argument that a man who claims the use of certain mechanical means in connection with certain other things does not claim a combination, to my mind really requires no answer. A combination is the use of certain things in connection with others to produce a machine, and that is what is here claimed.”

Where taking Part of a Combination is Infringement.—Although to infringe a combination patent it must generally be shewn that all essential parts have been taken, there are cases where the taking of a part only of the combination may be an infringement of the patentee’s monopoly. This will be so when the inventor claims, not only the whole combination, but also separate parts of it as independent entities. Where this is so, the taking of any part so claimed will constitute an infringement of the patent. This form of infringement was lucidly explained as follows by Lord Cairns, C., in dealing with a patent for a mechanical apparatus in *Clark v. Adie*: (a) “But there is a third way in which it is possible to conceive an infringement of a patent of the kind to which I have referred. Inside the whole invention there may

(v) L. R. 8 Eq. p. 367; 38 L. J. Ch. p. 631.

(w) *Davies v. Townsend*, 16 R. P. C. 497.

(x) L. R. 8 Eq. 358; 5 App. Ca. 36; 38 L. J. Ch. 627.

(y) See, also, *White v. Fenns*, 15 W. R. 348; 15 L. T. (N. S.), 505.

(z) 4 R. P. C. p. 352.

(a) L. R. 2 App. Ca. 315; 46 L. J. Ch. 588.

be that which is a minor invention, and which does not extend to the whole, but forms only a subordinate part or integer of the whole. Now again, that subordinate integer may be a step or a number of steps in the whole, which is, or are, perfectly new, or the subordinate integer may not consist of new steps, but may consist of a certain number of steps so arranged as to form a novel combination within the meaning which is attached by the patent law to the term combination. Suppose that in a patent you have a patentee claiming protection for an invention consisting of parts which I will designate as A, B, C, and D. He may at the same time claim that as to one of those parts, D, it is itself a new thing, and that as to another of those parts, C, it is itself a combination of things which were possibly old in themselves, but which, put together and used as he puts together and uses them, produce a result so new that he is entitled to protection for it as a new invention. In a patent of that kind the monopoly would or might be held to be granted, not only to the whole and complete thing described, but to those subordinate integers entering into the whole, which I have described. But then the invention must be described in that way; it must be made plain to ordinary apprehension, upon the ordinary rules of construction, that the patentee has had in his mind, and has intended to claim protection for, those subordinate integers, and, moreover, he is, as was said by the Lords Justices, at the peril of justifying those subordinate integers as themselves matters which ought properly to form the subject of a patent of invention."

All the Parts of a Combination need not be taken to constitute Infringement.—Where the patentee claims only a combination, the combination itself, and not the parts composing it, constitutes the invention. The true test of infringement, therefore, in such case is not whether all the component parts have been taken, but whether the essence of the combination as a whole has been taken.

Thus, any substantial union of the essential parts for the same object will be an infringement, even where all the parts have not been taken or where mechanical equivalents have been substituted for some of them. (b)

In *Harrison v. Anderston Foundry Company*, (c) Lord Penzance said: "The case of *Lister v. Leather* has been cited and commented upon as an authority for the proposition that a patent for a combination covers and protects all subordinate combinations or

(b) *Osmond v. Hirst*, 2 R. P. C. 265.

(c) 1 App. Ca. 593.

parts, or at least such of them as are 'new and material.' It is plain, however, that that case did not go this length. It decided nothing more than this, that though the patent is for a combination, it does not follow that there can be no infringement of it unless every part of that combination, without exception, is pirated. What the Court said was that the taking of a subordinate part or parts of the combination might be, not that it necessarily would be, an infringement of the patent; and that, whether it would be so or not, depended, as the Court of Error said, 'Upon what the parts taken were, how they contributed to the object of the invention, and what relation they bore to each other.' This only amounts to saying that on a question of infringement the essential nature of the invention will be regarded; and that there may be cases in which, though the patent is for an entire combination of numerous parts, a collusive imitation of that invention may be effected though some detail of the combination is omitted or changed, which is a doctrine familiar enough in patent law."

The argument that an alleged infringement of a combination was no infringement because it differed from the plaintiff's combination, both by additions and omissions, was discussed by the Court of Appeal in *Proctor v. Bennis*. "In my opinion," said Cotton, L.J., in that case, (d) "additions and omissions may be very material in considering whether in fact the machine of the defendant is a taking of the machine of the plaintiff, that is to say, an infringement of the combination which the plaintiff claims; but if that is not so, then the mere fact that there are certain parts omitted or certain parts added, if he really has taken the substance and essence of the plaintiff's combination, cannot prevent his machine from being an infringement of the plaintiff's."

In *Osmond v. Hirst*, (e) a marking apparatus, in which the colouring matter was communicated to the marking wheel by contact with another wheel or disc revolving in a tank charged with colouring matter, was held to be infringed by a similar combination in which the function of the rotating disc was performed by a revolving brush.

In *Laine v. Herold*, (f) a patent for a chemical compound for killing beetles was held to be infringed by the use of a similar compound, with immaterial additions, for the same purpose.

In *Nordenfelt v. Gardner*, (g) it was alleged that the defendants

(d) 4 R. P. C. p. 354; 57 L. J. Ch.
p. 19.

(e) 2 R. P. C. 265.

(f) 9 R. P. C. 447.

(g) 1 R. P. C. 61.

had infringed the plaintiff's patent by taking two of its subordinate combinations. The patent was for an improved battery gun, of which the defendants were said to have taken the feeding apparatus and the magazine. The case was tried before Huddleston, B., without a jury, who ordered an injunction. On appeal this decision was reversed, the Court of Appeal holding that the patent had not been infringed.

In his judgment, Lord Esher, M.R., construing the specification, said: (h) "That seems to me to claim the feeding apparatus as a combination, and to claim the combination, and the combination alone. If that be so, how can such a combination be infringed? The machine which is challenged may have that combination actually without any variance at all. If so, it is obvious that the challenged machine is an infringement. Or it may have that combination with some alteration. The alteration of a combination, as it seems to me, may be by addition, or subtraction, or substitution, of parts. Any one of those alters the combination. If the alteration, whether it be by addition, or subtraction, or substitution, be merely colourable, then the two machines are substantially the same; and, in any case, notwithstanding such colourable alteration, there may be an infringement. An alteration by addition may be an improvement, but then that will leave the whole of the original combination, and add something to it. If such an alteration of the combination be made, it seems to me that no new patent can be made with regard to the new machine, except by claiming the invention as an improvement, and by shewing distinctly what the addition is, so as to shew what the improvement is. An alteration by subtraction, if it were more than a colourable subtraction, would, as it seems to me, alter the combination. It would not be a combination of the same things; it would be a combination of different things; and if the combination were altered by a material subtraction, I should think that it was a new combination. But an alteration by substitutes, that is, by substitution of one of the material elements of the original combination, must, to my mind, be a new combination. The second combination, then, is a combination of different things from the first. There is a taking away of one of the elements, and a material element of the old combination, and a putting in of a new material element which is different from any of the elements of the former."

Although it is not necessary that all the parts of a combination

(h) 1 R. P. C. p. 65.

should be found in an infringement, it is necessary that all the *essential* parts should be taken; for the omission of even one essential factor constitutes the remaining ingredients, in fact, a new combination; and the granting of a patent for one combination does not preclude another inventor attaining the same end, by a simpler combination, with fewer ingredients. Indeed, some of the most meritorious inventions have consisted in the discovery that a well-known commercial result could be attained with the omission of some ingredient, or without the necessity of some step, previously believed to be indispensable.

Applying this principle in *Gwynne v. Drysdale*, (i) the Lord President of the Court of Session said: "I am not to be understood as saying that an infringer, by merely omitting some immaterial part of the mechanism described in the specification, or substituting for such immaterial part some mechanical equivalent, will escape conviction if his machine contains all the essential and characteristic features of the patented combination. But, if in the machine of an alleged infringer any material part of the patented combination is omitted, then the combination used by the alleged infringer is a different combination from that of the patentee. The omission of one material part may be an improvement, or the reverse. The possibility of dispensing with it may be a valuable discovery, or the omission may be made merely for the purpose of avoiding an infringement; but, in either case, the combination of the patentee, minus an essential part of it, is no longer his combination."

In *Needham v. Johnson*, (j) the plaintiff's patent was for improvements in machinery for depurating fluids. The object of the invention was described as being the employment of paper as a filtering medium under high pressure. The patentee's second claim claimed "forming continuous supply-and-discharge conduits by simple contact of the frames substantially as described and shewn." The plaintiff's conduits (for supply and discharge) were continuous pipes with holes. The defendant's had a continuous discharge-pipe with holes, but they had not a continuous supply-pipe. Instead, they had a series of holes, or perforations, placed so that the liquid passed through them in columns, as liquid would pass through a pipe. In the abstract the contrivances looked the same, but when the purpose of the patentee was borne in mind, the difference became apparent; for the defendant's series of holes could not be used for the purposes of a paper-filter at all.

(i) 3 R. P. C. 65.

(j) 1 R. P. C. 48, 1884.

Lopes, L.J., having held at the trial that the defendant had infringed, the Court of Appeal reversed this decision. Lord Esher, M.R., said: (*i.a.*) "Can these frames (in the defendant's apparatus), which form a passage of successive holes at the necessary distance, which may be a considerable distance, can they, in any ordinary sense of the word, be said to form a physical or mechanical conduit or pipe through which anything is to pass? They conduct the liquid so that it forms a hydrostatic column. They do that; but do they do that by making themselves into a conduit or pipe? I come to the conclusion that they do not, and that, therefore, in the centre of the defendant's machine there is not a physical, mechanical conduit or pipe, or anything which is only colourably different from that. If so, one of the essential elements of the plaintiff's combination is not used in the defendant's machine, and something else is used which is necessary for the defendant's machine, that is, something which is not a conduit, because if it were a conduit in the defendant's machine, if it were a physical conduit caused by the impact of the two things together, the defendant's machine would not work. . . . It seems to me that, under those circumstances, the combination in the defendant's machine is not the same as the combination in the plaintiff's machine."

Infringement by Colourable Variations.—The infringer of a patented invention does not usually take the invention in all its details, variations are generally introduced to disguise the piracy, (*lc*) and it is always a question of degree as to whether such variations constitute differences sufficiently substantial to negative infringement. Mere trifling differences, alterations in non-essential details, will not, however, protect an infringer.

The law upon this was well laid down to the jury by Tindal, C.J., in *Walton v. Potter*. (*l*) "Where a party has obtained a patent for a new invention or a discovery he has made by his own ingenuity, it is not in the power of any other person, simply by varying in form or in immaterial circumstances the nature or subject-matter of that discovery, to obtain either a patent for it himself or to use it without the leave of the patentee, because that would be in effect, and in substance, an invasion of the right. And, therefore, what you have to look at upon the present occasion is, not simply whether in form or in circumstances—that may be more or less immaterial—that which has been done by the

(*lc*) See Lord Esher, M.R., in *Peckover v. Rowland*, 10 R. P. C. 238.

(*l*) 1 W. P. C. 586, 587.