THE

LAW OF PATENTS

AS ILLUSTRATED BY LEADING CASES

WITH DISCUSSION OF PRINCIPLES, ANNOTATIONS, IMPORTANT STATUTES AND RULES

BY

WALTER F. ROGERS

OF

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IN TWO VOLUMES

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STATUTES.

Patents, how issued, attested and recorded.

§ 4883. All patents shall be issued in the name of the United States of America, under the seal of the patent office, and shall be signed by the Commissioner of Patents, and they shall be recorded, together with the specifications, in the patent office in books to be kept for that purpose.

All patents for inventions signed by David L. Hawkins, Second Assistant Secretary of the Interior, or any other Assistant Secretary of the Interior, shall have the same force, effect, and validity as though the same had been signed by the Secretary of the Interior in person at the date on which they were respectively executed.

[Note: The second part of this statute arose from Marsh v. Nichols, 128 U. S. 605, 32 L. ed. 538, 9 Sup. Ct. 168, where a patent had been held invalid because not signed, in accordance with the law, by the Secretary of the Interior.]

Contents and duration.

§ 4884. Every patent shall contain a short title or description of the invention or discovery, correctly indicating its nature and design, and a grant to the patentee, his heirs or assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery throughout the United States and the Territories thereof, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.

Date of Patent.

§ 4885. Every patent shall issue within a period of three months from the date of the payment of the final fee, which fee shall be paid not later than six months from the time at which the application was passed and allowed and notice thereof was sent to the applicant or his agent; and if the final fee is not paid within that period the patent shall be withheld.

Penalty for falsely marking or labeling articles as patented.

§ 4901. Every person who, in any manner, marks upon anything made, used, or sold by him for which he has not obtained a patent, the name or any imitation of the name of any person who has obtained a patent therefor, without the consent of such patentee, or his assigns or legal representatives; or

Who, in any manner, marks upon or affixes to any such patented article the word "patent" or "patentee," or the words "letters patent," or any word of like import, with intent to imitate or counterfeit the mark or device of the patentee, without having the license or consent of such patentee or his assigns or legal representatives; or

Who, in any manner, marks upon or affixes to any unpatented article the word "patent" or any word importing that the same is patented, for the purpose of deceiving the public, shall be liable, for every such offense, to a penalty of not less than one hundred dollars, with costs; one-half of said penalty to the person who shall sue for the same, and the other to the use of the United States, to be recovered by suit in any district court of the United States within whose jurisdiction such offense may have been committed.

RULES OF PRACTICE.

[Rule 164 provides for a notice of allowance in accordance with the provisions of R. S., §§ 4885, 4893 and 4897;

165 for withdrawal from issue upon the approval of Commissioner for further action and thereupon for a new notice of allowance in case the application be again allowed;

166 that when the application is withdrawn on request of the applicant such withdrawal will not stay the period of one year running against the application, that is, will not prevent abandonment within that time;

167 carries into effect the provisions of R. S., §§ 4885 and 4935, providing for the date of the patent and the final fee, and the withholding of the patent if the final fee be not paid, and that no patent shall be antedated, a provision which formerly obtained;

168 is substantially in the terms of R. S., § 4884, with a condition relating to the term of design patents;

169 relates to the delivery to the patentee or the attorney of record or to the party designated;

170 to correction of error in letters patent. See Part X.]

[For Statutes and Rules of Practice on applications of the prior art, etc., see Part II.]

402. KOKOMO FENCE MACH. CO. v. KITSELMAN 189 U. S., 8, 47 L. ed. 689, 23 Sup. Ct. 251 (1903, Patent No. 502,025).

On writ and cross-writ of certiorari to the United States Circuit Court of Appeals for the Seventh Circuit.

Statement of the Case.

This was a suit in the circuit court of the United States for the District of Indiana for infringement of claims 1, 2, 3, 9, 10, 11, 15 and 20 of Letters Patent No. 356,322, issued January 18, 1887, to Alva L. Kitselman and Davis M. Kitselman for an improvement in wire-fabric machines; of claims 1 and 2 of Letters Patent No. 289,507, issued December 4, 1883, to W. J. Davisson for an improved machine for making wire fabrics; of claims 2, 3 and 4 of Letters Patent No. 357,067, issued February 1, 1887, to Theodore M. Connor for improvement in machines for forming netted wire fabrics; and of claims 1 and 10 of Letters Patent No. 505,607, issued September 26, 1893, to John C. Pope, for wire-fabric machines.

Defendants denied patentable novelty of each of the patents, and also denied infringement, and alleged that they constructed their wire fabrics as licensees under and pursuant of Letters Pat-

ent No. 502,025, issued to W. D. Whitney, December 24, 1895, for improvements in wire-fabric machines.

The cause was heard by District Judge Baker, who held that the claims of the four patents sued on were for specific constructions, which defendants did not use, and that there was no infringement of either of the Letters Patent, and dismissed the bill. The case was carried to the United States Circuit Court of Appeals for the Seventh Circuit, and that court, one of its members dissenting, reversed the decree, and held that the defendants had infringed the first, second, eleventh and fifteenth claims of the patent issued to the Kitselmans. 108 Fed. 632.

The writ of certiorari was granted on the petition of the Kokomo Fence Company, and afterward the cross-writ on the petition of the Kitselmans. The machine company alleged error in the judgment of the court of appeals sustaining and finding infringement of the Kitselman patent, and the Kitselmans alleged error in that court in not sustaining and finding infringement of the Davisson, Connor and Pope patents. * * *

Mr. Chief Justice Fuller delivered the opinion of the court: * * *

The statement is given in full, with eleven pages of drawings in the report of the case. 108 Fed. 632.

The Kitselman and Pope patents described portable machines. The Davisson and Connor patents describes stationary machines. The Kitselman and Pope patents were intended to be operated by hand and the Davisson and Connor patents were intended to be operated by power. But the essentials of the mechanism were not dependent upon the circumstances of their being embodied in either a stationary or a portable machine, or in a power or a hand machine. * * *

In the Kitselman specifications and drawings, plans of picket-and-slat fencing and of the common form of wood fence held together by wires, as made by that machine, were shown. The Middaugh and Wilcox machine made wire-and-picket fence. The Kitselman machine made diamond-mesh, and wire-and-picket fence. But the diamond-mesh fabric was old, as shown not only in the Davisson patent but in many others antedating those in suit, as, for instance, that of Nesmith of April 4, 1854.

The diamond-mesh fabric had been woven while the machine was in a standing position. The Middaugh and Wilcox patent made wire-and-picket fence in the field. Kitselman converted the stationary into a portable machine by setting it on end and mounting it on a truck; and he converted the portable machine, as he himself says, by disposing the parts "in a horizontal instead of a vertical position," and mounting "the same on suitable bearings to provide a stationary machine for indoor use." The

mechanism and operation were the same. Whatever its merits, it was not in itself primary invention to mount a machine for making diamond-mesh fencing on a truck, and using it in the field, as the old machine had been used to make wire-and-picket fences. The getting up and walking was not new, though the machine may have gone at a better gait and made a better fence.

When Kitselman made his original application, his nineteenth claim read:

"In a wire-fabric machine, the combination of a track, a carrying-frame geared to the track and having the twisting devices and the reels, and pawl-and-ratchet mechanism for feeding the frame and its devices, substantially as described, for the purpose set forth."

This claim was rejected by the patent office on reference to the Fultz patent of May 13, 1884, and the Watson patent of July 21, 1885.

Fultz's was a patent for "an upright machine for making or weaving fence composed of wire and pickets, and may be used, movably, along the line where the fence is to be made, or stationary."

Watson's was a patent for a wire-fence machine, the invention relating—"to that class of fence-machines in which the pickets and wires are bound together and the fence put up in one operation."

Kitselman acquiesced in the rejection and withdrew his nineteenth original claim, and can not now reasonably claim a construction which would protect his machine as a pioneer field-machine.

The first, second, eleventh and fifteenth claims of the Kitselman patent were held by the circuit court of appeals to be infringed. We repeat these claims as follows:

"1. In a wire-fabric machine, a series of sectional twisters, each of which comprises a central section for carrying a warp-wire, and having rotary movement imparted thereto, and the shifting sections for carrying the weft-wire, and receiving rotary motion from the central section to form the twist, substantially as and for the purpose herein described.

"2. In a wire-fabric machine, the combination of a series of sectional twisters geared together for simultaneous rotation, and each comprising a central portion movable only on its axis and side portions capable of a compound movement—that of rotation on their axes—and of a shifting longitudinal movement, substantially as described, for the purpose set forth.

"11. In a wire-fabric machine, a series of twisters connected for simultaneous operation, and each consisting of a central section and the side section, in combination with the spools car-

ried by the side sections, the central section of each twister being provided with a longitudinal opening for the passage therethrough of the warp-wire, substantially as described.

"15. In a wire-fabric machine, the combination of a series of rotary twisters geared directly together for simultaneous operation, each twister having a central section capable of rotary movement only, and two side sections which are capable of a shifting movement independently of the central section in opposite directions simultaneously, whereby the said shifting sections of one twister are adjusted to register with the central sections of twisters on opposite sides of the same, substantially as described, for the purpose set forth.

It is obvious, as said by complainants' expert—"that the terms 'sectional twisters,' 'twisters' and 'rotary twisters,' used in the several claims under consideration, refer to the same three-part twister devices."

In Kitselman's original application, the first claim called for a "series of sectional twisters geared directly together;" the second, for "a series of sectional twisters capable of sliding movement with relation to each other and geared for simultaneous rotation;" the third, for "the series of sectional twisters comprising the central hub-section and the two side sections disposed on opposite sides of the central section, the hub-section being stationary, while the side sections are capable of shifting movement;" the fourth, for "the series of sectional twisters, each of which comprises a longitudinally-immovable section and two sections which have longitudinal movement;" the fifth, for "the series of sectional twisters, each of which comprises the central portion carrying the warp-wires and the shifting side sections which carry the weft-wires."

The first and second claims were rejected, and thereupon erased, and others substituted, which were likewise rejected (the Nesmith patent of 1854 being cited), were withdrawn, and the numbers of original claims 3, 4, and 5 were changed to 1, 2 and 3. The latter were then rejected on reference to the Smith British printed publication of 1876, withdrawn, and claim 1 as it now stands submitted. * * *

The two substituted claims above mentioned as rejected on reference to Nesmith, and withdrawn, read as follows:

"1. In a wire-fabric machine, a series of rotary twisters geared directly together for simultaneous rotation and each having two sections which are capable of a sliding movement, substantially as described, for the purpose set forth.

"2. In a wire-fabric machine, the combination of a series of rotary twisters geared directly together, substantially as described, for the purpose set forth." * * *

In view of what passed in the patent office, and the state of the art, we can not regard the Kitselman patent as a pioneer patent, but think its claims must be limited in their scope to the actual combination of essential parts as shown, and can not be construed to cover other combinations of elements of different construction and arrangement. * * *

Considering the complainants and Whitney as alike having improved on the prior art, the question is whether the specific improvements of the one actionably invaded the domain of the other. The presumption from the grant of the letters-patent is that there was a substantial difference between the inventions. * * *

We perceive no reason to decline acceptance of these findings of the circuit court, and agree with that court in the conclusion that the machines lack that identity of means and identity of operation which must be combined with identity of result to constitute infringement.

As we have before stated, the circuit court of appeals concurred with the circuit court that, unless the patents sued on embodied a pioneer invention, the defendant's machine was so differentiated from either of the others that the charge of infringement could not be maintained. The circuit court held all complainants' patents to be only improvements on the prior art, and dismissed the bill on the ground of non-infringement.

The circuit court of appeals held that the Kitselman patent was entitled to be treated as embodying primary invention and to such liberal construction as brought defendants' machine within it. The decree of the circuit court was therefore reversed because, in the opinion of the circuit court of appeals, certain claims of the Kitselman patent were infringed.

For the reasons given in treating of the Kitselman patent we think that none of complainants' patents embodied primary invention, and we concur with both the courts below that, this being so, the differences in means and operation between defendants' machine and the others were such that there was no infringement.

It does not seem necessary for us to enumerate these differences in respect of the other three patents. This was well done in the circuit court, and the circuit court of appeals accepted the view of that court as to the absence of infringement if primary invention did not exist. We are content with that conclusion.

Decree of the circuit court of appeals reversed; decree of the circuit court affirmed, and mandate to that court accordingly.

402. KELLY v. CLOW, 89 Fed. 297, 32 C. C. A. 205 (1898).

Before Woods and Showalter, Circuit Judges, and Baker, District Judge.

Baker, District Judge (after stating the facts as above). It is manifest that the patentee was simply a gleaner in a field already well harvested, and therefore the claim that a broad construction should be given to the patent is inadmissible. In view of the numerous prior American and English patents relating to water-closets disclosed in the record, it clearly becomes our duty to give the patent a construction no broader than its terms plainly require. The patent is for a combination every element of which is old, and all that is claimed for it is that it obviates some objectionable features found in other similar constructions. Similar combinations are found in many prior patents, but all of the elements found in complainants' combination, it is claimed, are not shown to have been used together in any one of the prior patents in the same relation to each other. It is insisted that the novelty of the combination can only be destroyed by showing that all of its elements have been used together before, and in the same relation to each other. The contrary is well established. Thompson v. Boisselier, 114 U. S. 1, 11, 5 Sup. Ct. 1042; Hill v. Wooster, 132 U. S. 693, 10 Sup. Ct. 228; Burt v. Evory, 133 U. S. 349, 10 Sup. Ct. 394; Pickering v. McCullough, 104 U. S. 310; Florsheim v. Schilling, 137 U. S. 64, 11 Sup. Ct. 20; Adams v. Stamping Co., 141 U. S. 539, 12 Sup. Ct. 66; Deere & Co. v. J. I. Case Plow Works, 9 U. S. App. 567, 6 C. C. A. 157, and 56 Fed. 841; Lumber Co. v. Perkins, 53 U. S. App. 66, 94, 25 C. C. A. 613, 616, and 80 Fed. 528, 531. * * *

403. BRESNAHAN v. TRIPP, ETC., LEVELLER CO., 72 Fed. 920, 19 C. C. A. 237 (1900).

Before Putnam, Webb, and Aldrich, Judges.

Putnam, J.: * * *

These are appeals from decretal orders granting ad interim injunctions in suits on a patent for an invention. The only question relates to infringement, and this depends on the extent of the patentee's invention and the construction to be given to the claim in issue. Consequently the general rules which govern us are those stated by this court in Hatch Storage-Battery Co. v. Electric Storage-Battery Co., (C. C. A.; in an opinion passed down on March 16, 1900), 100 Fed. Rep. 975.

There is so much literature in the courts in this circuit with reference to the patent in suit that we need not state the facts at length. The only claim in issue is the first one, as follows:

"1. A machine for beating out the soles of boots and shoes, provided with two jacks, two molds, and means, substantially as

described, having provision for automatically moving one jack in one direction while the other is being moved in the opposite direction, whereby the sole of the shoe upon one jack will be under pressure, while the other jack will be in a convenient position for the removal of the shoe therefrom."

For the proper construction of this claim it will be necessary to refer to claim 4, as follows:

"4. In a machine for beating out the soles of boots and shoes, the combination of a mold or die; a vertically-movable jack; a crank; a toggle mechanism connecting said crank and jack, and having provision for the movement of the latter; a crank-shaft; a cam secured to said crank-shaft, and provided with an abrupt shoulder; a driving-shaft; gearing for connecting said crank-shaft and said driving-shaft; a rocker-shaft; a stop-arm secured to said rocket-shaft, and engaging with the shoulder upon said cam to stop the machine; a treadle secured to said rocker-shaft; a spring connecting said treadle with a stationary part of the machine; a brake-shoe operated by said treadle, and acting upon said brake-wheel; and a suitable clutch mechanism for applying power to the driving-shaft when the shoe has been released from contact with the brake-wheel, and the stop-arm has been disengaged from the shoulder of said cam."

Claim 1 has relation, by its express terms, to that part of the machine which has a duplicated mechanism. Claim 4 has relation to a part of the machine which does not necessarily involve a duplicated mechanism. Each claim may well cover a distinct invention. To hold that claim 1 necessarily involves the details which are set out in claim 4, which details may be used in a machine with only one jack and one mold, would be to so limit claim 1 that in effect it would be no broader than claim 4. This is practically the substance of the contention of the appellants. If the patentee's invention is broader than that set out in claim 4, the limit which the appellants thus seek to place on claim 1 would be contrary to the rule so steadily applied in the circuit, that claims ought to be construed, where they reasonably may be, to cover the entire invention of the patentee. The contention is also opposed to the general rule of construction, applicable where there are several claims, to the effect that, if some of the claims are limited to details, those which remain are prima facie not to be fettered by insisting that they contain, as necessary elements, the particulars which are specifically covered elsewhere.

An examination of the history of the decisions of this court with reference to this patent will show that these rules have been applied by us to the construction of claim 1, and that we have not understood that claim 1 has relation to the mechanism

which lies between the crank-shaft spoken of in claim 4 and the source of power. Without detailing the features as to which the appellants claim that their machine differs from the machine covered by the patent in suit, it is sufficient to say that they all relate to the portion last named, and not to those elements which lie between the crank-shaft and the jacks, and which secure the simultaneous motion of one jack in one direction while the other is being moved in the opposite direction, as pointed out in claim 1.

The first decision to which we need refer is that of the circuit court, passed down on September 9, 1892, in Cutcheon v. Herrick, C. C., 52 Fed. 147, 148. In that case there was a decree for the complainant. The case came before this court on appeal in Herrick v. Leveller Co., 8 C. C. A., 475; 60 Fed. 80, where the opinion was passed down on October 12, 1893. There the decree of the court below was affirmed in a per curiam, which adopted its opinion. Those opinions were expressed in such general terms that a question arose with reference to the construction of claim 1, which came before this court again in Bresnahan v. Leveller Co., 19 C. C. A. 237, 72 Fed. 920, where an opinion was passed down on February 14, 1896. We said, at pages 923, 924, 72 Fed., and page 241, 19 C. C. A., as follows:

"Claim 1 of the patent in suit is a very broad one, and, as we held it valid, it would seem that no method of making the connection between the actuating-jacks and the crank-shaft, by means well known in the arts at the date of the patent, would evade it. We are also unable to perceive that the discussion in relation to the treadles and their connections is pertinent, as there is nothing in the letter of claim 1, or in the opinions of either this court or the circuit court in the former case, which makes any automatic stop movement, or any other stop movement, an element. There was nothing in that case in either court which called for any elements except those stated in the claim; and these, as explained by the circuit court in the extract we have made from its opinion, cover the first device in which both of the operations of compressing and clearing were performed automatically, and specify no elements, except two jacks, two molds, and means for automatically moving one jack in one direction while the other is being moved in another direction."

Then we proceeded to show that the words in claim 1, "substantially as described," did not effectually limit it. The patent was again before us in Bresnahan v. Leveller Co., C. C. A., 99 Fed. 280, where, in an opinion passed down on January 10, 1900, we firmly adhered to what we had before determined, and stated that the new proofs then before us "should not narrow the claim as interpreted in" our prior decisions.

There is nothing indefinite in the extracts we have given from our opinions, except the fact that the relations of the word "automatically" in claim 1 were not, in terms, explained, although we think they can be gathered from what we said, so far as the word relates to that claim. The appellants insist that this word, as used in this claim, relates to the entire mechanism intervening between the treadle with which the machine is started, and the lasts; but there is nothing which necessitates this construction. It is plain, on examining our opinion in Bresnahan v. Leveller Co., that we regarded the pith of claim 1 as relating to the "method of making the connection between the actuating-jacks and the crank-shaft." We stated that we were unable to perceive that the discussion in relation to the treadles and their connections was pertinent, and this was not limited by the fact that we afterward referred to the stop movement, which had been particularly brought to our attention. Very few machines are perfectly automatic. Occasionally we have had before us a machine in which the mere presentation of the blank to be worked on caused the mechanism to commence its operation and complete it, and then to cease operating, all without any other human intervention; but neither of the machines now before us is automatic, in the entire sense of the word, notwithstanding the contention of the appellants to the contrary. In the patented machines, when constructed with all the details described in the specification and covered by all the claims, not only must the work be presented to the machine, but human intervention is necessary at the treadle to set the machine in operation every time a blank is introduced for compression. It follows that in this machine the word "automatically" is not used in such a strict sense that it may not yield to a just construction of the claims; and therefore it may as well be applied to any part of the patented machine as to the whole of it, when necessary to give full effect to the invention. In the appellants' machine, the portions to which claim 4 relates are so constructed as to require the constant intervention of human agency at the treadle during the entire round of operation. This, however, has no relation to the mechanism between the crank-shaft and the jacks, because, so far as that part of the appellants' machine is concerned, it has "provision for automatically moving one jack in one direction while the other is being moved in the opposite direction," all substantially as described in the patentee's specification, and as covered by claim 1. This "provision" consists of the crank-shaft, with a pair of toggles, or their equivalent, and the incidental details of each, all of which constitute the "means substantially as described" in the claim.

As, therefore, in our previous opinions we have sustained the validity of claim 1, and held it to be broad, and given it substantially the same effect as we now give it, there was not only sufficient in the prior litigation, according to the rules applicable under these circumstances, to justify the court below in granting the injunctions now appealed against, but there was enough, in view of the necessity of giving patents protection during their short terms of existence, to require that the court should have entered the decretal orders which it did enter.

One or more of the pending suits out of which these appeals arose were brought against infringers who were simply users, having purchased machines from the infringing manufacturers. Under these circumstances, these parties rely on the principles announced in Westinghouse Air-Brake Co. v. Burton Stock-Car Co., 23 C. C. A., 174; 77 Fed. 301, decided by this court on October 9, 1896. An examination of the opinion in that case will show that the circumstances which the court relied on were peculiar. The same was the fact with reference to the other citations made to us by the appellants, the most important of which were referred to in the opinion filed in the circuit court in the same case. Westinghouse Air-Brake Co. v. Burton Stock-Car Co., C. C., 70 Fed. 619, where it was shown, moreover, that there was no danger that that complainant could not be made entirely good by the payment of damages equivalent to a license fee. There was nothing to indicate that that complainant's market was jeopardized in any general sense. To apply decisions in such special cases to ordinary users would be to destroy the patentee's market, and to ignore the recognized rules which the equity courts so frequently apply in order to protect the substantial values of patents by using in their behalf ad interim injunctions.

In each case the judgment is as follows:

The decree of the circuit court is affirmed, and the costs of appeal are awarded to the appellee.

405. KNAPP v. MORSS, 150 U. S. 221, 37 L. ed. 1059, 14 Sup. Ct. 81 (1893, Patent No. 233,240).

[The purpose and function of the invention are set forth at length in the opinion of the court. The structure may be understood without detailed description of the parts which are referred to by the reference letters.

The claim especially in suit was of the type including reference letters (now seldom employed) and read as follows:

2. In combination with the standard a and ribs c, the double braces e^2, sliding blocks f' f^2, and rests h' h^2, substantially as and for the purpose set forth.

After discussing the patent in suit and the prior art, the court said:

"It is conceded by the appellee that all of the elements of the second claim are old, except ribs c, which, it is claimed, constitute the new and patentable feature of the Hall invention;

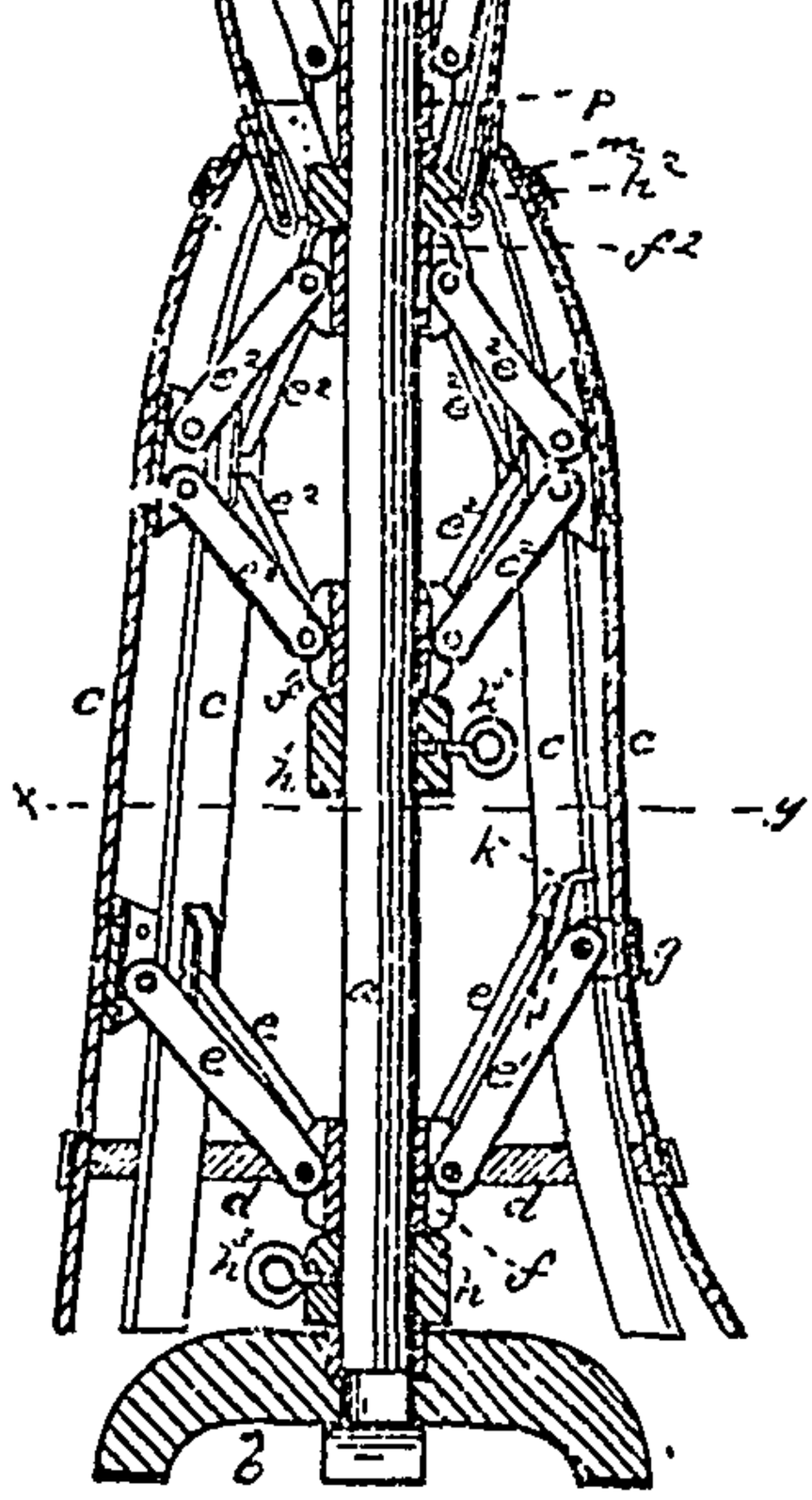


Fig. 2

but, from the foregoing brief review of the prior art, we think it clearly shown that the ribs c do not constitute any new feature. They are shown in the Everett invention; in the Wilson patent, where it is said there may be as many as necessary; and in the common umbrella; also in the Ferris device for a

corset exhibitor, where the function performed by the ribs constitute the chief feature of the invention; and in the Balch reel short ribs are used, which might be lengthened to adapt the device to the dress form patented by Hall."

In reply to the appellee's claim that a new result has been obtained, the court in discussing Webster Loom Co., and its application, said:—

"But we do not consider the Hall patent as coming within the principle there laid down, for the reason that the standard, the double braces, sliding blocks on the standard, and the rests to hold the blocks, as well as the ribs which constitute the combination of the second claim, were not only found in the prior devices, but they separately and in combination with such devices performed the same function, and operated in substantially the same way as in the Hall patent. The combination of old elements which perform no new function and accomplish no new result does not involve patentable novelty. Mosler Safe & L. Co. v. Mosler, 127 U. S. 361, [32 L. ed. 184]; Hailes v. Van Wormer, 87 U. S. —, 20 Wall. 353, 368 [22 L. ed. 241, 248]; Reckendorfer v. Faber, 92 U. S. 348 [23 L. ed. 719]; Pickering v. McCullough, 104 U. S. 310, 318 [26 L. ed. 749, 751]; Peters v. Hanson, 129 U. S. 541 [32 L. ed. 742]."

The court, therefore, found the patent invalid and in any event not infringed. It should be noted also that Mr. Justice Brown and Mr. Justice Shiras dissented, finding as much invention in this patent as in a number of cases decided by the Supreme Court.]

Mr. Justice Jackson delivered the opinion of the court. * * *

The invention relates to improvements in dress-forms, by means of which every part of the device is rendered adjustable, so that it may be applied to a dress of any size or style and fill it out perfectly in order that trimming may be placed upon it. * * *

The second claim of the patent reads as follows:

"2. In combination with the standard a and ribs c, the double braces e^2, the sliding blocks f^1 and f^2, and rests h^1 and h^2, substantially as and for the purposes set forth. * * *

In determining the proper construction to be placed upon the second claim of the patent it is necessary to consider the action of the Patent Office upon the original application of the patentee, and also examine the prior art. In his original application the patentee sought to secure the following claims:

"1. A dress-form consisting essentially of a central standard, one or more series of adjustable ribs, and corresponding series of braces or stretchers hinged to one or more runners or sliding blocks upon said standard and having their outer ends connected

with said ribs, whereby the dress-form may be expanded and contracted, substantially as and for the purpose set forth.

"2. In combination with the standard a, rest h, sliding block f, and braces e, the ribs c and elastic band d, substantially as and for the purpose described."

These broad and general claims were rejected by the patent office for the following reasons:

"The first claim is rejected on Patents No. 202,713 Everett, April 23, 1878, and No. 207,351, Ferris, August 27, 1878 (both in Dummies and Hangers).

"There is no novelty in the elements of the second claim, in view of the above patents, in connection with the elastic band shown in No. 75,864, Keffer, March 17, 1868 Blocking and Stretching hats), which band is there used in the came way and for the same purpose as in applicant's device."

The patentee acquiesced in the rejection, and thereupon accepted his patent with its specific claims, the second of which is alleged to be infringed.

It is well settled that the second claim must be read and interpreted with reference to the rejected claims and to the prior state of the art, and can not be so construed as to cover either what was rejected by the patent office (Shepard v. Carrigan, 34 O. G., 1157; 116 U. S., 593; Sutter v. Robinson, 38 O. G., 230; 119 U. S., 530), or disclosed by prior devices.

A brief reference to the prior state of the art will serve to show what limitations should be placed upon the claim in question. * * *

But aside from these prior patents, the state of the art is perhaps more clearly illustrated in the device used for opening and shutting a common umbrella. In this device are found all the elements of the combination of the second claim. There are the standard, the collar with the rest, the double braces, and the ribs. Because the upper ribs are elongated so as to hold the fabric which covers them, it can not be said that the double braces are different in principle and operation from those used in the patent in controversy. It would require but ordinary mechanical skill to convert a skirt-form into an umbrella, or an umbrella into a skirt-form like that described in the Hall patent.

It is conceded by the appellee that all of the elements of the second claim are old, except ribs, c, which, it is claimed, constitute the new and patentable feature of the Hall invention; but, from the foregoing brief review of the prior art, we think it clearly shown that the ribs c do not constitute any new feature. They are shown in the Everett invention; in the Wilson patent, where it is said there may be as many as necessary; and in the common umbrella; also in the Ferris device for a corset-exhibi-

tor, where the function performed by the ribs constitutes the chief feature of the invention; and in the Balch reel short ribs are used, which might be lengthened to adapt the device to the dress-form patented by Hall.

But it is urged on behalf of the appellee that the Hall patent differs from all previous devices in presenting a structure which, as an entirety, is radially expansible in all directions from a common center, so as to preserve the symmetry of the form, whatever its diameter may be, and by the combination of the patent a new and useful result is thus attained which involves patentable novelty. In support of the validity of the patent the principle stated in Webster Loom Co. v. Higgins, 48 O. G., 1119; 105 U. S., 591, is invoked. In that case it was laid down by the court, as a general rule, though not an invariable one—"that if a new combination and arrangement of known elements produce a new and beneficial result, never attained before, it is evidence of invention."

But we do not consider the Hall patent as coming within the principle there laid down, for the reason that the standard, the double braces, sliding blocks on the standard, and the rests to hold the blocks, as well as the ribs, which constitute the combination of the second claim, were not only found in the prior devices, but they separately and in combination with such devices performed the same function, and operated in substantially the same way as in the Hall patent. The combination of old elements which perform no new function and accomplish no new results does not involve patentable novelty. Mosler Safe Co. v. Mosler, 43 O. G., 1115; 127 U. S., 251; Hailes v. Van Wormer, 20 Wall., 353, 368; Reckendorfer v. Faber, 92 U. S., 347; Pickering v. McCullough, 21 O. G. 73; 104 U. S. 310, 318; Peters v. Hanson, 47 O. G. 945; 129 U. S. 541.

The use and purposes sought to be accomplished by the Hall patent were the radial expansion of the dress-form, but it is well settled by the authorities that the end or purpose sought to be accomplished by the device is not the subject of a patent. The invention covered thereby must consist of new and useful means of obtaining that end. In other words, the subject of a patent is the device or mechanical means by which the desired result is to be secured. Carter v. Hyde, 16 Pet. 519; LeRoy v. Tatham, 14 How. 156; Corning v. Burden, 15 How. 252; Barr v. Duryea, 1 Wall. 531; Fuller v. Yentzer, 49 O. G. 531. 94 U. S. 288.

Tested by these authorities the validity of the patent in question must be ascertained, not from a consideration of the purposes sought to be accomplished, but of the means pointed out for the attainment thereof, and if such means, adapted to

effect the desired results, do not involve invention, they can derive no aid or support from the end which was sought to be secured. All that Hall did was to adapt the application of old devices to a new use, and this involved hardly more than mechanical skill, as was ruled in Aron v. Manhattan Railway Co., 49 O. G. 1365, 132 U. S. 85, where it was said:

"The same device employed by him (the patentee) existed in earlier patents; all that he did was to adapt them to the special purpose to which he contemplated their application, by making modifications which did not require invention, but only the exercise of ordinary mechanical skill; and his right to a patent must rest upon the novelty of the means he contrived to carry his idea into practical application."

There is another test as to the validity of the second claim. If the Balch, Everett, Wilson or Ferris patents, or even the umbrella, were subsequent in date to that of the Hall patent, they would constitute an infringement thereof, for the rule is well established that "that which infringes, if later, would anticipate if earlier." Peters v. Active Mfg. Co., 47 O. G. 948, 1219, 129 U. S. 530, 537; Thatcher Heating Co. v. Burtis, 39 O. G. 587, 121 U. S. 286, 295; Grant v. Walter, 47 O. G. 1220, 148 U. S. 554; Gordon v. Warder, 65 O. G. 1403, 150 U. S. 47.

If, however, the patent could be sustained at all, it would have to be restricted and confined to the specific combination described in the second claim as indicated by the letters of reference in the drawings, and each element specifically pointed out is an essential part thereof. Duff v. Sterling Pump Co., 23 O. G. 1622, 107 U. S. 639; Newton v. Furst & Bradley Co., 38 O. G. 104, 119 U. S. 373; Bragg v. Fitch, 39 O. G. 529, 121 U. S. 478; Crawford v. Heysinger, 42 O. G. 197, 123 U. S. 589; Dryfoos v. Wiese, 42 O. G. 490, 124 U. S. 32.

For if not so restricted by the letters of reference the effect would be to make the claim coextensive with what was rejected in the Patent Office.

If any validity could be conceded to the patent, the limitation and restriction which would have to be placed upon it by the action of the Patent Office, and in view of the prior art, would narrow the claim, or confine it to the specific structure therein described, and as thus narrowed there could be no infringement on the part of appellants if a single element of the patentee's combination is left out of the appellants' device. Sargent v. Hall Safe Co., 31 O. G. 661, 114 U. S. 63; Eddy v. Dennis, 95 U. S. 560; McCormick v. Talcott, 20 How. 402. * * *

Our conclusion, therefore, is that the Hall patent is invalid, and further, if it could be sustained at all, it would have to be in the most restricted form, and thus restricted, it is not in-

fringed by the appellants. It follows, therefore, that in each case the judgment of the courts below must be reversed, and the cause remanded, with direction to dismiss the bill. So ordered.

The Chief Justice did not sit in this case and took no part in its decision.

Mr. Justice Brown (with whom was Mr. Justice Shiras) dissenting.

In the construction of his device Hall took the principle of the common umbrella and of an adjustable reel for unwinding yarn, and by adding to it ribs and elastic bands, adapted it to an entirely different purpose, namely, to the construction of an adjustable dress-form, which has largely supplanted those previously in use. While the changes made were not radical in their character I think they were such as to involve invention within the rule stated in Webster Loom Co. v. Higgins, 105 U. S. 580, 591; The Barbed Wire Patent, 143 U. S. 275; Gandy v. Main Belting Co., 59 O. G. 1106, 143 U. S. 587, and Topliff v. Topliff, 145 U. S. 156, and that the change made by the defendant in using a collar fixed to the standard for the upper sliding block, and a nut and threaded standard for the lower sliding block and rest of the Hall patent, was in fact the substitution of well-known equivalents, and does not exonerate them from the charge of infringement.

406. McCLAIN v. ORTMAYER, 141 U. S. 419, 35 L. ed. 800, 12 Sup. Ct. 76 (1891).

Brown, J.: * * *

This was a bill in equity for the infringement of two letters patent granted to appellant, McClain, viz., patent No. 259,700, issued June 20, 1882, for a "pad for horse-collars," and patent No. 267,011, issued November 7, 1882, for an improvement upon the same. Another patent, numbered 298,626, issued May 13, 1884, to J. Scherling for a "pad fastening," and assigned to the appellant, was originally included in the suit, but was abandoned upon the argument in this court. * * *

The claims of this patent were:

"(1) As an attachment to a horse-collar pad or other harness pad, and as a means of adjustably attaching a pad to a horse-collar or other part of harness, the elastic single roll or single curved spring, S, constructed, arranged, attached, and operating substantially in the manner shown or described, and for or with the purposes set forth.

"(2) The combination, with a horse-collar pad, of elastic single roll or single curve spring, S, substantially in the manner shown or described, and for the purposes set forth." * * *

Mr. Justice Brown, after stating the facts as above, delivered the opinion of the court.

1. The defense to the first patent was rested principally upon the question of the infringement. Defendants, in their answer, admitted that they had as a corporation and individually manufactured and sold sweat-pads for horse-collars under letters patent issued to defendant Ortmayer; "that is to say, sweat-pads adapted to be fastened or secured to the collar by a simple hook, made of wire, arranged to clasp the front roll of the collar, but not in any way having or employing the pretended inventions and improvements described and claimed in said several letters patent, or either of them."

This patent to Ortmayer, numbered 331,813, exhibits a horse-collar, a sweat-pad, a hook, made of wire, "its curved or hooked portion being so bent or formed as to clasp the outer or exposed part of the front roll of the collar, and so as to have a broad bearing thereon." The hook is connected to the pad in such a manner as to be joined or hinged thereto, so as to be capable of being turned in the fold of the leather. Says the patentee: "To apply the pad to the collar it is only necessary to arrange it underneath the collar in the usual manner, first raising the hooks, D, D, and then pushing them downward, so that they will clasp the front roll of the collar."

It is evident from this patent and from the entire testimony that the defendants made use of a single hook, D, embracing the front roll of the collar only, while the appellant, McClain, has limited himself, perhaps unnecessarily, to the elastic springs, s, s, which the drawings and the whole tenor of the specification show to be double, and intended to be clasped around both the fore and after wales of the collar. While the patentee may have been unfortunate in the language he has chosen to express his actual invention, and may have been entitled to a broader claim, we are not at liberty, without running counter to the entire current of authority in this court, to construe such claims to include more than their language fairly imports. Nothing is better settled in the law of patents than that the patentee may claim the whole or only a part of his invention, and that, if he only describe and claim a part, he is presumed to have abandoned the residue to the public. The object of the patent law in requiring the patentee to "particularly point out and distinctly claim the part, improvement, or combination which he claims as his invention or discovery" is not only to secure to him all to which he is entitled, but to apprise the public of what is still

open to them. The claim is the measure of his right to relief, and, while the specification may be referred to to limit the claim, it can never be made available to expand it. Thus in Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 274, 278, the manufacture of round bars, flattened and drilled at the eye, for use in the lower chords of iron bridges, was held not to be an infringement of a patent for an improvement in such bridges where the claim in the specification described the patented invention as consisting in the use of wide and thin drilled eye bars applied on edge. In delivering the opinion of the court, Mr. Justice Bradley observed: "It is plain, therefore, that the defendant company, which does not make said bars at all, [that is, wide and thin bars], but round or cylindrical bars, does not infringe this claim of the patent. When a claim is so explicit the courts cannot alter or enlarge it. If the patentees have not claimed the whole of their invention, and the omission has been the result of inadvertence, they should have sought to correct the error by a surrender of their patent, and an application for a reissue. * * * But the courts have no right to enlarge a patent beyond the scope of its claim as allowed by the Patent Office, or the appellate tribunal, to which contested applications are referred. When the terms of a claim in a patent are clear and distinct (as they always should be), the patentee, in a suit brought upon the patent, is bound by it. He can claim nothing beyond it."

Similar language is used in Railroad Co. v. Mellon, 104 U. S. 112, in reference to a patented locomotive wheel. In Masury v. Anderson, 11 Blatchf. (U. S.) 162, 165, it was said by Mr. Justice Blatchford: "The rights of the plaintiff depend upon the claim in his patent, according to its proper construction, and not upon what he may erroneously suppose it covers. If at one time he insists on too much, and at another on too little, he does not thereby work any prejudice to the rights actually secured to him." Other cases to the same effect are Merrill v. Yeomans, 94 U. S. 568; Burns v. Meyer, 100 U. S. 671; and Sutter v. Robinson, 119 U. S. 530, 7 Sup. Ct. 376.

It is true that, in a case of doubt, where the claim is fairly susceptible of two constructions, that one will be adopted which will preserve to the patentee his actual invention; but if the language of the specification and claim shows clearly what he desired to secure as a monopoly, nothing can be held to be an infringement which does not fall within the terms the patentee has himself chosen to express his invention. The principle announced by this court in Vance v. Campbell, 1 Black (U. S.) 427, that, where a patentee declares upon a combination of elements which he asserts constitute the novelty of his invention,

he cannot in his proofs abandon a part of such combination and maintain his claim to the rest, is applicable to a case of this kind, where a patentee has claimed more than is necessary to the successful working of his device.

Applying these familiar principles to the case under consideration, we are forced to the conclusion that the curved hook of the defendant is not an infringement of the double spring described in the plaintiff's specification and claim. While a single spring or hook embracing the fore wale of a collar may be equally as efficacious, the patentee is no more at liberty to say that the spring encircling the after wale is immaterial and useless than was the patentee in Vance v. Campbell to discard one of the elements of his combination upon the same ground. This was evidently the theory of the patentee himself, since a little more than two months after this patent was issued, in a letter to the patent office of September 2, 1882, in which he made application for his second patent, covering the single-roll spring, he stated that "the single-roll spring must be conceded to be a structure positively and unequivocally different from the two-roll spring." There being no infringement of this patent, there can be no recovery upon it.

2. The second patent was principally contested upon the ground of want of invention. In his specification the patentee states it to be an improvement upon his prior patent, but differing materially from it in the fact that "this spring has but one curved portion, intended for the fore roll only of the collar, instead of a curved portion for the fore roll and one for the back roll." It seems from his letter to the Patent Office of September 2, 1882, to which reference has already been made, that in endeavoring to practice the invention in his prior patent he found that the two-roll spring was not generally applicable to collars of different sizes, as it had been supposed it would be; as the rolls in collars of different sizes and of different makes varied so much that, while it would make a pad applicable to collars of different sizes for light work, the same pad could not be used on collars for heavy work, and hence the invention proved to be imperfect. This resulted in the invention of the single-roll spring of his second application.

Practically the only novelty consists in cutting the double-roll spring in two, and using the fore roll only. While this enables the pad to be located on the collar more readily than when two springs were used, the roll performs the same function as in the prior patent, and the patent can only be sustained upon the theory that the discarding of the after roll involved invention. What shall be construed as invention within the meaning of the patent laws has been made the subject of

a great amount of discussion in the authorities, and a large number of cases, particularly in the more recent volumes of reports, turn solely upon the question of novelty. By some, "invention" is described as the contriving or constructing of that which had not before existed; and by another, giving a construction to the patent law, as "the finding out, contriving, devising, or creating something new and useful, which did not exist before, by an operation of the intellect." To say that the act of invention is the production of something new and useful does not solve the difficulty of giving an accurate definition, since the question of what is new, as distinguished from that which is a colorable variation of what is old, is usually the very question in issue. To say that it involves an operation of the intellect, is a product of intuition, or of something akin to genius, as distinguished from mere mechanical skill, draws one somewhat nearer to an appreciation of the true distinction, but it does not adequately express the idea. The truth is, the word cannot be defined in such manner as to afford any substantial aid in determining whether a particular device involves an exercise of the inventive faculty or not. In a given case we may be able to say that there is present invention of a very high order. In another we can see that there is lacking that impalpable something which distinguishes invention from simple mechanical skill. Courts, adopting fixed principles as a guide, have by a process of exclusion determined that certain variations in old devices do or do not involve invention; but whether the variation relied upon in a particular case is anything more than ordinary mechanical skill is a question which cannot be answered by applying the test of any general definition.

Counsel for the plaintiff in the case under consideration has argued most earnestly that the only practical test of invention is the effect of the device upon the useful arts: in other words, that utility is the sole test of invention, and, inferentially at least, that the utility of a device is conclusively proven by the extent to which it has gone into general use. He cited in this connection certain English cases, which go far to support his contention. These cases, however, must not be construed in such way as to control the language of our statute, which limits the benefits of patent laws to things which are new as well as useful. By the common law of England, an importer—the person who introduced into the Kingdom from any foreign country any useful manufacture—was as much entitled to a monopoly as if he had invented it. Thus in Darcy v. Allin, Noy 178, it is stated that, "where any man, by his own charge and industry, or by his own wit or invention, doth bring any new trade into the realm, or any engine tending to the

furtherance of a trade that never was used before, * * * the king may grant to him a monopoly patent * * * in consideration of the good that he doth bring by his invention to the commonwealth;" citing several instances of skill imported from foreign countries. In Edgebury v. Stephens, 1 Webst. Pat. Cas. 35, it was said: "The act [of monopolies] intended to encourage new devices useful to the kingdom, and whether learned by travel or by study it is the same thing."

It is evident that these principles have no application to the patent system of the United States, whose beneficence is strictly limited to the invention of what is new and useful, and that the English cases, construing even their more recent acts, must be received with some qualification. That the extent to which a patented device has gone into use is an unsafe criterion, even of its actual utility, is evident from the fact that the general introduction of manufactured articles is as often effected by extensive and judicious advertising, activity in putting the goods upon the market, and large commissions to dealers, as by the intrinsic merit of the articles themselves. The popularity of a proprietary medicine, for instance, would be an unsafe criterion of its real value, since it is a notorious fact that the extent to which such preparations are sold is very largely dependent upon the liberality with which they are advertised, and the attractive manner in which they are put up and exposed to the eye of the purchaser. If the generality of sales were made the test of patentability, it would result that a person, by securing a patent upon some trifling variation from previously known methods, might, by energy in pushing sales or by superiority in finishing or decorating his goods, drive competitors out of the market, and secure a practical monopoly, without in fact having made the slightest contribution of value to the useful arts. The very case under consideration is not barren of testimony that the great success of the McClain pads and clasping hooks—a large demand for which seems to have arisen and increased year by year—is due, partly at least, to the fact that he was the only one who made the manufacture of sweat-pads a specialty; that he made them of a superior quality, advertised them in the most extensive and attractive manner, and adopted means of pushing them upon the market, and thereby largely increased the extent of their sales. Indeed, it is impossible from this testimony to say how far the large sales of these pads is due to their superiority to others or to the energy with which they were forced upon the market.

While this court has held in a number of cases, even so late as Magowan v. Packing Co., 12 Sup. Ct. 71 (decided at the present term), that in a doubtful case the fact that a patented

article had gone into general use is evidence of its utility, it is not conclusive even of that, much less of its patentable novelty.

In no view that we have been able to take of the case can we sustain the second McClain patent. We do not care to inquire how far it was anticipated by the various devices put in evidence, showing the use of a similar spring for analogous purposes, since we are satisfied that a mere severance of the double spring does not involve invention, at least in the absence of conclusive evidence that the single spring performs some new and important function not performed by it in the prior patent. The evidence upon this point is far from satisfactory, and the decree of the circuit court must therefore be affirmed.

407. McCARTY v. LEHIGH, ETC., R. CO., 160 U. S. 110, 40 L. ed. 358, 16 Sup. Ct. 240 (1895, Patent No. 339,913).

Brown, J.:

* * * * * * * * * * *

These claims differ from each other principally in the fact that the flanges Q at the ends of the lower bar G, as well as the pillars H, constituting elements in the third claim, are not found in the fourth; while the fourth describes the plates P, which are stated in the third claim to be "bolted to the ends of said bars under the same," as—

"secured beneath the bars F G at their ends, and notched or grooved on their sides at a, to receive the columns B of the side irons, substantially as and for the purpose set forth."

There is no suggestion in either of these claims that the ends of the bolster rest upon springs in the side trusses, although they are so described in the specification and exhibited in the drawings. It is suggested, however, that this feature may be read into the claims for the purpose of sustaining the patent. While this may be done with a view of showing the connection in which a device is used, and proving that it is an operative device, we know of no principle of law which would authorize us to read into a claim an element which is not present, for the purpose of making out a case of novelty or infringment. The difficulty is that if we once begin to include elements not mentioned in the claim in order to limit such claim and avoid a defense of anticipation, we should never know where to stop. If, for example, a prior device were produced exhibiting the combination of these claims plus the springs, the patentee might insist upon reading some other element into the claims, such for instance as the side frames and all the other operative portions of the mechanism constituting the car-truck, to prove that the prior device was not an anticipation. It might also require

us to read into the fourth claim the flanges and pillars described in the third. This doctrine is too obviously untenable to require argument.

* * * * * * * * * * *

There is another consideration which leads to the same conclusion. The original application, made by McCarty, contained among other things a broad claim for—

"a truck bolster provided on its ends with supporting and guiding plates, substantially as and for the purpose set forth."

This claim, being obviously too broad in view of the prior patents, was amended so as to read as follows:

"A truck-bolster provided at its ends with plates which are notched to fit upon vertical parts of the frame so as to serve as guides and supports for said bolster, substantially as set forth."

This claim having been apparently rejected, the patentee abandoned his broad claim for a notched plate, and claimed only a plate in combination with the other features of his bolster, which was finally allowed. His acquiescence in the rulings of the Patent Office in this particular indicates very clearly that he should be restricted to the combination claimed, and that the case is not one calling for a liberal construction. * * *

[See especially for infringement, discussion and construction, Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 274, 24 L. ed. 344, Mr. Justice Bradley restricting to "wide and thin" bars as claimed; Lehigh, etc., R. R. Co. v. Mellon, 104 U. S. 112, 26 L. ed. 639, Mr. Justice Woods restricting the patent to the claimed "curved flange" in combination with "a rounded corner to fit said curved flange."]

408. MORLEY SEWING MACHINE CO. v. LANCASTER, 129 U. S. 263, 32 L. ed. 715, 9 Sup. Ct. 299 (1889).

* * * Blatchford, J.:

This is a suit in equity, brought November 6, 1882, in the circuit court of the United States for the District of Massachusetts, by the Morley Sewing-Machine Company and the Morley Button-Sewing Machine Company against Charles B. Lancaster, for the alleged infringement of letters patent No. 236,350, granted January 4, 1881, to James H. Morley, E. S. Fay, and Henry E. Wilkins, on the invention of said Morley, on an application filed June 23, 1880, for an improvement in machines for sewing buttons on fabrics. The machine of the defendant is constructed in accordance with the description contained in letters patent No. 268,369, granted November 28, 1882, to Joseph Mathison, William D. Allen, and C. B. Lancaster, on the invention of said Mathison, for improvements in machines for securing buttons to material, on an application filed August 1, 1882. * * *

There are 18 claims in the patent, only four of which are relied upon by the plaintiffs, namely, claims 1, 2, 8, and 13, which are as follows: "(1) The combination, in a machine for sewing shank-buttons to fabrics, of button-feeding mechanism, appliances for passing a thread through the eye of the buttons and locking the loop to the fabric, and feeding mechanism, substantially as set forth. (2) The combination, in a machine for sewing shank-buttons to fabrics, of a needle and operating mechanism, appliances for bringing the buttons successively to positions to permit the needle to pass through the eye of each button, and means for locking the loop of thread carried by the needle to secure the button to the fabric, substantially as set forth." "(8) The combination, in a machine for sewing buttons to fabrics, of button-feeding and sewing appliances, substantially as set forth, and feeding appliances and operating mechanism, whereby the feeding devices are moved alternately different distances to alternate short button stitches with long stitches between the buttons, as specified." "(13) The combination, with button-sewing appliances, of a trough, appliances for carrying the buttons successively from the trough to the sewing devices, and mechanism for operating said appliances and sewing devices, as set forth." The defendant's machine is known as the "Lancaster Machine."

The Morley machine contains and is made up of three main groups of instrumentalities: (1) Mechanism for holding the buttons in mass, and delivering them separately, in proper position, over the fabric, so that they may be attached to it by the sewing and stitching mechanism; (2) the stitching mechanism; (3) the mechanism for feeding the fabric along, so as to space the stitches and consequently the buttons when sewed on. * * *

It satisfactorily appears that the Morley machine was the first one which accomplished the result of automatically separating buttons which have a shank from a mass of the same, conveying them in order to a position where they can be selected by the machine, one after another, and, by sewing mechanism, coupled with suitable mechanism for feeding the fabric, be sewed thereto at prescribed suitable distances apart from each other. The machine performs automatically these three functions of selecting, sewing and spacing. The problem to be performed was to select from a mass of buttons, furnished with heads, and with wire eyes projecting therefrom, single buttons, and to present them in succession to the needle of a sewing mechanism, so that the needle could pass through the eye and secure it to the fabric. Machinery existed before for selecting from a mass wood-screw blanks, horse nails, and pins, and delivering them to other machinery; but, in such constructions, the shank

of the article being heavier than its head, the tendency was for the articles to arrange themselves in the way with the shanks downward, the heads being supported on the top surface of the way. With such buttons as are used in the two machines in controversy, as the heads are much heavier than the shanks and the eyes combined, the buttons will not naturally arrange themselves with their shanks downward. It is therefore necessary to have some means for turning each button into such a position that a plane passing through its eye shall be perpendicular to a plane passing through the long axis of the sewing needle, so as to insure the passage of the needle through the eye. No machine existing prior to Morley's is shown to have accomplished that operation.

The substance of the defense in the case is that there are certain specific differences between the button-feeding mechanisms in the two machines, and also certain specific differences between their sewing mechanisms; and hence that there is no infringement. This was the view taken by the circuit court in its opinion. 23 Fed. 344.

Morley, having been the first person who succeded in producing an automatic machine for sewing buttons of the kind in question upon fabrics, is entitled to a liberal construction of the claims of his patent. He was not a mere improver upon a prior machine, which was capable of accomplishing the same general result: in which case his claims would properly receive a narrower interpretation. This principle is well settled in the patent law, both in this country and in England. Where an invention is one of a primary character, and the mechanical functions performed by the machine are, as a whole, entirely new, all subsequent machines which employ substantially the same means to accomplish the same result are infringements, although the subsequent machine may contain improvements in the separate mechanisms which go to make up the machine.

In McCormick v. Talcott, 20 How. 402, 405, the inquiry was whether McCormick was the first person who invented, in a reaping machine, the apparatus called a "divider," performing the required functions, or whether he had merely improved an existing apparatus, by a combination of mechanical devices which performed the same functions in a better manner. This court, speaking by Mr. Justice Grier, said: "If he" (the patentee) "be the original inventor of the device or machine called the 'divider,' he will have a right to treat as infringers all who make dividers operating on the same principle, and performing the same functions by analogous means or equivalent combinations, even though the infringing machine may be an improvement of the original, and patentable as such. But if the invention

claimed be itself but an improvement on a known machine by a mere change of form or combination of parts, the patentee cannot treat another as an infringer, who has improved the original machine by use of a different form or combination, performing the same functions. The inventor of the first improvement cannot invoke the doctrine of equivalents to suppress all other improvements which are not mere colorable evasions of the first."

So, also, in Railway Co. v. Sayles, 97 U. S. 554, 556, this court, speaking by Mr. Justice Bradley, said, in regard to brakes for eight-wheeled railroad cars: "Like almost all other inventions, that of double brakes came when, in the progress of mechanical improvement, it was needed; and, being sought by many minds, it is not wonderful that it was devoleped in different and independent forms, all original, and yet all bearing a somewhat general resemblance to each other. In such cases, if one inventor precedes all the rest, and strikes out something which includes and underlies all that they produce, he acquires a monopoly, and subjects them to tribute. But if the advance towards the thing desired is gradual, and proceeds step by step, so that no one can claim the complete whole, then each is entitled only to the specific form of device which he produces, and every other inventor is entitled to his own specific form, so long as it differs from those of his competitors, and does not include theirs. These general principles are so obvious that they need no argument or illustration to support them."

The same view was directly applied in Clough v. Barker, 106 U. S. 166, 177, 1 Sup. Ct. 188, 198, to the Clough patent for an improvement in gas-burners. The first claim of that patent was for "the bat-wing burner, perforated at the base, in combination with the surrounding tube, substantially as described." The second claim read thus: "In combination with the bat-wing burner, perforated at the base, the surrounding tube, the tubular valve for regulating the supply of external gas to the burner, substantially as described." It appears that in no prior structure had a valve arrangement been applied to regulate the flow of gas in such a combination as that covered by the first claim of the patent. It was therefore held, that the patentee was entitled to the benefit of the doctrine of equivalents, as applied to the combination covered by the second claim. In the defendant's burner, the regulation was made by a tubular valve on the outside of the perforations, instead of on the inside, as in the patent, but performing its work by being screwed up or down, as in the patent. This court said: "Although in the Clough structure the burner and surrounding tube revolve together in adjusting their position in reference to that of the tubular valve, so as to let in or turn off the supply of gas through the perfora-

tions, and although in the Clough structure the flame revolves by the revolution of the burner, and although in the defendant's burners the revolution of the surrounding tube regulated the supply of gas through such perforations, and neither the burner nor the flame revolved, the defendants' valve arrangement must be held to have been an equivalent for that of Clough to the full extent to which that of Clough goes, involving, perhaps, patentable improvements, but still tributary or subject to the patent of Clough. It is true that that patent describes the tubular valve as being inside of the burner-tube; but Clough was the first person who applied a valve regulation of any kind to the combination to which he applied it, and the first person who made such combination; and he is entitled, under decisions heretofore made by this court, to hold as infringements all valve regulations, applied to such a combination, which perform the same office in substantially the same way as, and were known equivalents for, his form of valve regulation." See, also, Duff v. Pump Co., 107 U. S. 636, 639, 2 Sup. Ct. Rep. 487.

The same doctrine was applied by this court in Valve Co. v. Valve Co., 113 U. S. 157, 5 Sup. Ct. 513, to the Richardson patent, the claim of which was: "A safety-valve, with the circular or annular flange or lip, cc, constructed in the manner, or substantially in the manner, shown, so as to operate as and for the purpose herein described." It appeared that Richardson was the first person who made a safety-valve which, while it automatically relieved the pressure of steam in the boiler, did not, in effecting that result, reduce the pressure to such an extent as to make the use of the relieving apparatus practically impossible, because of the expenditure of time and fuel necessary to bring up the steam again to the proper working standard; and that his valve was the first which had a strictured orifice leading from the huddling chamber to the open air, to retard the escape of the steam, and to enable the valve to open with increasing power against the action of the spring, and to close suddenly, with small loss of pressure in the boiler. It was held that that claim covered a valve in which were combined an initial area, an additional area, a huddling chamber beneath the additional area, and a strictured orifice such as that above mentioned, the orifice being proportioned to the strength of the spring. It was also held that, under the claim of a second patent, namely, "the combination of the surface beyond the seat of the safety-valve, with the means herein described for regulating or adjusting the area of the passage for the escape of steam, substantially as and for the purpose described," the patentee was entitled to cover the combination, with the surface of the huddling chamber and the strictured orifice, of a screw-ring to

be moved up or down to obstruct such orifice more or less, in the manner described. It was further held that both of the patents were infringed by a valve which produced the same effects in operation by the means described in Richardson's claims, although the valve proper was an annulus, and the extended surface was a disk inside of the annulus; the Richardson valve proper being a disk, and the extended surface an annulus surrounding the disk; and although the valve proper of the defendant had two ground joints, and only the steam which passed through one of them passed through the stricture, while, in the Richardson valve, all the steam which passed into the air passed through the stricture; and although in the defendant's valve the huddling chamber was at the center, instead of at the circumference, and was in the seat of the valve, under the head, instead of in the head, and the stricture was at the circumference of the seat of the valve, instead of being at the circumference of the head. These conclusions were based on the fact, stated in the opinion of the court, that no prior structure was known or recognized as producing any such result as that produced by Richardson's apparatus; that the prior structures never effected the kind of result attained by his apparatus, because they lacked the thing which gave success; and that, taught by Richardson, and by the use of his apparatus, it was not difficult for skilled mechanics to take the prior structures, and so arrange and use them as to produce more or less of the beneficial results first made known by him. The doctrine thus applicable to a machine patent is of a kindred character with that applied in this country and in England to a patent for a process.

In Tilghman v. Proctor, 102 U. S. 707, the claim of Tilghman's patent was for "the manufacturing of fat acids and glycerine from fatty bodies by the action of water at a high temperature and pressure." In the opinion of this court, delivered by Mr. Justice Bradley, the claim was sustained as a claim for a process, irrespective of the particular mode or form of apparatus for carrying it into effect, inasmuch as the patent described a practical and useful mode of carrying it into effect. It was said in the opinion (page 721): "Had the process been known and used before, and not been Tilghman's invention, he could not then have claimed anything more than the particular apparatus described in his patent; but, being the inventor of the process, as we are satisfied was the fact, he was entitled to claim it in the manner he did.' It was also held that, in such a case, a person who subsequently discovers a new mode of carrying out the patented process is not entitled to use the process without the consent of the patentee.

Reference was made in the opinion in that case to the decision in Neilson v. Harford, 1 Webst. Pat. Cas. 295, which related to Neilson's patent for the process of applying a blast of heated air to anthracite coal in a smelting furnace, by forcing such blast through a vessel situated between the blowing apparatus and the furnace, and heated to a red heat, the form of the heated vessel being stated by the patent to be immaterial. On this question this court said: "That a hot blast is better than a cold blast for smelting iron in a furnace, was the principle or scientific fact discovered by Neilson; and yet, being nothing but a principle, he could not have a patent for that. But, having invented and practically exemplified a process for utilizing this principle, namely, that of heating the blast in a receptacle between the blowing apparatus and the furnace, he was entitled to a patent for that process, although he did not distinctly point out all the forms of apparatus by which the process might be applied, having, nevertheless, pointed out a particular apparatus for that purpose, and having thus shown that the process could be practically and usefully applied. Another person might invent a better apparatus for applying this process than that pointed out by Neilson, and might obtain a patent for such improved apparatus; but he could not use the process without a license from Neilson. His improved apparatus would, in this respect, stand in a relation to the process analogous to that which an improvement on a patented machine bears to the machine itself."

In regard to the case of Neilson v. Harford, this court, speaking by Chief Justice Taney, in O'Reilly v. Morse, 15 How. 62, 115, 116, said, in reference to the opinion of the court of exchequer in that case, delivered by Baron Parke: * * * [Here quoting as hitherto given.]

This court also said in Tilghman v. Proctor (page 728): "If the mode of applying the process is not obvious, then a description of a particular mode by which it may be applied is sufficient. There is, then, a description of the process and of one practical mode in which it may be applied. Perhaps the process is susceptible of being applied in many modes, and by the use of many forms of apparatus. The inventor is not bound to describe them all in order to secure to himself the exclusive right to the process, if he is really its inventor or discoverer. But he must describe some particular mode, or some apparatus by which the process can be applied with at least some beneficial result, in order to show that it is capable of being exhibited and performed in actual experience."

The English doctrine is to the same effect. In the case of Curtis v. Platt, before Vice-Chancellor Wood, in 1863, reported in a note to Adie v. Clark, 3 Ch. Div. 134, the vice-chancellor

said (page 136), in regard to a patent for an improvement in spinning-mules: "When the thing is wholly novel, and one which has never been achieved before, the machine itself which is invented necessarily contains a great amount of novelty in all its parts; and one looks very narrowly and very jealously upon any other machines for effecting the same object, to see whether or not they are merely colorable contrivances for evading that which has been before done. When the object itself is one which is not new, but the means only are new, one is not inclined to say that a person who invents a particular means of doing something that has been known to all the world long before has a right to extend very largely the interpretation of those means which he has adopted for carrying it into effect." In the same case, on appeal before the lord chancellor (Lord Westbury), (page 138), the views of Vice-Chancellor Wood were concurred in.

In Badische Anilin v. Levinstein, 24 Ch. Div. 156, 171, in regard to a patent for improvements in the production of coloring matters for dyeing and printing, Mr. Justice Pearson said: "Where a patent is taken out for a process for arriving at a known result (I mean, a result known before the patent is taken out for the process simpliciter), any other person may take out a patent for another process, or may use another process without taking out a patent, without any infringement of the process first taken out. But when a patent is taken out for a new result not known before, and there is one process described in the patent which is effectual for the purpose of arriving at that new result at the time when the patent is taken out, the patentee is entitled to protection against all other processes for the same result; and no person can, without infringing upon his patent, adopt simply a different process for arriving at the same result." As authority for this view, he cites the cases of Jupe v. Pratt, 1 Webst. Pat. Cas. 146; Household Co. v. Neilson, Id. 685; and Curtis v. Platt, ubi supra, in Goodeve's Pat. Cas. 102. He decided in favor of the plaintiff.

On appeal to the court of appeal, 29 Ch. Div. 366, the decree was reversed, Lords Justices Bowen and Fry being in favor of a reversal, and Lord Justice Baggallay against it. On further appeal to the house of lords, 12 App. Cas. 710, the decision of the court of appeal was reversed, and the decision of Mr. Justice Pearson was restored, Lord Halsbury (Lord Chancellor), Lord Herschell, and Lord Macnaghten sitting in the case and concurring. In the judgment given by Lord Herschell, it is stated that all the judges of all the courts were agreed on the question of infringement.

A recent and instructive case is that of Proctor v. Bemis, 36 Ch. Div. 740, in regard to a patent for self-acting mechanism for supplying fuel at intervals to, and distributing it over the surface of, a fire. The court of first instance held the patent to be valid, and to have been infringed. In the court of appeal, Lords Justices Cotton, Bowen, and Fry unanimously affirmed the decision, and held that a patent for a combination of known mechanical contrivances, producing a new result, was infringed by a machine producing the same result by a combination of mechanical equivalents of such contrivances, with some alterations and omissions, which did not prevent the new machine from being one which took the substance and essence of the patented invention; but that, where the result was old, and the novelty consisted only of improvements in a known machine for producing a known result, the patentee must be tied down strictly to the mode which he had described of effecting the improvements. Lord Justice Cotton, after referring to the case of Curtis v. Platt, 3 Ch. Div. 135, note, said (page 757): "Where there is no novelty in the result, and where the machine is not a new one, but the claim is only for improvements in a known machine for producing a known result, the patentee must be tied down strictly to the invention which he claims, and the mode which he points out of effecting the improvement. But here the throwing coal onto the furnace by the intermittent radial action of a flap or door was new. Nothing of the kind had been done before. It is true, there had previously been imperfect machines for feeding furnaces automatically, but that had not, previously to this machine, been done by any intermittent radial action of a flap or door, as is done by the plaintiff. In my opinion, therefore, the opinions expressed by the judges with reference to mere improvements in an old machine for an old purpose cannot apply to a case like this, where there was not only novelty in the machine, but novelty in the result to be produced by that machine." Lord Justice Bowen said (page 764): "Now, I think it goes to the root of this case to remember that this is, as was described by one of the counsel, really a pioneer invention; and it is by the light of that, as it seems to me, that we ought to consider the question whether there have been variations or omissions and additions, which prevent the machine which is complained of from being an infringement of the plaintiff's. With regard to the variations, I take precisely the same view that the Lord Justice Cotton has taken; and I will not travel over the ground again. With regard to the additions and omissions, it is obvious that additions may be an improvement, and that omissions may be an improvement; but the mere fact that there is an addition, or the mere fact that

there is an omission, does not enable you to take the substance of the plaintiff's patent. The question is not whether the addition is material, or whether the omission is material, but whether what has been taken is the substance and essence of the invention. That seems to me to be the true test, as propounded by the house of lords in Clark v. Adie, 2 App. Cas. 315, 320." Lord Justice Fry said (page 766): "The pith and substance of the plaintiff's invention is, in my judgment, putting coals upon a fire by an intermittent radial action, an invention which, it may be remarked, reproduces with great exactitude the action of the human arm in placing coals upon a fire." Also (page 768): "In the present case we have these broad features of likeness: that in both machines the motion is a radial motion, in both machines it is an intermittent motion, in both machines it is of course produced by means of a radius, in both machines that radius is moved in one direction by tappets, and the same radius is moved in the opposite direction by a spring. All those broad features of the machines are in common; but there is this difference: that in the plaintiff's machine a shaft is impelled by the tappets and by the spring, whereas in the defendant's machine the radius itself is impelled by the tappets and the spring. It follows that the radius in the plaintiff's is attached to the shaft, whereas the radius in the defendant's works on a pin. That is the broad distinction between them. The result, however, appears to me to be substantially the same; by substituting the pin for the shaft as the center on which the radius acts, and by impelling the radius itself instead of impelling the shaft fixed to the radius, you have produced in substance precisely the same radial action by the same means. You drive your radius in one direction by tappets, and you drive it in the other direction by the spring, and you produce the same result, namely, the feeding of coal by a radial motion made intermittent in one direction by the operation of the tappets, and in the other direction by the spring. I think, therefore, that we have a new combination for a new object, and that the gist of that combination has been taken by the defendant, and that, consequently, there is an infringement."

Applying these views to the case in hand, Morley having been the first inventor of an automatic button-sewing machine, by uniting in one organization mechanism for feeding buttons from a mass, and delivering them one by one to sewing mechanism and to the fabric to which they are to be secured, and sewing mechanism for passing a thread through the eye of the button, and securing it to the fabric, and feeding mechanism for moving the fabric the required distances to space the buttons, another machine is an infringement, in which such three sets of mechan-

ism are combined, provided each mechanism, individually considered, is a proper equivalent for the corresponding mechanism in the Morley patent; and it makes no difference that, in the infringing machine, the button-feeding mechanism is more simple, and the sewing mechanism and the mechanism for feeding the fabric are different in mechanical construction, so long as they perform each the same function as the corresponding mechanism in the Morley machine, in substantially the same way, and are combined to produce the same result.

The view taken on the part of the defendant in regard to the question of infringement is that, inasmuch as the Lancaster machine uses different devices in its mechanisms which correspond to those referred to in the first, second, eighth, and thirteenth claims of the patent, those claims are to be limited to the special devices described in the patent, which make up such combinations, although both machines contain the same main group of instrumentalities which, when combined, make up the machine. But, in a pioneer patent, such as that of Morley, with the four claims in question such as they are, the special devices set forth by Morley are not necessary constituents of the claims. The main operative features of both machines are the same. In each there is a receptacle for shank-buttons in a mass; in each the mass of buttons passes in order into a conveyer-way; and in each the buttons conveyed to the sewing mechanism are presented successively with their shanks in a horizontal position, so as to allow of the passage of the needle through the eye. In the Morley machine, the buttons are carried along the raceway with their shanks downward, and are turned over by proper devices, so that the needle can enter the eye. In the Lancaster machine, the buttons travel along the raceway with their shanks upward, and the twisted shape of the raceway causes the buttons to be presented properly in succession to the needle. The only difference is that in the Morley machine there is an active operating device for turning the buttons, in the shape of a button-wheel, which receives them, and shuts off the column, and takes one at a time out of the raceway; while in the Lancaster machine there is a passive device for accomplishing the same result of turning the buttons, and there is no button-wheel, but there is a spring gate at the end of the raceway, which shuts off the column and, with the addition of other devices, allows one button at a time to be withdrawn from the raceway. But in the Morley patent a modification is described, whereby the button-wheel is dispensed with, and a spring gate, as in the Lancaster machine, is employed, and an active device is used to open the spring gate, and discharge the button; while in the Lancaster machine an active instrumentality is used to effect

the same result, in combination with the sidewise movement of the raceway, and in connection with the fact that the needle enters the eye of the button and passes a thread through it. As to the mechanism for feeding the fabric, it is substantially the same in the two machines, for in each the needle operates to feed the fabric, while inserted in it, and it makes no difference that in the Morley machine the two needles swing like an inverted pendulum, while in the Lancaster machine the single needle swings in a straight line.

The principal difference relied on by the defendant is in regard to the sewing or stitching mechanism, based upon the difference in the kind of stitch used in the two machines for fastening the button to the fabric. The two stitches are, indeed, different, specifically considered. Morley uses the chain stitch. In the Lancaster machine, the stitch is made by looping the thread upon itself, and putting the bight of the loop around the shank of the button, so as to prevent the loop from pulling out, as it would otherwise do. The Morley patent, however, is not for any particular kind of stitch, or for any particular kind of mechanism for making such stitch. When the form of the stitch is changed, the instrumentalities for making it must change. Morley says, in his specification, that different means for making a stitch may be employed, as well as other feed mechanisms. The contention of the defendant in regard to the sewing mechanism rests upon the proposition that the convolution or concatenation of thread which makes up the stitch in the Lancaster machine is different from that which is found in the Morley machine. In each machine, however, the buttons are spaced at the proper distances apart by the feeding mechanism which moves the fabric along, and the feeding device is moved alternately different distances, to alternate short stitches with long stitches between the buttons. In each machine the button is taken possession of by the sewing mechanism, and the needle in each enters the eye of the button. In the Lancaster machine, however, the thread is so looped as to embrace also the shank of the button; and thus, if the button were not present in the Lancaster machine, the lock-stitch would not be formed, but merely a succession of loops, which could be pulled out of the fabric. But this convolution or concatenation of the thread to form the fastening of the stitch, and the particular device which forms such convolution or concatenation, are not made, by the Morley patent, elements which enter into the claims in question. Those claims are not for a result or effect, irrespective of the means by which the effect is accomplished. It is open to a subsequent inventor to accomplish the same result, if he can, by substantially different means. The effect of

the rule before laid down is merely to require that, in determining whether the means employed in the Lancaster machine are substantially the same means as those employed in the Morley machine, the Morley patent is to receive a liberal construction, in view of the fact that he was a pioneer in the construction of an automatic button-sewing machine, and that his patent, especially in view of the character and terms of the four claims in question, is not to be limited to the particular devices or instrumentalities described by him, used in the three main elements of his machine, which, combined together, make it up. This is the principle applied by this court in Valve Co. v. Valve Co., 113 U. S. 157, 5 Sup. Ct. 513.

In all three of the main mechanisms used in the Lancaster machine the means employed in it are substantially equivalents of those employed in the Morley machine. There is in each a hopper, containing the mass of buttons, and an inclined conveyer-way leading from the hopper to the sewing mechanism. The only question in regard to the button-feeding mechanism is, whether the means employed in the Lancaster machine for turning the buttons so that the eyes will come into the path of the needle, are within the means employed for the same purpose in the Morley machine. In the Morley machine there is a flexible, corrugated strip of metal, which is oscillated to and fro, and operates to roll the buttons over, so that their shanks will occupy a groove at the bottom of the trough. In the Lancaster machine, the reciprocating brush which sweeps over the bottom of the hopper in which the buttons lie in a mass, operates in an equivalent way with the corrugated strip of the Morley machine, and causes the shanks, which stand upward, of the buttons which have been rolled over by its action, to enter slits in a metal plate, which converge in the single conveyer-way. The only difference is that in the Morley machine the shanks are caused to lie in one direction at one time in their path, and in the Lancaster machine the same result is accomplished by equivalent devices at another time. As to the instrumentalities employed in the two machines for bringing the buttons one by one so that their eyes will stand in a horizontal position, ready to receive the needle, the buttons in the Morley machine pass down the conveyer-way with their eyes pointing downward, and occupying the groove, and from the conveyer-way they enter one by one into a button-wheel, which, by revolving, turns them 180 deg., and they are then received into a carrier which further turns them 90 deg., so as to get the eye into a horizontal plane. In the Lancaster machine, it is not necessary to turn the buttons more than 90 deg., because they have been so rolled over by the brush in the hopper that their eyes point

upward and enter the slits, and the conveyer-way is twisted and so turns the button that its eye will occupy a horizontal plane, ready to receive the needel. Then the needle, entering the eye of the button, pulls the button out of the conveyer, and the latter moves out of the way, leaving the button in the possession of the sewing mechanism. These instrumentalities are the equivalents of each other, the differences being merely formal, active instrumentalities being employed in one case to turn the buttons, and in the other that end being accomplished by the twisting of the conveyer-way. To employ a curved path to change the plane occupied by a body passing along that path was well known in mechanics, and is a device shown in the Morley patent for turning the buttons from a nearly vertical position to a horizontal position, by a corresponding variation in the inclination of the conveyer-way. The only difference in the particular devices in the two machines in this respect results from the fact that in the Morley machine the buttons pass from the hopper with their shanks downward, while in the Lancaster machine they pass with their shanks upward. From this it results that, while the means employed in the two machines are substantially the same to effect the same result, active agents can be used in the one case, while passive agents are used in the other, to effect the same turning of the button. Indeed, in the modified form of construction suggested in the Morley specification, there is a spring gate for holding the buttons up, while in the Lancaster machine there is a similar spring; the only difference being that in the Morley machine the spring gate is opened by a special device, while in the Lancaster machine the button itself opens the spring when the button-holding contrivance moves out of the way. In that modification of the Morley arrangement, as the specification states, the button-wheel and the plunger are dispensed with, and it is not necessary to turn the button 180 deg. on a vertical axis. So, in this respect, the only difference between the two machines is that in the Morley machine the spring gate is opened by an active device, while in the Lancaster machine the conveyer-way is moved sidewise by an active device, leaving the button behind, which opens the spring gate because the needle has entered the eye of the button.

In regard to the sewing mechanism in the two machines, a sewing-needle, with thread, is employed in each to fasten the buttons to the fabric. In each the thread is continuous, and follows the fabric as that is moved along by the mechanism which feeds it. The Morley machine employs the common stitch. In the Lancaster machine there is a peculiar stitch, in which a loop is drawn around the shank of the button, and thus the stitch

is locked against being drawn out; but, notwithstanding the new convolution or concatenation of thread used in the Lancaster machine to secure the shank of the button to the fabric, the sewing mechanism of that machine is a substantial equivalent for the corresponding mechanism of the Morley patent. The invention of Morley in that respect did not consist in the peculiarity of the stitch, but in the combination of the needle, and the mechanism for operating it, with a button having a shank and an eye, the eye being held in a horizontal plane in the path of the needle, so that the thread carried by the needle could secure the button to the fabric. It is immaterial, in so securing the button, whether or not a loop is passed over the head of the button. The defendant's device and arrangement may be an improvement, and the subject of a patent, but nevertheless the use of it involves the plaintiff's invention. It may be true that the defendant's peculiar form of stitch was unknown before; and it may also be true that his arrangement for carrying the buttons with their eyes upward, and turning the eyes into a horizontal plane by the twisting of the conveyer-way, was not before known. Of course, they were not before known in a machine for automatically sewing buttons to a fabric, because Morley's machine was the first to do that. But still the defendant employs for the above purposes known devices, which, in mechanics, were recognized as proper substitutes for the devices used by Morley to effect the same results. Thus, in the Lancaster machine, the brush for rolling over the buttons is the obvious equivalent of the corrugated plate in the Morley machine. The mode of operation used in the Lancaster machine for rolling over the buttons so that their shanks shall point in a particular direction before entering the main conveyer-way is the same mode of operation found in the Morley machine, where the corrugated plate rolls the buttons over during their passage to the grooved conveyer-way, so that their shanks shall all point in the same direction. In the Lancaster machine the action resulting from the twisted way is a mechanical equivalent for the button-wheel, the punch, and the carrier used in the Morley machine to turn the eye into the proper plane for the needle to enter it; and the specific difference in the devices in this respect becomes less when the modification described in the Morley patent is used, so that in each of the two machines the button is turned only 90 deg. on a horizontal axis, and in each of them a spring gate is employed, opened in the one case by an active device, while in the other case an active device moves the conveyer away from the particular button which is being held by the needle. In this sense the mechanical devices used by the defendant are known substitutes or equivalents for those employed

in the Morley machine to effect the same result, and this is the proper meaning of the term "known equivalent," in reference to a pioneer machine such as that of Morley; otherwise a difference in the particular devices used to accomplish a particular result in such a machine would always enable a defendant to escape the charge of infringement, provided such devices were new with the defendant in such a machine, because, as no machine for accomplishing the result existed before that of the plaintiff, the particular device alleged to avoid infringement could not have existed or been known in such a machine prior to the plaintiff's invention.

It results from these views that the decree of the circuit court must be reversed, and the case be remanded to that court, with a direction to enter a decree in favor of the plaintiff, sustaining the validity of claims 1, 2, 8, and 13 of the plaintiff's patent, and adjudging that those claims have been infringed by the defendant, and ordering a reference to a master to take an account of profits and damages in respect to such infringement, and awarding to the plaintiffs a perpetual injunction in respect to the four claims above mentioned, and to take such further proceedings as shall be according to law, and not inconsistent with this opinion.

409. REECE BUTTON-HOLE MACHINE COMPANY v. GLOBE BUTTON-HOLE MACHINE COMPANY, 61 Fed. 958, 10 C. C. A. 194 (1894, First Circuit).

[The claims especially pertinent are the following:

5. In a button-hole sewing-machine, a framework for the needle-bar and looper and a bedplate to hold the material, combined with two cams and with mechanism between the said cams and framework, whereby the needle-bar, by the movements imparted to it longitudinally and laterally of a button-hole by the said frame, is caused to travel backward in a substantially straight line until near the eye of the button-hole, then backward and outward and inward, then forward and inward to follow the contour of the edge of the enlarged eye part of the button-hole, and then forward substantially in a straight line along the other side of the button-hole, as set forth.

12. The frame-work a and bed-plate a', and the cloth-clamping mechanism movably connected with the bed-plate, combined with the cutting-bed and means for moving the cutting-bed and frame longitulinally with relation to the cloth-clamping mechanism, the said cutting bed being provided with inclines or projections to act upon the clamp and spread the button-hole as

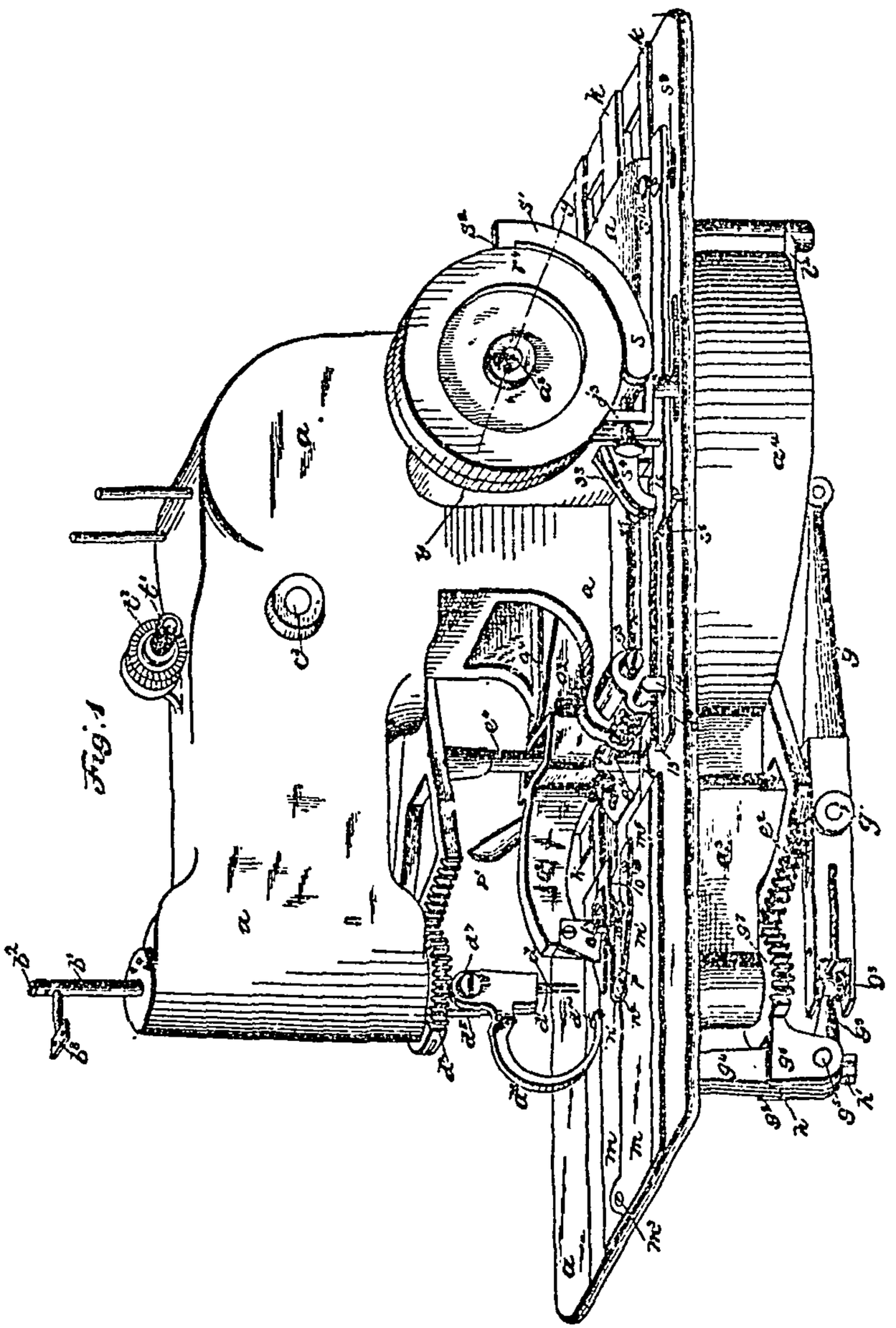
the relative positions of the bed-plate and frame-work are changed longitudinally, substantially as described.

18. The frame of a sewing-machine constructed with two arms, one arm carrying above the cloth-plate a reciprocating needle-bar having a periodical rotary motion, and the other arm carrying below the cloth-plate a looping mechanism having a rotary motion in unison with that of the needle-bar, substantially as described.

In the above drawings a represents an overhanging movable frame-work mounted on the stationary bed-plate a′. The needle-bar has two needles, an eye-pointed cloth-penetrating needle d and a larger and longer eye-pointed over-edge or slit needle d′. One of these needles will run along the side of the button-hole and the other will play down through the slit which is cut to make the button-hole. It will be obvious that the needles must travel down one side of the button-hole and then turn at the bottom and go up the other side and then go around the eye of the button-hole. It is the relation of the principal parts which gives this action to these needles, the functions being indicated in the above quoted claims.

The needle-bar is operated through an eccentric b driving the arm c′ and operating the needle through the connection c^3. The main shaft a^2 which carries the eccentric b also carries a disk f. Behind the disk f are additional mechanical parts operated through the disk f to reciprocate the rod f^9 attached at its lower end to the rear end of a lever g pivoted at g′ upon an arm a^3 fixed to the movable frame-work a. These parts act upon the looper mechanism g^4, it being the object to operate this looper mechanism so as to give it an irregular motion in such time with relation to the eccentric b which moves the needle-bar, as to enable the needles and looper to properly cooperate in the formation of the stitch, all the said eccentrics being operated by the same shaft.

The bracket arm of the movable frame a, at the front, is provided with a pinion d^2 having a tubular axle d^3 extended upward and fitted loosely into the lower end of the bracket arm. The pinion d^2 is engaged by the teeth of the sector e which at proper times will be made to partially rotate the needle-bar b′. d^5 represents a guide-plate, shown in Fig. 1. At the front side of this guide plate and pivoted upon it at d^7 is a loop spreader d^8 having an irregular groove d^9 into which enters a pin b^6 of the needle-bar to cause the pin to actuate the spreader during each descent of the needle-bar so that the fork point or end d^{10} of the spreader will catch upon the thread of the over-edge needle d′ between the cloth and the eye of the said



needle and carry it backward over the edge of the material, the said spreader laying the thread of the needle d′ back far enough over the edge being overstitched and upon the surface of the material immediately under the path of descent of the work-penetrating needle d which is shorter than the needle d′ so that the work-penetrating needle, before penetrating the material, enters the loop so formed and laid upon it by the spreader.

It will be observed that even if it be somewhat difficult to follow these reference letters the general idea of the manner in which this stitch is being made along the button-hole may be understood.

As previously indicated,

The gears d^2 g^7, in connection with the needle-bar b′ and looper-actuating mechanism, are moved or turned progressively in unison by means of sectors.

The sector e, that engages the pinion d^2, is pivoted at e′ upon the bracket-arm of the frame-work a, and the sector e^2 at e^3 on a circular casing, a^4, affixed to and forming a portion of the movable frame-work, and these two sectors are joined together by a rod or connection, e^4, which causes them to move simultaneously in the same direction at the same speed.

The lowermost sector, e^2, has a backwardly-extended arm, e^5 (see Fig. 5), provided with a roller pin or stud, e^6, that is extended through a slot, e^7, in the said casing a^4, and extended into a groove, 4, at the under side of the grooved cam or disk j, mounted upon a hollow stud, a^5, of the said casing, the said groove being of the proper shape to hold the sectors, pinions, needle-bar, needles, and looper in position for all the stitching mechanism to travel horizontally along the straight sides of the button-hole slit, and at the proper time, as when the eye part or enlarged end of the button-hole is being stitched, to gradually move the said sectors so as to progressively turn the pinions, needle-bar, and looper, so that the penetrating-needle will travel in a circle about the enlarged end or eye of the button-hole. During this semi-rotation of the needle-bar the over-edge needle travels slower than the penetrating-needle, and in the arc of a smaller circle.

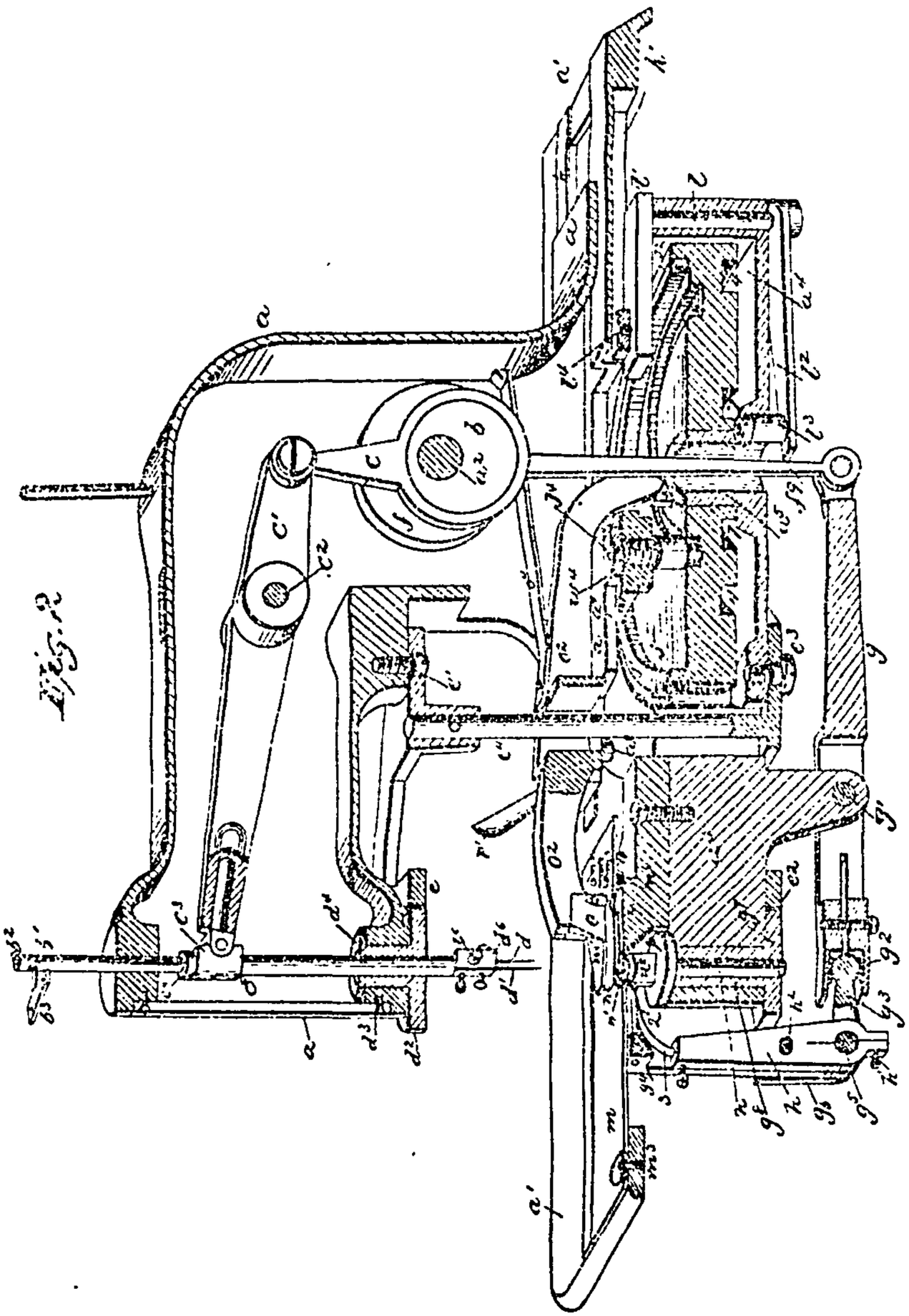
The movable frame-work a a^3 a^4, which carries the stitching and cutting mechanisms, is mounted upon the flat and narrow elevated ledges k of the stationary bed-plate, so as to be moved backward and forward thereon in the direction of the length of the button-hole slit for a distance equal to the length of the longest button-hole to be stitched on the machine. In addition to this forward-and-backward movement, the said frame-work and its connected parts are also moved laterally or vibrated

about the stud j^4 as a center, as the needles (one edge of one side of the button-hole slit having been stitched) are to pass around the eye of the button-hole to stitch the other straight and parallel side of the said button-hole slit, the said stud j^4 being fixed in the stationary plate a′ and resting in the groove 6 at the upper side of the disk j, as in Fig. 2.

The forward motion of the movable frame a a^3 a^4 and connected needle-bar and looper mechanism is produced by the cam-groove 6 at the top of the cam-disk j, into which extends the roller pin or stud j^4, connected with the fixed bed-plate a′.

Rotation of disk j, containing groove 6, the said groove receiving the stud j^4 of the fixed plate, causes the said disk and frame-work, in which its carrying stud is mounted, to slide longitudinally. The flat or smooth bottom part, a^6, of the frame a, resting on the elevated smooth ledges k of the plate a′, may be moved forward thereon or be vibrated or moved laterally thereon, at suitable times, about the stud j^4 as a fulcrum, different parts of the frame-work so vibrated about the said stud occupying at different times different positions longitudinally with relation to the said stud, according to the part of the groove 6 occupied by the stud j^4.

Connected with the casing a^4 of the movable frame is a rock-shaft, l, having two arms, l′ l^2. The lower arm, l^2, has a pin or roller-stud, l^3, which is extended through the slot l^5 in the casing a^4 and made to enter the cam-groove 7 at the under side of the said cam-disk j. The other arm, l′, of the said rock-shaft l has a pin or stud, l^4, that enters the groove k′ at the lower side of the fixed bed-plate a′ and at the rear of the stud j^4. The cam-groove 7 of the rotating disk j, having its carrying-stud or axis made as a fixed part of the movable frame a^4 (see Figs. 2 and 3), acts upon the stud l^3 of the arm l^2 of the rock-shaft l and turns the said rock-shaft l, and as the pin l^4, carried by the arm l′, bears upon or rests against the fixed or immovable bed a′, it results that the rock-shaft l must move away laterally from the slot k′ of the fixed plate a′, thus carrying with it the movable frame-work a a^3 a^4, vibrating the latter and all the stitch-making parts laterally more or less in the arc or a circle about the fixed stud j^4. The extent of the forward and vibratory movements of the stitching parts depends upon the disk j and the shape of the grooves 6 7 therein, they acting to change the position of the movable frame and needle-bar, to enable the needles (one side of the button-hole having been stitched) to pass about the rounded end or eye of the button-hole, ready to be again moved horizontally along and parallel with the oppostie side of the button-hole next to be stitched. In



other words, the resultant action of the two cam-grooves 6 7 is such as to cause the axis of the needle-bar b' to travel in a path corresponding in shape with the straight part and rounded eye of a button-hole.

If now the above claims be read the purpose of the invention will be understood and the bearing also of the amendments required, as stated in the opinion, and the essential question decided in this important case.]

* * *

Before Colt, Putnam and Nelson, Judges.

Putnam, J.:

The bill in this case was framed with reference to two patents, but one was withdrawn before the hearing in the court below, so that all we now have to consider are claims 5, 11, 12, 13 and 18 of No. 240,546, issued to John Reece April 26, 1881. The main question relates to the proposition that this patent can in no event cover a machine of which the frame is stationary and the plate moves. It grows out of the fact that in the specification and claims are many expressions indicating that the frame moves and the plate is fixed. A part of the preamble is as follows:

"This invention relates to sewing-machines for stitching button-holes, and is an improvement upon that class of the said machines wherein the stitching mechanism is made to travel first along one side of the button-hole slit, then about the eye and along the other side of the slit."

The fifth claim also contains the following:

"Whereby the needle bar, by the movements imparted to it longitudinally and laterally of a button-hole by the said frame, is caused to travel backward, etc."

Other expressions of like character appear, with more or less positiveness and fullness, in nearly all the other claims and in various parts of the specification, and nowhere throughout the patent is found any indicating that the frame might be fixed and the plate movable.

Theoretically, an inventor, in taking out a patent under the statutes of the United States, subtracts and adds nothing from or to his actual invention. The proceedings recognize his incipient ownership, and theoretically they constitute only a division of time, by which there is carved out of the entire estate a holding for a period of years for the inventor, and the fee is left to the public. Thus his patent is not at all akin to the King's grant, which must be expressed "ex speciali gratia, certa

scientia, et mero motu regis," or be interpreted against the subject who receives it. Except for the provisions which, for public interest, require in a patent a description and claim, the same unrestricted rules of the common law would protect an inventor's statute right as are relied on to support a trade-mark or business good-will. Nevertheless, with reference to patents, the courts are necessarily subject to the restraints arising from the incorporation into them of the description and claim which the statutes require. In interpreting these, however, the rule must be accepted that it is to be presumed the inventor did not intend to split up his invention. This is only an application of the ordinary rule of interpretation, that transactions are to be construed in the light of all the circumstances and of the apparent purposes of the parties to them. Specifications and claims have not yet fallen into such settled forms as to enable the courts to construe them in any considerable part with such certainty as they construe many words and phrases in formal instruments at the common law, but on the whole the entire subject-matter must be taken together for effectuating the true purpose of the transaction, as contracts and wills, which are so frequently drawn informally, are usually construed.

The ordinary rule that if by a literal construction an instrument would be rendered frivolous and ineffectual, and its apparent object frustrated, a different exposition will be applied, if it can be supported by anything in it, requires that words which relate to what may be held non-essentials, however much multiplied, shall not be permitted unnecessarily to control the sense. For the most part such words are merely illustrative or are used through inadvertence. On the other hand, it is true that words and phrases, which might have been omitted on the presumption that they relate to non-essentials, may be introduced in such direct and positive manner as to leave the courts no option, except to regard them as affecting the objects and limitations of the instrument in question. Especially may this be so when words which otherwise might be regarded as unimportant are introduced by the way of amendment. This is a common rule, which, perhaps, has been illustrated more frequently with marine insurance policies than elsewhere. There is no doubt that if into an instrument which has been prepared and submitted additional words are subsequently introduced by mutual consent greater effect may sometimes be attributed to such words than otherwise would be given them, for they then become the immediate language selected by the parties, and may be assumed to have been especially within their intention.

The leading rule which we have given has been constantly restated by the text-writers and the courts as having full application to patents. They make use of such expressions as—

"Ut res magis valeat quam pereat;"

that—

"a patent should be construed in a liberal spirit, sustaining the just claims of the inventor;"

that the titles by which patents are held—

"should not be overthrown upon doubts or objections capable of a reasonable and just solution in favor of their validity;"

that—

"in construing a patent the court will remember that the specification and claims are often unskillfully drawn,"

and that—

"the claim shall be construed, if possible, to sustain the patentee's right to all that he has invented."

It is true the general rules we have stated include the subordinate principle, which applies everywhere, that they are not to be—

"carried so far as to exclude what is in the patent, or to interpolate anything which it does not contain."

It is impossible, however, to carry this to the extent of applying to patents as fully as it is applied to instruments in general the maxim enumeratio unius exclusio alterius. With the aid of the doctrine of equivalents the courts are constantly interpolating in specifications and claims what they do not contain in the same sense in which the letter of ordinary instruments is required to contain matter on which the parties rely. To extend, in disregard of this, the rule against interpolations to any particular case requires either that the claims relate to such mere matters of form or detail that interpretation by exclusion becomes just and reasonable or that the specifications and claims be so phrased as in fact to contain a clearly intended exclusion or the equivalent thereof. In the opinion of the Court the ingenious presentation of the defense in this case overlooks this last principle. The defense claims that on account of the numerous expressions to which we have referred the patentee was limited to machines in which the frame travels and the plate remains at rest. It must be conceded that, taking these specifications and the claims as a whole, they show that Reece had present in his own mind at the time of his application a machine with a movable frame and a fixed plate; but if this is all there is of it, and if this is sufficient to establish the defense, the question arises, where does the doctrine of equivalents come in?

The most important parts of the case at bar are within the

four corners of the principles we have stated. The Court has no doubt that Reece was the inventor of nearly everything, if not everything, demanded by the Reece Button-Hole Machine Company in the case at bar, and was entitled to a patent therefor; and the question is whether, by reason of the peculiar phraseology of his specification and claims, as first drawn, or by reason of the making of certain amendments during the progress of his application through the Patent Office, Reece, notwithstanding the rules of interpretation entitled him to a favorable construction, has limited himself to a mechanism in which the frame travels, or whether, if he has thus expressed the literal terms of his patent, he has further so limited himself as to deprive himself of the benefit of the law of equivalents with reference to a machine in all respects a copy of his actual invention as shown in his patent, except as to the non-essential characteristic that the frame remains at rest and motion is given to the plate.

There may be reasons for finding that Reece was the inventor of the entire machine with numerous functions in somewhat the same way in which Morley was such inventor as determined in Morley Sewing Machine Company v. Lancaster, 47 O. G. 267, 129 U. S. 263. It is, however, so clear that Reece's claims do not cover the machine as a whole, but only various parts of it, that all the propositions made in his behalf having a different aspect fail to assist us. Yet in some particulars Reece was clearly far in advance of those who preceded him and entitled to the full benefit of whatever may be deduced from that fact. In Baltimore Traction Company v. Baltimore Belt Railroad Company, 151 U. S. 137, 144, the Court said:

"But when in a class of machines so widely used as those in question it is made to appear that at last, after repeated and futile attempts, a machine has been contrived which accomplishes the result desired, and when the Patent Office has granted a patent to the successful inventor, the court should not be ready to adopt a narrow or astute construction, fatal to the grant."

In Miller v. Eagle Manufacturing Company, 66 O. G. 845, 151 U. S. 186, 207, the Court, in laying down the latest, and, to our thinking, the best expression of the rule touching so-called pioneer patents, being in fact a rule, which covers all such and all others, used the following language:

"The range of equivalents depends upon the extent and nature of the invention. If the invention is broad or primary in its character, the range of equivalents will be correspondingly

broad, under the liberal construction which the courts give to such inventions."

The practical effect of this defense is to maintain in substance, that the entire novelty of Reece's fifth claim, which we will use for illustration, turns on the fact that the plate is fixed and the frame moves. In other words, Reece stands no better, practically, on the construction put by the defense on this claim than if he had found a stitching mechanism in all respects the same as that invented by him, with all the elements which go into it, but anticipating him and had combined it with a fixed plate. As this alone might not have been patentable, and as, moreover, the principle of his stitching mechanism is clearly such that the relative movements as between it and the plate form an essential matter, while the absolute movements—that is, whether the plate moves or the frame moves—are non-essential, the proposition of the defense, if maintained, destroys, through the phraseology of the application and claims touching matters thus non-essential, the entire value of this most important, useful, and hiterto profitable invention. A suggestion of such triviality on the part of the Patent Office as is involved in a construction which will produce such a result cannot be well presumed. Among all the cases brought to our attention we have seen none that goes to this extent with reference to the class of inventions described in the extract from Miller v. Eagle Manufacturing Company, ubi supra, nor do we think any can be found which has authority to bind us.

The citations which we have made from Baltimore Traction Company v. Baltimore Belt Railroad Company, ubi supra, and Miller v. Eagle Manufacturing Company, ubi supra, and others which we will hereafter make use of, ought plainly to lay out of the case all rules of interpretation found in the decisions of the courts, or in text-books, which appertain solely to inventions plainly and essentially narrow, and ought thus to sift out easily and render it unnecessary for us to examine a considerable number of the authorities brought to our attention.

We lay aside at this stage all decisions growing out of the fact that amendments were made in the application on its passage through the Patent Office. This includes Union Metallic Cartridge Company v. United States Cartridge Company, 30 O. G. 771, 112 U. S. 624, and all others of that character. We do not mean by this, however, to reject in considering this first question what was thus made new; but we take the specification and claims as they now stand, without reference to the fact that they were changed at any stage. We also lay aside all those in which the court after all, with the aid of the entire case, came

down to the essence of the invention and held in substance that the claims covered it fully. Among others of this class appear to be Brooks v. Fiske, 15 How. 212; Klein v. Russell, 19 Wall. 433; Goodyear Dental Vulcanite Company v. Davis, 19 O. G. 543, 102 U. S. 222; Béné v. Jeantet, 47 O. G. 402, 129 U. S. 683, and Gordon v. Warder, 65 O. G. 1403, 150 U. S. 47. This sifting leaves, however, a number of cases which, if they stood alone, might be regarded as carrying so far the effect of a literal construction of specifications and claims as to compel us to find for the defense on the proposition in question. Those on which the defense relies, which use the most striking expressions, are Keystone Bridge Company v. Phoenix Iron Company, 12 O. G. 980, 95 U. S. 274; Fay v. Cordesman, 25 O. G. 1276, 109 U. S. 408, 420; Yale Lock Manufacturing Company v. Sargent, 35 O. G. 385, 117 U. S. 373, 378, and Dryfoos v. Weise, 42 O. G. 490, 124 U. S. 32, 37, and we may also add Burns v. Meyer, 100 U. S. 671, and Huber v. Nelson Manufacturing Company, 44 O. G. 234, 148 U. S. 270, 291. Another extreme case of the same character is Brown v. Stilwell & Bierce Manufacturing Company, 57 Fed. 731, decided by the Court of Appeals in the Sixth Circuit. Against these cases it is sufficient to put Winans v. Denmead, 15 How. 330. That so far as concerns the case at bar this decision is still recognized as law, is apparent from the fact that it is cited without disapproval of any part of it in Sewall v. Jones, 9 O. G. 47, 91 U. S. 171, 183; Eddy v. Dennis, 95 U. S. 560, 569; Werner v. King, 13 O. G. 176, 96 U. S. 218, 230; Western Electric Company v. LaRue, 55 O. G. 571, 139 U. S. 601, 606, and Hoyt v. Horne, 145 U. S. 302, 309. In Werner v. King and Hoyt v. Horne it is cited and accepted with reference to the very pith of the matters which we are now considering. It will be noticed that Winans v. Denmead is thus reaffirmed at later dates than the cases on which the defense relies, and that it comes much closer to the case at bar than any one of them is too apparent to need any explanation at length. In fact the analogy is as close as could be expected to be found in any cases whatever. Winans v. Denmead related to the peculiar construction of cars for the transportation of coal, and the patent was granted in 1847, after the enactment of all the statute provisions the existence or re-enactment of which the defense can rely on. The specification described only a conical form, and the claim, page 342, was by its letter strictly limited to the frustum of a cone. There was nothing whatever in the patent to show that the patentee ever had in his mind any form except the conical. The alleged infringement was by use of the octagonal form. Yet

the Court made the clear distinction appearing on page 343, as follows:

"Undoubtedly there may be cases in which the Letters Patent do include only the particular form described and claimed. Davis v. Palmer, 2 Brock. 309, seems to have been one of those cases; but they are in entire accordance with what is above stated. The reason why such a patent covers only one geometrical form is not that the patentee has described and claimed that form only. It is because that form only is capable of embodying his invention, and consequently if the form is not copied the invention is not used. Where form and substance are inseparable it is enough to look at the form only. Where they are separable, where the whole substance of the invention may be copied in a different form, it is the duty of courts and juries to look through the form for the substance of the invention, for that which entitled the inventor to his patent, and which the patent was designed to secure. Where that is found there is an infringement, and it is not a defense that it is embodied in a form not described and in terms claimed by the patentee."

The Court further remarked (which is a general rule applicable to the case at bar) as follows:

"Patentees sometimes add to their claims an express declaration to the effect that the claim extends to the thing patented, however its form or proportions may be varied; but this is unnecessary. The law so interprets the claim without the addition of these words."

It is not necessary for us to reconcile case by case the expressions relied on by the defense, which, as interpreted by it, are not in harmony with the conclusions or the expressions in Winans v. Denmead. Very likely they can all be harmonized by following out the distinctions made by us in our references to Baltimore Traction Company v. Baltimore Belt Railroad Company, ubi supra, and Miller v. Eagle Manufacturing Company, ubi supra, and by noting the peculiar circumstances of each case. In fact, we think there is nothing to be deduced from any of the decisions which goes beyond the illustrative paragraph in Walker on Patents (2d ed., sec. 350), as follows:

"But where a patentee states in his specification that a particular part of his invention is to be constructed of a particular material, and states or implies that he does not contemplate any other material as being suitable for the purpose, it is not certain that any other material will be treated by a court as an equivalent of the one recommended in the patent."

However this may be, Winans v. Denmead leaves sufficient

room for the application to the case at bar of the general rules of construction and those relating to equivalents, which we have stated.

Some of the most important inventions in special arts have come from persons unskilled in those arts, and who therefore had no knowledge of the possible equivalents, so that it would involve improbability to assume that they had present in their own minds at the time of the application any matters of form except those incorporated in it. The rules cited from Winans v. Denmead, ubi supra, are needed to protect not only this class, but all others who have made valuable inventions, and who through their own ignorance or for any other reason have not understood or have overlooked possible equivalents. Without attempting the unnecessary discussion of case by case, it is enough that almost every patent in which this question can arise lies between the expressions in Winans v. Denmead, ubi supra, on the one hand, and those relied on by the defense, on the other. Winans v. Denmead clearly goes as far in its direction as the case at bar. Applying the principles of construction and the law of equivalents already stated, in the way in which we are bound to apply them, there is not sufficient in any or all of the expressions in the patent at bar relied on by the defense to justify us in holding that they amount to such a positive exclusion, arising either from the nature of the invention or from the necessary force of the words themselves, as will defeat a charge of infringement of all the claims in controversy, merely on account of a change in the relative movements of the parts, involving in itself no invention and producing no result essentially new. Some of the cases relied on by the defense strengthen these conclusions by the reflex light of the distinctions they make. Snow v. Lake Shore & Michigan Southern Railway Company, 25 O. G. 1280, 121 U. S. 617, held the patentee strictly to the details of his combination in question, because, as shown, page 630, those details, for the reasons there stated, were essential parts. Sargent v. Hall Safe & Lock Company, 31 O. G. 661, 114 U. S. 63, 86, runs back, so far as this point is concerned, to Union Water-Meter Company v. Desper, 101 U. S. 332, and so, also, does Fay v. Cordesman, 25 O. G. 1276, 109 U. S. 408, 421, already cited. In Union Water-Meter Company v. Desper (page 336) the Court stated, touching a certain crank-shaft which was in question, that it could not say that it was an immaterial part of the combination, and continued:

"The patent as it stands, occupies very narrow ground. It requires the presence of every one of the elements specified in the combination secured by it."

On page 335 this rule of interpretation is applied generally to combinations, and in this form the rule is traced through to the latest case named. What is meant by the word "combination" here and in Fay v. Cordesman (pages 420, 421) may not be easily determined; but it is very certain Reece invented something more than a mere combination as it existed in those cases.

The Corn-Planter Patent, 6 O. G. 692, 23 Wall. 181, also supports the conclusion which we have reached. The Court said, page 221:

"The only pretense on which it [that is, the alleged infringing machine] can be claimed to be different is that the framework of which it is constructed is not the kind of framework described by Brown in his specification—namely 'without gearing, without spoked wheels, and other expensive fixtures, and resembling a drag or sled more than it does a carriage or wagon in its main or general construction.' By this description Brown was evidently attempting to show how simple and cheaply the thing could be made, not that it was to be confined to that specific form. It might as well be contended that he intended to confine his invention to wood, and that a machine made of iron or other metal, though made in precisely the same form, would not be an infringement, because it would not have the same quality of cheapness and simplicity which he describes."

Hoyt v. Horne, 59 O. G. 1,764, 145 U. S. 302, is still more striking. In that case the Supreme Court seems to have met and overruled a defense as nearly like that at bar as appears possible with reference to two different patents. The words in the claim in that case—

"consisting in circulating the fibrous material and liquid in vertical planes,"

page 304, refer back to the improvement itself, limit it grammatically and literally, and, so far as the mere letter of the claim is concerned, were apparently quite as material a part of it as the words in question in the case at bar. Yet, page 308, the court rejected them, for the reasons there stated, and which need not be recited in this opinion.

The preamble of the patent already cited has been brought especially to the attention of the court, in that it specifically points out the invention as relating to the class of machines—

"wherein the stitching mechanism is made to travel, etc."

There is ground for maintaining that this word "travel" in this connection had in mind the relative motions, as it is frequently thus used by persons accustomed to mechanical operations, and also that this part of the preamble had in mind a

classification of machines as between those in which the material is held firmly to the plate and the relative movements are automatic, aided by a reciprocating needle-bar, and those in which the material is turned by the hand. It is, however, not necessary to determine this. The preamble states that Reece's invention was an improvement on the class of machines which it names, whatever that class may be; but this does not exclude the truth that it would be an improvement on every other class of machines to which it could be applied. Still, keeping in mind the distinction between a broad invention and a narrow one, it does not follow that because the inventor, if his invention was of the former class, declared it to be available for a certain use or machine, and had present in mind only that specific use or machine, it might be taken by others without restriction for other uses or other machines. On the other hand, the rule is clear that ordinarily a patentee who is first to make an invention is entitled to his claim for all the uses and all the advantages which belong to it, so far as the new application does not itself involve further invention. Roberts v. Ryer, 10 O. G. 204, 91 U. S. 150, 157; Stowe v. Chicago, 21 O. G. 790, 104 U. S. 547, 550; Miller v. Eagle Manufacturing Company, 66 O. G. 845, 151 U. S. 186, 201. The rule was laid down clearly, although perhaps as a dictum, in Western Electric Company v. LaRue, already referred to, 55 O. G. 571, 139 U. S. 601. On page 606 the court, in connection with a reference to Winans v. Denmead, said that a certain expression in it, which the Court quotes—

"amounts to a declaration that the application of the patented device to another use, where such new application does not involve the exercise of the inventive faculty, is as much an infringement as though the new machine were an exact copy of the old."

Indeed, the whole of the case at bar, so far as we have gone, might on sound principles be put on the single proposition of what is known as the "rule of double use," so far as it can be availed of to protect the patentee of a broad invention.

We now come to the effect of the fact that the claims and specification were amended during the progress of the application through the Patent Office. It must be admitted, as already said, that what is thus done may have a special weight beyond the effect of the same words appearing in the application as originally drawn, because whatever may be inserted or stricken out under such circumstances may ordinarily be regarded as especially selected by the parties to the transaction. It is as though by agreement the phrases thus made were emphasized. Nevertheless it defeats the very essence of this rule to extend it to

what was inserted inadvertently or to push the construction of what was thus inserted in one direction, when it is plain from the whole transaction that the parties inserting were looking in another.

There is a further consideration, which cannot be overlooked. In transactions between private parties, and indeed in ordinary transactions between the public authorities and private parties resulting in contracts or grants, the rules of equity may be invoked on a proper judicial issue to correct or supply what is erroneous or was omitted through inadvertence; but if the position of the defense is correct and the decisions of the Supreme Court touching this point lay down so rigid a rule as the defense maintains the case of a grant of a patent can not be relieved on this account and in this particular, except it be by application for a reissue, which is not a judicial proceeding, nor in any of its phases as far-reaching as the relief granted in equity with reference to other matters. Courts ought, therefore, to be the more careful under circumstances like those at bar to give a patentee the benefit of all the equities which can be raised in his behalf, by any reasonable implication, from what appears on the face of the amendments or from the transaction as it passed through the Patent Office.

A suggestion may here be made, that the public at large is not prejudiced by anything in the history of any amendment, except so far as the result appears on the face of the patent; and this does not show either the fact or time of amendment. If these elements influence any one, it is only that one who examines the file wrapper; and on such examination he ascertains not only the time and fact of amendment, but the circumstances under which the amendment was made, and therefore cannot be prejudiced, if these circumstances are taken into account in considering its effect. We propose to take them into account in the present instance, and in so doing we consider that we violate no rule of law and prejudice no public or private right.

The case shows numerous amendments at various stages: but we have no occasion to consider any of them except the following: The first claim at one stage contained the words—

"and means to change the relative positions of the bed-plate and frame-work longitudinally."

These were objected to by the Examiner for the following specific reason given by him:

"as no means is shown and described for moving the bed-plate relatively to the frame-work, as the claim would seem to imply."

Thereupon the words objected to were stricken out, and those were inserted which now appear:
"and means to move such frame-work longitudinally upon said bed-plate."

For the same specified reason a similar change was made in the eleventh claim. The twelfth claim was also required to be amended by including means for moving the cutting-bed and frame longitudinally, on the ground, specified by the Examiner, that otherwise the combination covered by the claim would be inoperative and incapable of accomplishing any useful result or function. The thirteenth claim, which was objected to by the Examiner as being for an incomplete combination, was largely modified, the expression which now appears, touching "the movable framework," being inserted with others. The fifth claim was amended only by inserting the words "of a buttonhole," where they appear after the word "laterally." The eighteenth claim is entirely new. Whatever other amendments there were need not be noticed.

The patent office record shows no reason for requiring these amendments, so far as concerns the effect of the question we are now discussing, except those already stated. The specification did show one method of putting the invention and all its parts into practical operation. The theory of the Examiner was that the claims must be limited to correspond with the form of operation explained. The extracts which we have made from Winans v. Denmead, 15 How. 330, and other citations which might be made, establish the well-known rule that this was erroneous, unless as a mere matter of detail in the practice of the patent office, depending on the varying judgments of different examiners as to the clearness with which the operation of machines should be set out.

No question of novelty was made and no other issue which brought to the attention of the inventor any matter of substance. In Ball & Socket Fastener Company v. Ball Glove Fastening Company, 58 Fed. 818, this court, in considering the principle now under consideration, said:

"The rule touching the effect of such amendments has been several times laid down by the Supreme Court in patent causes, although it is only a peculiar application of the general principles of law relative to the interpretation of instruments. In the case at bar the amendments relate to the very pith and marrow of the alleged improvement, touch directly the question of novelty, and were understandingly and deliberately assented to, so that the rule of interpretation referred to undoubtedly applies."

We do not see that the law requires us at present to go any further or to qualify this statement of the rule, although, of course, its application where the invention is in mere matter of form or detail would be more freely made than where it is of a broad character.

The following cases we believe are all where this rule has come before the Supreme Court, the first being Leggett v. Avery, 17 O. G., 445, 101 U. S. 256, decided October term, 1879, and the last Morgan Envelope Company v. Albany Perforated Wrapping Paper Company, 67 O. G., 271; in which the opinion was passed down by the Supreme Court March 19, 1894. Leggett v. Avery, so far as it appertains to this rule, contains only dicta, as in that case there had been an actual disclaimer, on an application for a reissue, of the whole of five claims in the original patent, and the case turned on the effect of that express disclaimer. In Sargent v. Hall Safe & Lock Company, 31 O. G., 661, 114 U. S. 63; Shepard v. Carrigan, 34 O. G., 1157, 116 U. S., 593; Sutter v. Robinson, 38 O. G., 230, 119 U. S., 530; Crawford v. Heysinger, 42 O. G., 197, 123 U. S., 589; Watson v. Cincinnati, Indianapolis, St. Louis & Chicago Railway Company, 49 O. G., 1843, 132 U. S. 161; Roemer v. Peddie, 49 O. G., 2187, 132 U. S., 313; Phoenix Caster Company v. Spiegel, 50 O. G., 1591, 133 U. S., 360; Yale Lock Manufacturing Company v. Berkshire National Bank, 51 O. G., 1291, 135 U. S., 342; Dobson v. Lees, 53 O. G., 740, 137 U. S., 258; Corbin Cabinet Lock Company v. Eagle Lock Company, 65 O. G., 1066, 150 U. S., 38; Knapp v. Morss, 65 O. G., 1593, 150 U. S., 221, and the latest case, Morgan Envelope Company v. Albany Perforated Wrapping Paper Company, there were direct issues of novelty, or of interference, based on specific prior patents or pending applications, to which the inventor yielded. Therefore in each of these cases there was a fair issue, formulated and understood by the applicant for the patent, requiring him clearly to yield directly a portion of what he claimed, and the effect of his yielding could not be mistaken.

In Union Metallic Cartridge Company v. United States Cartridge Company, 0 O. G., 771, 112 U. S., 624, the issue was no less distinct, although it came in a different form. It appeared that the patentee had applied on a reissue for the same subject-matter which was disallowed him by the Supreme Court; but the point was distinctly made by the Commissioner that it involved "a substantially new and different invention" from anything embraced in the original patent. In Goodyear Dental Vulcanite Company v. Davis, 19 O. G., 543, 102 U. S., 222, which was decided with express reference to Leggett v. Avery, ubi supra, it appeared, page 228, that the subject of controversy at the patent

office was distinctly as to what the invention covered and as to what claim should be allowed. The Court said there could be no doubt what the patentee understood he had patented, and that both he and the commissioner regarded it to be—
"for a manufacture made exclusively of vulcanites."

The issue was plain, formal, and essential; yet the court did not rest the case wholly on that proposition, but mainly on the ground that what occurred at the patent office tended to confirm the conclusions to which the court had otherwise arrived in interpreting the patent. In Royer v. Coupe, 62 O. G., 318, 146 U. S., 524, an entire claim was rejected, and the rejection acquiesced in. This was also apparently put on the ground of want of novelty; but however that may have been the essence of the transaction was plainly the same as though there had been a formal disclaimer after a patent had been obtained, as was the case in Leggett v. Avery, ubi supra. In no place has the rule been thoroughly discussed by the Supreme Court and its modifications, limitations, and practical application determined. It has grown up without much discussion from Leggett v. Avery, ubi supra, which was a case on a reissue, and, as already said, involved a formal disclaimer of five specific and entire claims. Under all the circumstances the case at bar is clearly distinguishable in that it presented no direct issue of novelty or invention, and the amendments came in only incidentally and in reference to an incidental matter.

In conclusion, therefore, touching all which appears on the face of the patent with reference to the movability of the frame and the fixedness of the plate, including whatever emphasis can be added by reason of the acquiescence of Reece in the amendments proposed at the patent office. we do not find enough to require us to refuse to give him the benefit of the favorable rules we have explained.

We now come to the especial consideration of the several claims. The fifth claim was the successful conclusion of numerous and expensive efforts to stitch automatically a buttonhole in the form in which it is ordinarily desired—that is, with an eye. This had never been accomplished. Those machines whose work in stitching was automatic were unable to form the eye, and those which formed the eye accomplished this only with the aid of the clumsy and slow operation of turning the material with the hand. We do not think it necessary, either with reference to this claim or any other, to proceed at length on the question of novelty. The single fact that so valuable a patent as this, where so large interests were at stake and such heavy expenditures had been made in vain, as is shown by the record, for accomplishing

what Reece accomplished, had received the continuous and uniform acquiescence of the public and the trade for a period of nearly ten years, and until the efforts of the respondents below, affords sufficient reason for not prolonging this opinion by an analysis of the alleged anticipatory matters, or by detailed explanations in support of our conclusions that none of them in fact anticipated Reece. This line of defense has been pressed mainly against the fifth claim; but clearly the device to which it relates accomplished what none of the older buttonhole-machines accomplished, and it, its method of operation, and its purpose lie in a different field from the invention of Bonnaz and from all the other earlier mechanisms except those appropriate to the stitching of buttonholes.

The essential feature of this claim is the so-called compound movement given the needle-bar, the result of simultaneous longitudinal and lateral motions. This alone was of course old and common in the arts; yet the suggestion of its application to this purpose, combined with the mechanism devised therefor, constitutes a patentable invention of a fundamental character, highly meritorious, and one to be protected by a liberal construction. So far as this claim is concerned, we have no doubt that the rules which we have laid down fully apply, and that Reece is entitled to the benefit of the invention, without reference to the relative movements as between the frame and the plate.

The elements specified in the fifth claim do not constitute an operative mechanism without the aid of a reciprocating needle-bar, or something which will supply its need, and perhaps, also, not without the spreader. The eighteenth claim covers a reciprocating needle-bar and the twelfth a spreader, and each is fully explained in the specification. The fifth claim falls within that class where reference may be made to the specification to supply in a claim what it is plain to every one skilled in the art is a necessary incident. Seymour v. Osborne, 11 Wall. (U. S.) 516, 547; Day v. Fair Haven & Westville Railway Company, 49 O. G., 1364, 132 U. S., 98, 102. However, no question was raised on this account, and we refer to the matter simply in order to make clear our conception of the scope of the claim.

Infringement of the fifth claim is hardly contested, except on the ground of the propositions touching its construction and effect which we have rejected; and, so far as concerns it, we must order a decree for the complainant below.

The eleventh, twelfth, and thirteenth claims relate to the cutting and spreading mechanisms and the "stop" devices. They are undoubtedly to be construed as in combination with a stitcher in a button-hole machine; and Reece was the first to thus combine all these elements in such way that all should be operated,

each in their proper order, by mere mechanical power. The defense urged against these claims is mainly the same as that urged against the fifth. Having disposed of what could be raised by that defense, the court considers the alleged structural differences between Reece and the infringing machines as not material. The majority of the court are of the opinion that Reece has made these operations of cutting, spreading, and stopping automatic in combination with the machine as a whole, and that his invention in that respect is so fundamental and meritorious as to require the application to the eleventh, twelfth, and thirteenth claims of the same rules which we have applied to the fifth.

In view of the state of the art the eighteenth claim can not be broadly construed, and it must be held to be fully limited by the words "substantially as described." This limitation, however, relates to what concerns this particular device. Lake Shore & Michigan Southern Railway Company v. National Car Brake Shoe Company, 26 O. G., 915, 110 U. S., 229, 235. Therefore we find nothing in these words which restricts this claim to a machine in which the frame moves. To give such an effect to the word "carries" as is claimed is more for the pundit than the courts. It is as commonly used in all kindred matters to mean supporting without movement as supporting with it. We are not required to give it a narrow interpretation for the purpose of depriving the inventor of any part of his invention. Nor are we constrained by any well-settled or just rule of construction to import phraseology from other claims for the same purpose. Except in the particulars covered by these propositions, we do not understand that there is any question of infringement of this claim even when narrowly construed.

Decree of the circuit court reversed. Case remanded to that court with instructions to enter a decree for an injunction and an account on claims 5, 11, 12, 13, and 18 of appellant's patent, No. 240,546, issued to John Reece April 26, 1881, and for further proceedings in accordance with law.

410. M'CORMICK v. AULTMAN & CO., 69 Fed. 371, 16 C. C. A. 259 (1895, Sixth Circuit).

Before Taft, Lurton and Severens, Judges. * * *

Taft, J.:

These are appeals from decrees dismissing two bills brought to restrain the future infringement of two patents and to recover damages for past infringements. * * *

The Gorham binder was, as already stated, the first one in the history of the art which successfully bound grain in the field with twine automatically. There is abundant evidence to show

that the binder did actual and satisfactory field-work on farms in 1874, in 1875, and in later years. After 1875 Gorham made one or two changes in the machine. He dispensed with the flexible leather strap and substituted a metallic trigger or finger in its stead, operating the trip-lever by a rock-shaft, upon which this finger was mounted, instead of by the cord attached to the leather strap. He reduced the number of teeth on each segment from four to three. From 1878 until the present time automatic twine-binders have been in the most extensive use throughout the civilized world. * * * The original Gorham binder was a heavy crudely-constructed machine and bore little superficial resemblance to the modern lightly-constructed but strong and smoothly-running twine-binder; but an examination of its parts and their operation convinces us that in it is the modern twine-binder modified only by the mechanical and economical skill of the manufacturer and the tributary inventive faculty of a mere improver.

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

is permitted to claim tribute from all who thereafter use the process, whether with his apparatus or with a different or improved means. In Morley Sewing Machine Co. v. Lancaster, 47 O. G., 267; 129 U. S., 263, 290; 9 Sup. Ct., 299, the Supreme Court said:

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

See, also, Consolidated Valve Co. v. Crosby Valve Co., 113 U. S. 157; Royer v. Belting Co., 135 U. S. 319; Union Paper Bag Machine Co. v. Murphy, 97 U. S., 120; Sessions v. Romadka, 145 U. S., 29; Clough v. Barker, 106 U. S., 166; Winans v. Denmead, 15 How., 330; McCormick v. Talcott, 20 How., 402, 405; Chicago & Northwestern Railway Co. v. Sayles, 97 U. S. 554, 556. * * *

It is further pressed upon the court that the mere fact that the claims of the Gorham patent are expressed by reference to the lettered parts of the machine, as shown in the drawings, must lead to a literal and formal construction of the claims and limit their scope exactly to the form of the device used and suggested by Gorham. This was the view of the learned justice who delivered the opinion in the court below, and he cited the cases of Weir v. Morden, 125 U. S. 106, and Hendy v. Iron Works, 127 U. S. 375, in support of his conclusion. We are unable to concur in this application of those cases. They did not involve pioneer or even meritorious patents. They were for devices which were at the best mere improvements on previous well-known devices, and no matter what the claims had been they would have been limited to the particular forms therein described. In the latter case the court found that there was no invention or patentability in the elements claimed, and as an additional reason for holding the patent invalid suggested that the element claimed was linked in combination with a particular form of cylinder by letter reference to the drawings, and, therefore, that in such a case the combination was limited to the particular character of the cylinder. Certainly neither of these cases establishes a hard and fast rule that where a patentee claims the combination of certain elements shown in his patent, describing them by reference-letters in the drawings, he thereby deprives himself of the benefit of the liberal doctrine of equivalents applicable to pioneer patents, if otherwise he is entitled to its application. See Delemater v. Heath, 20 U. S. App., 14, 7 C. C. A. 279, 58 Fed. 414. Whether he specifically claims in his patent the benefit of equivalents or not, the law allows them to him according to the nature of his patents.

If it is a mere improvement on a successful machine—a mere tributary invention—or a device the novelty of which is confined by the past art to the particular form shown, the range of equivalents is narrowly restricted. If it is a pioneer patent with a new result, the range is very wide and is not restricted by the failure of the patentee to describe and claim combinations of equivalents. Nothing will restrict the pioneer patentee's rights in this regard save the use of language in his specification and claims which permits no other reasonable construction than one attributing to the patentee a positive intention to limit the scope of his invention in some particular to the exact form of the device he shows, and a consequent willingness to abandon to the public any other form should it be adopted and prove useful. Instances of such a limitation may be found in Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 274, and in Brown v. Manufacturing Co., 6 U. S. App. 427, 16 U. S. App. 234, 6 C. C. A., 528, 57 Fed. 731; but there is no such limitation in the patent under discussion, and the rule applies which was so fully explained in Winans v. Denmead, 15 How., 330, where the court said:

"Patentees sometimes add to their claims an express declaration to the effect that the claim extends to the thing patented, however its form or proportions may be varied. But this is unnecessary. The law so interprets the claim without the addition of these words."

Again, in Goodyear Dental Vulcanite Co. v. Davis, 102 U. S., 222-230, the Supreme Court said that a patentee was protected against equivalents whether he claims them or not. A most satisfactory discussion of this general subject may be found in the opinion of the circuit court of appeals of the first circuit in Reece Button Hole Mach. Co. v. Globe Button Hole Mach. Co., 10 C. C. A. 194, 61 Fed. 958, where Judge Putnam on behalf of that court examines the two lines of cases of which Winans v. Denmead and the Keystone Bridge Case are respective types and reconciles them, so far as they may be reconciled. See, also Keystone Manufacturing Co. v. Adams, 151 U. S. 139; Miller v. Manufacturing Co., 151 U. S., 186.

With respect to the third, tenth, and eleventh claims we therefore conclude that they are valid and that the defendants infringe them, unless by the application for reissue and the subsequent abandonment of it either the scope of the claims was narrowed to a literal reading of them or the validity of the claims was entirely destroyed. The effect of this reissue application we shall consider later.

We come now to consider the twenty-fifth and twenty-sixth claims. They are as follows:

"25. The combination of arm Q on shaft K″ with arm R′

and bent arm R″ on rock shaft R, and carrying the projecting cord-arm r‴, to force the cord from the knot-tying device, substantially as described.

"26. The combination of arm Q on shaft K″ with arm R′ and bent arm R″ on rock-shaft R, carrying the knife r for cutting the cord, and arm r‴ for forcing the cord off the hook, substantially as described."

These claims relate to the tying mechanism, and to that part of it only by which the knot, after it is tied, is stripped off of the knotting or tying bill and the cord connecting it with the cord-holder is cut. * * *

We think that the state of the art was such, with reference to knotters and strippers, at the time when Gorham invented his knotter-bill knife and stripper that he is not entitled to claim as an infringement of his knife and stripper any device substantially different in form from that which he used. It is true that the knife and stripper of the defendants are moved by the shaft which also moves the knotter-shaft and that in Gorham's the knife and stripper are moved by the knotter-shaft, and that this states generally the difference between the two; but, considering the prior art, it does not state the difference with sufficient detail to prove or disprove their likeness for the purpose of deciding the question of infringement. No claim is made that the knotter-bill itself is an infringement, and we are limited in this discussion to the question whether the knife and stripper infringe. Were Gorham's knotter-bill and his knife and stripper pioneer patents, the resemblance between them and the same parts of defendants' machine would be sufficient, perhaps, to justify regarding them as equivalents; but they are not pioneer devices. Gorham and the defendants or their licensor, Appleby, were acquainted with the prior art, and with that in view they reached the same result, and one not new, in different ways. One improved on one device and the other on another. We are considering Gorham's stripper and cutter in its character as an independent device for performing the function it discharges in his machine. The twenty-fifth and twenty-sixth claims are not for a combination of all the parts of his machine to accomplish his new result. If they were, the knotter and stripper in Gorham's machine would, of course, be an equivalent of the defendants' as an element of the combination. Considered alone, however, and not in combination, as it must be under these claims, we hold that the defendants do not infringe it.

We come now to the question what effect, if any, shall be given to the application for reissue which was made by Gorham's widow, Helen M. Gorham, in 1881?

* * *

An examination of the file-wrapper and contents of the reissue application satisfies us that the Examiner in the patent office, held, in effect, by the rejection of the above claims that the third, tenth and eleventh claims of the original patent, which we have found to be valid and to state the gist of the pioneer patent which Gorham invented, were anticipated in the prior art.

* * *

We find from the evidence in the record and the circumstances that the action of the counsel for Mrs. Gorham and the complainant in withdrawing the application for reissue was with no intention of abandoning their alleged right to a wide construction of the claims of the original patent. We do not find in the file wrapper and contents any statements by complainant's grantor which merely as evidence upon the construction of the original patent and its claims would either limit or narrow them.

It is contended by counsel for the appellee that the abandonment of the application for reissue and the return of the patent after a rejection of the claims in the original patent create an estoppel against the patentee, which prevents him from thereafter relying on those claims or asserting a monopoly under them. * * *

Mr. Justice Matthews used this language:

"A comparison of the patent, as granted, with the application, very conclusively establishes the limits within which the patentee's claims must be confined. He is not at liberty now to insist upon a construction of his patent which will include what he was expressly required to abandon and disavow as a condition of the grant. Shepard v. Carrigan, 34 O. G., 1157, 116 U. S., 593, 6 Sup. Ct., 493, and cases there cited."

It is difficult to see how such a principle can apply in the case of an application for a reissue which is not carried to the point of surrender of the patent and the acceptance of a new patent. Nothing is granted to the patentee which he did not have before, and there is therefore no privilege or benefit moving from the government to the patentee upon which an estoppel can be founded. * * *

In Peck v. Collins, 103 U. S., 660, the question was whether, under the patent laws in force in 1866, a patent had any validity a reissue of which had been applied for to the patent office and rejected. It was held, in accordance with the decision of Moffitt v. Garr, 1 Black, 273, that the application for the reissue involved a surrender of the old patent at the time of the application. At the close of the opinion Mr. Justice Bradley used this language:

"Since the surrender of the patent in this case, the patent laws have undergone a general revision by the act of July 8, 1870 (ch. 230). In the fifty-third section of that act (being the section

relating to the surrender and reissue of patents), a new clause was introduced, declaring that the surrender 'shall take effect upon the issue of the amended patents;' and this clause it retained in section 4916 of the Revised Statutes. What may be the effect of this provision in cases where a reissue is refused, it is not necessary now to decide. Possibly it may be to enable the applicant to have a return of his original patent if a reissue is refused on some formal or other ground which does not affect his original claim. But if his title to the invention is disputed and adjudged against him, it would still seem that the effect of such a decision should be as fatal to his original patent as to his right to a reissue."

It will be observed that this remark of Mr. Justice Bradley was not necessary to the decision of the case before the court. It was a semble, and is so referred to in the head note of the case. The question has never since been considered and decided by the Supreme Court. The members of this court have difficulty in reaching a conclusion upon the question thus suggested. It is one of much importance to all persons engaged in the procuring of patents and the remedying of their defects by applications for a reissue. Upon its answer turns the validity or invalidity of an otherwise very valuable and meritorious patent in this case. We think it proper, therefore, to certify to the Supreme Court for its instructions the following question, based on the facts as above stated:

"If a patentee applies for a reissue of his patent, and includes among the claims under the new application, the same claims as those which were included in the old patent, and the examiner of the patent office rejects some of such claims, and allows others, both old and new, does the patentee, by abandoning his application for a reissue, and by procuring a return of his original patent, hold his patent invalidated as to those claims which the examiner rejected?" * * *

[The Supreme Court answered in the negative. See infra.]

The result of our discussion of this case leads to an affirmance of the decree of the court below in so far as it holds that the twenty-fifth and twenty-sixth claims of the Gorham patent are not infringed and that the Baker patent is invalid for the want of novelty. We differ with the court below, however, in the view which it took of the third, tenth, and eleventh claims of the Gorham patent, and we think that unless by the subsequent application of the reissue these claims were invalidated the defendants' machine infringed them and the complainants are entitled to recover damages therefor.

We shall hold the case, therefore, until the question as to the effect of the application for a reissue has been submitted to the

Supreme Court and that Court's instructions thereon are certified to us; and it is so ordered.

411. CHICAGO, ETC., RAILWAY v. SAYLES, 97 U. S. 554, 24 L. ed. 1053 (1878).

Bradley, J.: * * *

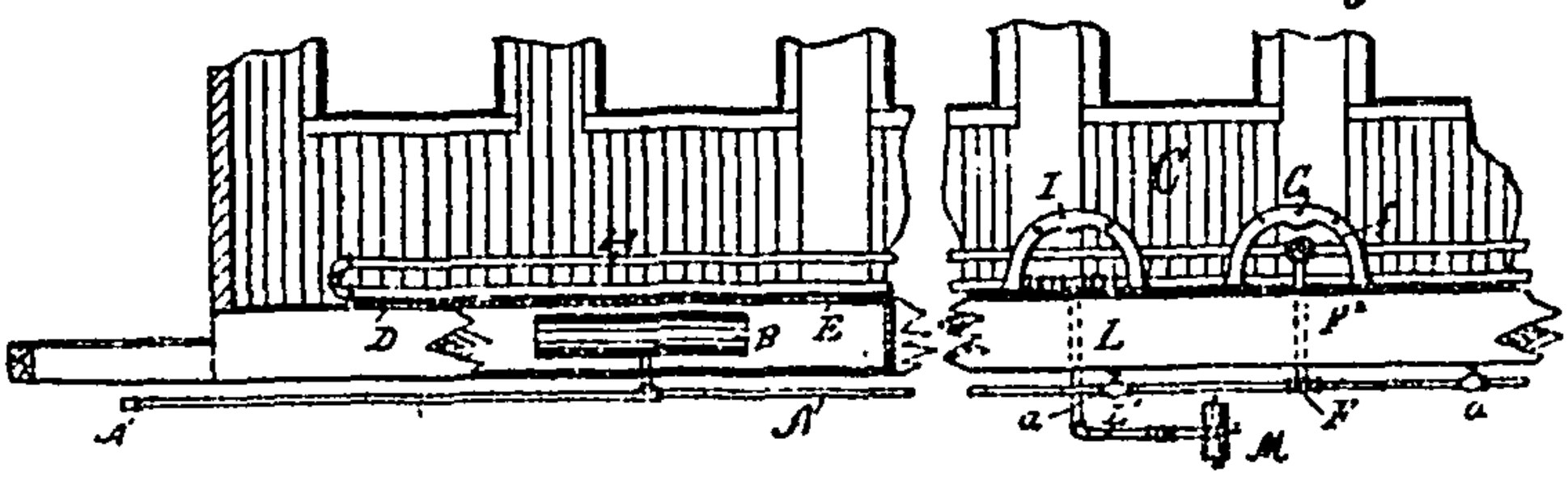
It will be observed that we have given particular attention to the original application, drawings, and models filed in the patent office by Thompson and Bachelder. We have deemed it proper to do this, because, if the amended application and model, filed by Tanner five years later, embodied any material addition to or variance from the original—any thing new that was not compised in that—such addition or variance can not be sustained on the original application. The law does not permit such enlargements of an original specification, which would interfere with other inventors who have entered the field in the mean time, any more than it does in the case of reissues of patents previously granted. Courts should regard with jealousy and disfavor any attempts to enlarge the scope of an application once filed, or of a patent once granted, the effect of which would be to enable the patentee to appropriate other inventions made prior to such alteration, or to appropriate that which has, in the mean time, gone into public use. * * *

412. MICHIGAN CENTRAL R. CO. v. CONSOLIDATED CAR-HEATING CO., 67 Fed. 121, 14 C. C. A. 232 (1895, Sixth Circuit, Patent No. 329,017).

Before Taft, Lurton and Severens, Judges.

Severens, D. J.:

Fig. 3.



[A is a supply pipe, B a hot water cylinder communicating with the inside of the car C through heat registers D and cold air registers E in the floor of the car. F is a cross from which, toward each side of the car, extend pipes. F^2 is an upright pipe leading from the side pipe extending under the seat G and governed by a valve f directing the steam into the upper

courses of the coils H running along each side of the car. Under the seat I are return bends which connect by the usual T's with pipes such as shown at L. L^1, which communicate with a steam trap M and drain the coils H.

The opinion sets forth the changes in the specification which were employed to give force and operative meaning to the claims, of which the following first claim of the patent is the broadest:

"1. A system of piping for heating railway passenger cars, consisting of a supply-pipe extending longitudinally under the central portion of a car communicating with steam drums or coils inclosed in chambers under the floor of such car, in combination with pipes extending from the central portion of said supply-pipe to the upper courses of coils of pipe along the side of such car, and escape pipes from the central portion of the lower courses of said coils, communicating with and draining into a steam-trap under the floor of the car, substantially as and for the purpose set forth."]

* * *

The principal question discussed upon the argument was the one fact of whether Cody invented the improvements, or whether Martin invented them and Cody was a workman simply constructing the apparatus under Martin's directions. But another question arises and is presented upon the appellants' contention that Cody so changed his specification during the pendency of his application as to show another invention from that originally described, and give to his combination utility and value, and but for which it would be practically valueless. As has been stated, one of the problems which in 1883 confronted those who were seeking to construct an operative system was to devise an arrangement of the steam-pipes such as would provide for the ready escape of air and water, so that they would not obstruct the circulation and thereby prevent the free flow of steam through the pipes.

Cody's application was made on the 11th day of August, 1884, and the patent issued to him and Hayes, as assignee, on the 27th day of October, 1885. In his specification he said nothing about inclining the members of the side coils of his steam-pipes HH downward from the center of the car, where steam is taken in, to the end of the car, and also inclining downward the return-pipes as they come back to the center and connect with the pipe which carries their contents downward to the trap; and the drawings filed with the specification, and which by the provisions of § 4884 of the Revised Statutes, become part thereof, not only fail to show any such inclination, but, on the contrary, show the outrunning and returning pipes to be parallel with the floor

of the car and with each other. Neither of his claims mentioned any inclination of these pipes. If the specification had done so, that feature could have been read into the claims, for the claims refer to the specification, which, as we have already said, includes the drawings; but as the specification gives no indication of such feature of construction, but do indicate parallel pipes, the claims must be construed accordingly. Claim 2, as the claims now stand, was originally claim 1, and was rejected at the Patent Office upon a reference to a patent to Slingland of September 4, 1883, which showed a steam-supply extending up through the floor of the car and connecting with the middle of the upper member of a coil of pipes extending from the middle of the ends of the car, and returning thence to the center and descending to the bottom of the steam-generator, whereby the condensed steam was taken into the generator. On February 7, 1885, Cody's specification and claims were amended, and the substance of original claim 1 was made claim 2; but nothing was said about inclining the pipes. Claim 2, as it then stood, was again rejected on other references showing certain means for discharging the water of condensation. On the 9th day of March following Cody radically amended his specification in respect to this subject, saying:

"Second. I supply hot steam to the upper courses of coils in the car, at or near the center, longitudinally, on both sides of the car, this steam traveling both ways to the end of the car, in pipes inclined downward toward the ends of the car, and on its return it travels from the ends of the car, in the lower courses of the pipes which incline downward to the center of the car, where they connect with a common waste-pipe."

This was but a short time prior to the application of Martin showing a device of similar character to that contained in Cody's amendment, Martin's application having been filed March 30, 1885, and the proof unquestionably shows that the device had been in use a year or two prior to either application. There is no suggestion in the bill that Cody's invention had been made prior to his application, and upon the face of it the presumption would be that the invention was contemporaneous with the application. The claim was afterward further amended, upon objection to its form, so as to stand as it appears in the patent. By the rule of construction to which we have already referred this second claim, by reference to the specification as it now stands, is for the invention of a combination which includes as an element side coils constructed so as to dip from the center of the car to the ends and back to the center, whereby effectual drainage and a free flow of steam are secured.

By § 4892 of the Revised Statutes the applicant is required

to make oath that he believes himself to be the original inventor of the improvement for which he solicits a patent. Cody made such oath on making his original application, but did not make oath in respect to the matter brought in by the amendment. No doubt, it is competent to amend the specification while the application is pending, so long as it is done within the scope of the original application; but it is not competent, under color of this privilege, to introduce new matter. Systems of car-heating in use at the time of Cody's alleged invention, such as Sewall's and Martin's, showed substantially the same combinations as his, except that they did not contain this characteristic element. It is true some of the parts of those systems were susceptible of mechanical improvement—such, for instance, as the substitution of a better kind of trap for discharging the condensed water, but which involved no change in the principle of the combination. We are therefore to inquire whether the matter of the amendment in this case was new. As we have said, this peculiarity of construction did not appear in any part of the application originally. It is admitted by the appellee that it is an essential feature of the patent. It is said by its counsel, in his brief:

"Another element in the problem was caused by the fact that cars seldom stood upon level tracks when cut out from the train, and very frequently were on inclines during the running of the train. In order to meet this condition, it became necessary to permit steam to enter at the highest point in the car system, from the train pipe, and to give it sufficient decline, and trapping it at the lowest point, so as to permit, at all times, all of the water to run out at the trap, and not to accumulate in the pipes at the lower end of the car, or upon the lower side. An incline of only a couple of inches would be sufficient, but would not show in a patent office drawing, unless greatly proportionally exaggerated.

It may be observed in passing that the difficulty incidentally suggested in this last sentence has no foundation. The combination could have been described in the written specification, and the imperfection of the drawings thus helped out. Besides, the drawings in other patents before us demonstrate that there was no insuperable difficulty in so making them as to show this peculiarity. The experts for the appellee lay stress upon this feature, and Cody himself testifies that without it his system would not be a successful and operative one, and he says:

"The reason is that a pipe that is perfectly level, running from end to end of the car, wouldn't work when one end of the car was lower than the other is. It would form a trap at the lower end of the car, and the condensed steam would not circulate."

The leading case upon this subject is that of Railway Co. v.

Sayles, 97 U. S. 554. That case involved the validity of Tanner's patent for a brake to apply to double trucks under railroad-cars. Prior to the patent, and prior to the application therefor, various devices for the same purpose had been patented, but the desideratum was a system which could be operated from one end of the car. The original application for the Tanner patent did not show an invention which accomplished this, but an amendment made some years later showed such a device. It was held that the patent must be limited to the structure shown by the application. And it was said by Mr. Justice Bradley, delivering the opinion of the court, that if the amended application and model embodied any material addition to or variance from the original —anything that was not comprised in that—such addition or variance could not be sustained on the original application.

"The law does not permit such enlargements of an original specification, which would interfere with other inventors who have entered the field in the meantime, any more than it does in the case of reissues of patents previously granted. Courts should regard with jealousy and disfavor any attempts to enlarge the scope of an application once filed, or of a patent once granted, the effect of which would be to enable the patentee to appropriate other inventions made prior to such alteration, or to appropriate that which has in the meantime gone into public use."

In that case five years elapsed after the application was filed before the amendment was made. In this case a much less period intervened; but the length of time is not a controlling consideration, as is shown in the cases hereafter to be referred to.

It will be seen from the opinion in Railway Co. v. Sayles that the objection to new matter brought in by amendment of the specification stands upon the same ground as when it is introduced upon a reissue, and in respect to the latter the statute declares that it shall not be done. Rev. Stat., § 4916.

Following that case was that of Eagleton Manufg. Co. v. West, Bradley & Cary Manufg. Co., in which there was an opinion at the circuit by Judge Wheeler, which is reported in 2 Fed. 774. The substance of his opinion was adopted by the Supreme Court in the same case, 111 U. S., 490, and the judgment affirmed. In that case the application for the patent sued on was made in July, 1868. The applicant died in February, 1870. The specification was amended in November, 1871, by the attorneys whom the patentee appointed in his life-time, but without any new oath by his administrators, and the patent finally granted. Originally the application was for a patent on japanned furniture-springs. Nothing was suggested in it about tempering the springs by the process of applying heat in japanning. By the amendment that mode of effecting the result was described. The claim was for

the japanned springs as a new article of manufacture, substantially as used for the purpose described. The original application was rejected because japanning was not new. Upon the amendment showing the new matter, whereby the springs were tempered in the japanning process described, the patent was granted. It was held, among other things, that as the amendment introduced new matter it should have been sworn to in that case by the administrators; that the only invention to which the application and oath of the patentee were referable was that of merely japanning steel furniture-springs; that the amendment was not a mere amplification of what had been in the patent before, and that the patent was void.

In the very carefully considered case of Brush Electric Co. v. Julien Electric Co., 41 Fed. 679, was introduced a patent for a secondary battery element or electrode consisting of a plate constructed of materials therein described and having grooves, receptacles, or perforations therein. When the application was originally filed, neither the specification, drawings, nor claims mentioned "perforations" extending through the plate. Nearly a year afterward they were amended by the insertion of that term. Judge Coxe, in discussing the effect of this, said:

"The common meaning of 'perforation' is a hole or aperture passing through a body. It is argued that the patentee intended this meaning should be adopted, for he says: 'Fig. 8 shows a vertical section of a ribbed plate provided with slots or perforations extending through the plate.' And yet other parts of the specification would indicate that he intended no distinction between perforations and receptacles. As before stated, the language quoted first appeared a year after the original application was filed. The court has grave doubt, therefore, whether these facts do not bring the case within the rule laid down in Railway Co. v. Sayles, 15 O. G. 243, 97 U. S., 563; Kittle v. Hall, 39 O. G., 707, 29 Fed. 508, and cases there cited."

Then, after pointing out that the words found in context with it meant cavities or cells, and that this was a sense in which the word "perforations" was sometimes used, he concludes:

"With considerable hesitation, I shall hold that these claims, as thus construed, are valid."

The question was again presented in De La Vergne Refrigerating Mach. Co. v. Featherstone, 49 Fed. 916; Id. 147 U. S. 209. There the applicant for a patent filed his application on the 24th day of November, 1875, and three days afterward died. The attorneys whom he had appointed amended the specification in December following, and the patent was granted on March 21, 1876. Just what the amendment was, does not appear; and Judge Blodgett, while expressing great doubt whether the changes

made in the specification did not vitiate the whole proceedings and render the patent void, yet placed his decision upon another ground. Upon an appeal from a decree dismissing the bill the Circuit Court of Appeals certified several questions to the Supreme Court for decision, among which was one which requested the opinion of that Court as to whether the amendment of the specification rendered the patent void. The certificate stated that it was—

"within the scope of the original oath and the invention described in said original specification and by way of limitation of the claims."

The Supreme Court, responding to this question in an opinion by Mr. Chief Justice Fuller, after reciting the certificate as above, said:

"In Eagleton Manufg. Co. v. West, Bradley & Cary Manufg. Co., 111 U. S. 490, 498, before referred to, the patent was held invalid because the authority given to Eagleton's attorneys ended at his death, and the patent was granted upon amendments made by the attorneys without any new oath by the administratrix. And Mr. Justice Blatchford, speaking for the Court, said that the file wrapper showed, 'beyond doubt, that there was no suggestion, in the specification signed and sworn to by Eagleton, of the invention described in the amendment,' and that 'in view of the entire change in the specification, as to the invention described, the patent to be valid, should have been granted on an application made and sworn to by the administratrix. The specification, as issued, bears the signature of Eagleton, and not of the administratrix; and it is sufficiently shown that the patent was granted on the application and oath of Eagleton, and for an invention which he never made.' In the case at bar there was not only no amplification of the original application by the amendment, but it was within the scope of the original specification, and a limitation and narrowing of the original claim, so that it was the identical invention sworn to by Boyle; and there was no more reason for requiring a new oath from his administratrix than there would have been for requiring it from Boyle himself."

And it was held that the amendment did not render the patent void. From this it would seem to be the opinion of that court that the statute requiring an oath to an amendment by administrators, etc., does not apply to an amendment which would not require a new oath from the original applicant if he were still living, and, taken in connection with Eagleton Manufg. Co. v. West, Bradley & Cary Manufg. Co. above referred to, would seem to indicate the test to be whether the amendment is with-

in the scope of the original application or introduces new matter. As was said by Judge Woods in delivering the opinion of the Circuit Court of Appeals in Western Electric Co. v. Sperry Electric Co., 7 C. C. A., 164; 58 Fed. 186, 196:

"So long as he [the inventor] did not change the structure of his device or his invention he had the right to change the specification."

Robinson on Patents states the law thus:

"Amendments in substance can be made only within certain limits, and under certain prescribed conditions. No new matter can, under any circumstances, be introduced by amendment. New matter is that which is not found in the specification, drawings or model, as first filed, and which involves a departure from the original invention. Such matter must necessarily be a distinct art or instrument, or a new and separately patentable improvement on the old, and can be now presented only in a separate application. The scope of the amending power is limited to such alterations of description and assertion as do not affect the essential character of the invention or the person of the patentee. For a mistake in these the only remedy is by the issue of a new, original patent, upon an independent application. (§§ 561, 635.)"

Counsel for the appellee, in discussing this subject and excusing the insufficiency of the drawings to show this feature of the patented device, urges that they do not prevent—

"such variations in an apparatus, in form, shape, and proportions, as common sense or mechanical skill in that art would suggest. Rather, they are addressed to persons skilled in the art, who can supplement them with their technical knowledge."

Admitting this to be so, and to be applicable to the written specification also, still it carries the doctrine to its verge; and, if the drawings and specification fail to indicate the device to those conversant with the art and having the mechanical skill peculiar thereto, they are insufficient and the patent does not include the device. Applying this as a further test, and bearing in mind what has already been said by us and claimed by the counsel for the appellee in respect to the problem of getting rid of pockets of air and the water of condensation, the conclusion is inevitable that the taking into the combination of the element of coils of pipe so arranged as to get rid of the difficulty was something new. Would it naturally occur to one possessing merely mechanical skill to arrange the coils in the effective way shown in the patent? If so, then there was nothing new in the nature of invention in the matter covered by the claim, for the obvious hints to the mechanic existed in the systems proposed to be improved upon. If not, it is clear that the invention was that

shown by the amendment of the specification and only that. The combination is useless without that feature and the bringing it in would be the last step in reaching success. If it was invention, it was an invention not hinted at in the original application, and if the patent is to be restricted to the substance of that application the claim is invalid because the invention was not useful.

As has been said, the bill does not allege an invention by Cody prior to the date of his application, and the latter does not carry the invention back to an earlier date. The evidence shows that the device as patented had been in public use for some time prior to the date of his application. If it be permissible, as contended, to maintain his patent upon evidence, dehors the proceedings in the patent office, that he had made the invention at an earlier date than is to be presumed from his application and patent, so as to carry it back to antedate the public use, the proof should be clear and unequivocal that he was the original inventor. (Eagleton Manufg. Co. v. West, Bradley & Cary Manufg. Co., 2 Fed. 774, 777; Rob. Pat., § 1026, note 14, and cases cited.) There is much evidence in this record upon that subject. Without here going into detail, it suffices to say that we have serious doubt whether Cody was the original inventor of the device represented by this combination of his patent. If the evidence in its favor were fortified by the presumption of validity afforded by the patent in ordinary cases, we might think it right that that should turn the scale and that this claim in the patent should be held valid; but the presumption does not apply in such circumstances and the burden of proof is on the other side. We do not think it is sustained. This defense is not specially pleaded in the answer; but it is not necessary that it should be. Eagleton Manufg. Co. v. West, Bradley & Cary Manufg. Co., 2 Fed. 774, 780; Id., 111 U. S., 490, 498. In that case, as here, the file-wrapper and contents were put in evidence by the plaintiff itself.

We are of opinion that the second claim can not be supported, in view of the history of that element of the combination, without which the invention is not useful, and that the patent, as to that claim, is therefore void.

The decree below should be reversed and the bill dismissed.

413. UNITED SHIRT & COLLAR CO v. BEATTIE, 149 Fed. 736, 79 C. C. A. 442 (1907, Second Circuit).

Before Wallace, Lacombe, and Coxe, Circuit Judges.

Coxe, Circuit Judge:

The Pine patent relates to improvements in machines for infolding the edges of cuff blanks by which the infolds are formed in the blanks and are pressed with the fabric folded back on

itself by the combined action of the support on which the blanks are placed, a templet defining the form of the blanks, and infolders actuated to carry the subtending edges of the blanks inwardly or over the defining edges of the templet. The infold thus formed is fixed in the blanks by pressure between the support and the infolders before the templet has been removed and the infolders withdrawn from the folded edges of the blanks. Two blanks are then placed together with the folded over edges concealed between them and united by a line of stitching along their folded edges, the stitching being done, of course, on another machine. The patented device may be used not only for folding cuffs but for collars and other similar articles. * * *

The combination here claimed contains the following elements in a machine for infolding cuff blanks: (1) A support for the blanks. (2) A templet, having expanding and contracting plates with edge portions bearing directly upon the blanks within the edge portions of the blanks. (3) Infolders constructed to move inwardly and outwardly for folding the edges of the blanks over the edges of the templet. (4) Means whereby the blanks may be fixed with a sharp fold by being pressed at the infolds between the support and the infolders after the templet has been contracted and withdrawn. An analysis of the other claims is unnecessary, further than to say that the fourth claim is specifically limited to "means for forcing the bed against the infolders," whereas the other claims are broad enough to include means for forcing the infolders down upon the support. The infolders of this claim are "constructed to move inwardly and outwardly on all sides simultaneously."

The operation of the machine is as follows: A blank is placed on the bed, or support, and the templet is brought down on the blank with the expanding plates resting thereon. By means of a lever these plates are moved outwardly over the blank. The folders are then moved inwardly carrying the edges of the blanks over the outer edges of the plates. The plates are then drawn out of the folds by reversing the lever. By means of a foot treadle the support is forced up pressing the infolds between it and the infolders. The templet is then raised and the infolders are moved outwardly leaving the blank smoothly and sharply folded on the support. The patentee takes pains to explain, what the law probably implies, that the machine can be made applicable to folding square corners and blanks of other forms and that other, equivalent means can be substituted for the pressing upward of the support without departing from the spirit of the invention.

We do not think that Pine has made a "pioneer invention," but we can not resist the conclusion that he has made a valuable improvement, which, for the first time, placed in the hands

of manufacturer of collars and cuffs a practical working device which does the work faster and better than previous devices. Though not entitled to a broad range of equivalents the complainants are entitled to protection against one who has admittedly appropriated the identical combination of three of the claims in controversy. Time will be saved if the concession be made at the outset that the elements of the claims, considered separately or in different environments, were, speaking generally, all old. The question here is was the combination old? That the claims cover a combination, and not an aggregation, we have no doubt, even though the operations of the separate elements do not synchronize. Forbush v. Cook, 2 Fish. Pat. Cas. 668, Fed. Cas. No. 4,931; Heath Cycle Co. v. Hay (C. C.) 67 Fed. 246; Int. Recording Co. v. Dey (C. C. A.) 142 Fed. 736, 744. * * *

The Boxley prior use has not been established beyond a reasonable doubt for the following reasons:

First. It is most improbable that a machine which could do the work of the Pine machine would be permitted to go out of existence when skillful men, knowing the needs of the business, were searching for such a machine.

Second. No writing supports the defendants' contention and human memory is not to be relied upon as to minute details of transactions occurring twenty-five years before. Keasbey & M. Co. v. Carey Mfg. Co. (C. C.) 139 Fed. 571, and cases cited.

Third. The omission of the pressing mechanism from the specification, which was prepared after the machine had been in operation and was well understood by the patent solicitor, is most significant, and the same is true of the 1882 patent to Boxley.

Fourth. The machine as constructed was not adapted to accomplish the pressing work, the edge portions of the templet plates, which were to force the infolders down upon the folded edges of the blanks to be pressed between them and the bed, were thin and flexible and were supported far from their operative edges. In other words, they were wholly unsuited to do the heavy work of pressing the edge portion of the folded blanks.

Fifth. Various other matters of construction in the Boxley machine tend to strengthen the conclusion that it was not intended to accomplish the purpose of the Pine machine in the particulars under discussion and that it was incapable of being so used as a practical operative device.

Of course, if it be true that Boxley, even though ignorant of the fact, had previously made a machine capable of doing the work of the Pine device in the same way, the patent of the latter cannot be sustained. But, on the other hand, if Boxley intending to accomplish a different result ignorantly stumbled upon a

structure which, in the light of Pine's achievement, can be distorted into a temporary and inefficient substitute for the successful machine, quite a different proposition is presented. If Pine did nothing more than take an old abandoned failure and, by the introduction of new and ingenious features, no matter how simple they may be, convert the rusty relic into a living machine which does the required work better, faster, cheaper than it was ever done before, he is entitled to the protection which his patent is intended to give. Potts & Co. v. Creager, 155 U. S. 597, 39 L. ed. 275; Clough v. Barker, 106 U. S. 166, 27 L. ed. 134. Pine seems to have added to the prior devices the one feature necessary to make the machine a marked commercial success.

414. ANDERSON v. COLLINS, 122 Fed. 451, 58 C. C. A. 669 (1903, Eighth Circuit).

Caldwell, Sanborn, Thayer. * * *

The Bender and Mueller patent is in evidence here to establish the statutory defense that Collins' combination had been patented prior to his invention or discovery thereof. U. S. Comp. St. 1901, p. 3394, § 4920; Act July 8, 1870 (16 Stat. 208, c. 230) § 61. But it is indispensable to the maintenance of this defense that the defensive patent should have been issued before the patentee under the patent in suit made his invention. As the patent to Bender and Mueller was not issued until after Collins conceived and perfected his patented device, nor until after he had applied for a patent for it, it is neither competent nor material evidence upon the issues in this case. Bates v. Coe, 98 U. S. 31, 33, 34, 25 L. ed. 68; Du Bois v. Kirk, 158 U. S. 58, 64, 15 Sup. Ct. 729, 39 L. ed. 895; Walker on Patents, § 55, p. 53.

The first patent to Collins (No. 585,909) is not an anticipation of the claims of his subsequent patent here under consideration (1) because the applications for the two patents were pending in the patent office at the same time, and (2) because the combination described and claimed in the second patent is not described or claimed in the application for the first patent. This application was filed on January 20, 1896, and the patent upon it was issued on July 6, 1897. The application for the second patent was filed on July 30, 1896, and it ripened into a patent on December 31, 1897. Both applications were pending in the patent office from July 30, 1896, until July 6, 1897. The specification and claims of the application for the first patent failed to disclose essential elements of the combination of the second patent, to wit (1) the housing of cage, and (2) the means by which the separating devices and the main supporting balls are secured and held in the housing. Even where each of several applications which subsequently ripen into patents to the same inventor dis-

closes all the inventions claimed in all the applications, and they are all pending at the same time, no one of the applications or patents can be used to anticipate any of the claims of the others which it does not itself claim and secure. Ide v. Trorlicht, Duncker & Renard Carpet Co., 115 Fed. 137, 145, 53 C. C. A. 341; Walker on Patents, § 180; Westinghouse Electric & Mfg. Co. v. Dayton Fan & Motor Co. (C. C.) 106 Fed. 724, 726; Suffolk Mfg. Co. v. Hayden, 3 Wall. 315, 318, 18 L. ed. 76; Graham v. McCormick (C. C.) 11 Fed. 859; Graham v. Mfg. Co. (C. C.) 11 Fed. 138, 141. Much less can such an application and a patent upon it which fails to describe essential elements of a combination subsequently patented to the same inventor upon an application pending at the same time have the effect of anticipation.

Much has been said in argument and written in the briefs to show that the tenth claim of the patent in suit is so broad and general in its terms that it covers devices in which the main bearing elements are cylinders or wheels, and in which the separating devices are not rotatable; and that, when it is read in this way, the combination it describes is anticipated by several of the patents to which reference has been made. But the claims of a patent must be read in the light of the specification which accompanies them. The specification may always be referred to to restrict, though not to expand, the claims. And, when this tenth claim is read in the light of these familiar rules, its true construction limits it to a housing for the balls and the rotatable separating devices between them described in the specification, and when it is thus read no anticipation can be found in the prior patents.

When Collins conceived and constructed the device secured to him by the patent here in suit, the field for improvement in the art he was studying was narrow. Ball bearings were numerous and well known. Housings for the contents of roller races were common. But no housing had yet been constructed which held the main supporting balls and the rotatable separating devices between them both while they were within and while they were without the roller race in such a fixed relation to each other, to the housing, and to the walls of the roller race that, when the balls were in operation, there would be no sliding friction between any of the walls of the race and any of its contents, and no sliding friction between the balls themselves, or between them and the separating devices between them. Collins made a combination which first accomplished these results. His device may not have been a great improvement, but it was certainly a marked advance in the art, and, in view of the numerous less successful attempts to take the step he took which were rewarded with patents by the government, and in view of the evident

inability of those inventors and of the proprietors of mere mechanical skill to reach the point to which Collins attained, the title of inventor ought not to be denied him. His invention is one of those intermediate steps in the gradual progress of a useful art toward perfection which are evidenced by the great majority of patented inventions, and it falls within the familiar rules that a new combination of old elements by which an old result is attained in a more facile, economical, and efficient way may be protected by a patent (National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co., 106 Fed. 693, 707, 45 C. C. A. 544, 557; Seymour v. Osborne, 11 Wall. 516, 542, 20 L. ed. 33; Rees v. Gould, 15 Wall. 187, 189, 21 L. ed. 39; Thompson v. Bank, 53 Fed. 250, 252, 3 C. C. A. 518, 520; Ide v. Trorlicht, Duncker & Renard Carpet Co., 115 Fed. 137, 143, 53 C. C. A. 341), and that, where the advance in the art is gradual, and several inventors make valuable improvements and form different combinations, which accomplish the desired result with varying degrees of success, each is entitled to his own combination, so long as it differs from those of his competitors, and does not include theirs (National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co., 106 Fed. 693, 712, 45 C. C. A. 544, 563; Railway Co. v. Sayles, 97 U. S. 554, 556, 24 L. ed. 1053; McCormick v. Talcott, 20 How. 402, 405, 15 L. ed. 930; Stirrat v. Mfg. Co., 61 Fed. 980, 981, 10 C. C. A. 216, 217; Griswold v. Harker, 62 Fed. 389, 391, 10 C. C. A. 435, 438; Adams Electric Co. v. Lindell Ry. Co., 77 Fed. 432, 440, 23 C. C. A. 223, 231; Ide v. Trorlicht, Duncker & Renard Carpet Co., 115 Fed. 137, 143, 53 C. C. A. 341).

The combination of claims 5, 7, 8, 9, and 10 of letters-patent No. 595,696 was new, it was useful, it was the product of the intuitive genius of an inventor. These claims are infringed by the device constructed in accordance with the description in letters-patent No. 621,219, to George A. Burwell which the defendant is using, and the decree below is affirmed.

415. CONTINENTAL PAPER BAG COMPANY v. EASTERN PAPER BAG COMPANY, 210 U. S. 405, 52 L. ed. 1122, 28 Sup. Ct. 748 (1908, First Circuit). * * *

STATEMENT OF THE CASE.

This is a bill in equity to restrain the infringement of Letters-Patent No. 558,969, April 28, 1896, issued to William Liddell, for an improvement in paper-bag machines for making what are designated in the trade as self-opening square bags. The claims in suit do not include mechanism for making a complete bag, but only mechanism for distending one end of a tucked or bellows-folded paper tube made by other mechanism, and folding it down into a form k[illegible]n in the art as the "diamond fold." This

fold is flattened and pasted by other mechanism and forms a square bottom to the bag.

The bill is in the usual form and alleges infringement of the claims by the Continental Paper Bag Company, hereafter called the Continental Company, and prays for an accounting and an injunction.

The answer interposed the defense of non-jurisdiction of a court of equity, non-infringement of the Liddell patent by defendant (Continental Company) and want of invention.

The allegation of the answer as to the jurisdiction of the court is as follows:

"The defendant says, on information, advice and belief, that a court of equity has no jurisdiction to grant any prayer of the bill of complaint, even if the said Liddell patent, No. 558,969, were valid, and even if the defendant's paper-bag machines were to be held to infringe that patent, because the said patent No. 558,969, is a mere paper proposition which the complainant has never put into effect or use, and because it is contrary to equity to suppress a useful and established business, like that which the defendant is prosecuting with its paper-bag machines, at the request of a complainant which simply owns one paper-bag machine patent that has never been employed by that complainant in any way in any paper-bag machinery, and because the complainant in this case has a plain, adequate and complete remedy at law for any infringement which may have been done upon Liddell Letters-Patent, No. 558,969."

The circuit court adjudged the patent valid as to the first, second and seventh claims thereof; that the Eastern Paper Bag Company was the owner of the Letters-Patent; that Liddell was the original and first inventor of the improvements described in the claims, and that the Continental Company had infringed the same. It was also adjudged that the Eastern Company recover of the Continetal Company the profit the latter had made or received by the infringement. An account was ordered and a perpetual injunction decreed. (142 Fed. 479.) The decree was affirmed by the circuit court of appeals. (150 Fed. 741.) This certiorari was then granted.

Mr. Justice McKenna delivered the opinion of the court.

The defense of want of invention in the Liddell machine is not urged here, because it is said that the decision of that question depends upon mechanical comparisons, too numerous and complicated to be conveniently made by a bench of judges, and because, though the Liddell patent approaches closely the prior art, it "perhaps covers a margin of differentiation sufficient, though barely sufficient, to constitute invention."

The two questions, therefore, which remain for decision are the jurisdiction of the court and the question of infringement. We will consider the latter question first. It does not depend, counsel for the Continental Company says—

"upon any issue of fact, but does depend, as questions of infringement—"

sometimes do, upon a "point of law." This point of law, it is further said, has been formulated in a decision of this Court as follows:

"Where the patent does not embody a primary invention, but only an improvement on the prior art, and defendant's machines can be differentiated, the charge of infringement is not sustained."

Counsel for respondent do not contend that the Liddell invention is primary within the definition given of that term by petitioner. Their concession is that it is—

"not basic in the sense of covering the first machine ever produced to make self-opening square bags by machinery."

They do contend, however, that it is one of high rank, and if it be given a—

"fair construction and scope, no matter whether we call it basic, primary or broad, or even merely entitled to be construed as covering obvious mechanical equivalents, the question of infringement of the claims in suit by petitioner's machine becomes mechanically, and from a patent-law standpoint, a simple one, in spite of slight differences of operation, and of reversal of some of the moving parts."

The lower courts did not designate the invention as either primary or secondary. They did, however, as we shall presently see, decide that it was one of high rank and entitled to a broad range of equivalents. It becomes necessary, therefore, to consider the point of law upon which petitioner contends the question of infringement depends.

The citation is from Cimiotti Unhairing Company v. American Fur Refining Company, 198 U. S. 399, and Kokomo Fence Machine Company, 189 U. S. 8, was adduced to sustain the proposition. But the whole opinion must be considered, and it will be seen from the language which we shall presently quote that it was not intended to say that the doctrine of equivalents applied only to primary patents.

We do not think it is necessary to follow counsel for petitioner in his review of other cases which, he urges, sustain his contention. The right view is expressed in Miller v. Eagle Manufacturing Company, 151 U. S., 186, 207, as follows:

"The range of equivalents depends upon the extent and nature of the invention. If the invention is broad and primary in

its character, the range of equivalents will be correspondingly broad, under the liberal construction which the courts give to such inventions."

And this was what was decided in Kokomo Fence Machine Company, Cimiotti Unhairing Company v. American Fur Refining Company, and Computing Scale Company v. Automatic Scale Company, 204 U. S. 609. It is from the second of those cases, as we have seen, that the citation is made which petitioner contends the point of law upon which infringement depends is formulated; but it was said in that case:

"It is well settled that a greater degree of liberality and a wider range of equivalents are permitted where the patent is of a pioneer character than when the invention is simply an improvement, may be the last and successful step, in the art theretofore partially developed by other inventors in the same field."

It is manifest, therefore, that it was not meant to decide that only pioneer patents are entitled to invoke the doctrine of equivalents, but that it was decided that the range of equivalents depends upon and varies with the degree of invention. See Ives et al. v. Hamilton, executor, 92 U. S., 426; Hoyt v. Horne, 145 U. S., 302; Deering v. Winona Harvester Works, 155 U. S., 286; Walker on Patents, § 362; Robinson on Patents, § 258.

We start, then, with the proposition that the Eastern Company may invoke for the Liddell patent the doctrine of equivalents, but without deciding now how broadly we proceed to the consideration of the question of infringement. Invention is conceded to the Liddell machine, as we have seen, by the Continental Company. The concession, however, is qualified by the assertion that it covers only a "margin of differentiation" from the prior art. The circuit court and the circuit court of appeals had a higher estimate of it. The circuit court said that the nature of its invention—

"was clear * * * was disconnected from what precedes it by such a hiatus, that, if the claims are as extensive as the invention, there is no difficulty so far as concerns the application to the case of the rules with reference to equivalents."

And answering the contention that it was the twentieth in the line of patents in its branch of the arts, and that it should be limited to the details described in its specifications, it was said that there was—

"such a hiatus between them and what appears on the face of the Liddell patent, that they have no effect either in narrowing or broadening the alleged Liddell invention.

The circuit court of appeals affirmed the decree of the circuit court. It was less circumstantial than the circuit court in de-

scribing the invention. It said, however, after stating the claims, that their breadth—

"would imperil the patent, were the real invention less broad; but the defendant (the Continental Company) has not pointed out, and we have been unable to find, any operative combination of a rotary cylinder and forming-plate oscillating thereon earlier than the patent in suit. If, therefore, the patent is valid, it has a wide scope, and the mechanical arrangement used by the defendant is fairly within its terms."

The lower courts, therefore, found that the invention was a broad one and that the machine used by the Continental Company was an infringement. And these were questions of fact upon which, both of the courts concurring, their findings will not be disturbed, unless clearly wrong. (Deslions v. La Compagnie Generale Transatlantique, ante, p. ——.) To decide the question of invention an examination of the prior art was necessary and a consideration of what step in advance of that art, if any, the Liddell patent was. To decide the question of infringement a comparison of the Liddell machine with the machine used by the Continental Company was necessary and a determination of their similarity or difference. What was involved in these inquiries of fact and the conclusions from them is indicated by a record of many hundred pages of expert testimony and exhibits.

We shall proceed, then, to consider upon what grounds the circuit court and the circuit court of appeals proceeded and their sufficiency to sustain the judgments rendered within the rule announced.

The bill alleges the infringement of claims 1, 2 and 7. The courts below selected claim 1 for consideration, as determinative of the questions arising, as well on the other two claims as on it. In this counsel for the Continental Company acquiesced. Claim 1 is as follows:

"In a paper-bag machine, the combination of a rotating cylinder provided with one or more pairs of side-forming fingers adapted to be moved toward or from each other, a forming-plate also provided with side-forming fingers adapted to be moved toward or from each other, means for operating said fingers at definite times during the formative action upon the bag-tube, operating means for the forming plate adapted to cause the said plate to oscillate about its rear edge upon the surface of the cylinder during the rotary movement of said cylinder, the whole operating for the purpose of opening and forming the bottom of the bag-tube, and means to move the bag-tube with the cylinder."

"The pith of the invention," the circuit court said—

"is the combination of the rotary cylinder with means of operating the forming-plate in connection therewith, limited, however,

to means which causes the plate to oscillate about its rear edge."

The court expressed the opinion that the invention extended to every means by which that result could be attained, and rejected the contention of the Continental Company that the invention was no broader than the details described in the specification. The court said that it was unable to see upon what the proposition could be based. And further said that there was nothing in the prior art which either broadened or narrowed the Liddell invention.

"If any of the nineteen patents which had been put in evidence—"

the court added—

"pointed out any form of combining the forming-plate with a rotating cylinder, they would of course narrow what Liddell could claim; but they have nothing of that kind."

And speaking of the claims and their limitation by the description, it was said:

"Nothing in the manner in which the claims are expressed adopts as the elements the detailed description contained in the specification. So far as the details of the description are concerned, they come within the ordinary rule of preferable method."

We think it is clear that the court considered that Liddell sought to comply with § 4888 of the Revised Statutes. In other words, he filed a description of his invention, explained its principle and the best mode in which he "contemplated applying that principle," and did not intend to give up all other modes of application. An inventor must describe what he conceives to be the best mode, but he is not confined to that. If this were not so most patents would be of little worth.

"The principle of the invention is a unit, and invariably the modes of its embodiment in a concrete invention may be numerous and in appearance very different from each other." (Robinson on Patents, § 485.

The invention, of course, must be described and the mode of putting it to practical use, but the claims measure the invention. They may be explained and illustrated by the description. They can not be enlarged by it. Yale Lock Co. v. Greenleaf, 117 U. S. 554. Snow v. Lake Shore, etc., Railway Co., 121 U. S., 617, is a case where a claim was limited by a description of the device, with reference to drawings. The court, in rejecting the contention that the description of the particular device was to be taken as a mere recommendation of the patentee of the manner in which he contemplated to arrange the parts of his machine, said there was nothing in the context to indicate that the patentee contemplated any alternative for the arrangement of the parts

of the device. Therein the description is distinguished from the description in the Liddell patent. Liddell was explicit in the declaration that there might be alternatives for the device described and illustrated by him. He was explicit in saying that in place of the device for controlling the movement of the forming-plate relatively to the cylinder that the plate might "be moved or operated by any other suitable means."

This court said in Cimiotti Unhairing Company v. American Fur Refining Company, supra:

"In making his claim the inventor is at liberty to choose his own form of expression, and while the courts may construe the same in view of the specifications and the state of the art, they may not add to or detract from the claim."

See also Howe Machine Co. v. National Needle Co., 134 U. S., 388, 394.

The discussion thus far brings us to two propositions: that infringement is not averted merely because the machine alleged to infringe may be differentiated from the patented machine, even though the invention embodied in the latter be not primary; and, second, that the description does not necessarily limit the claims. It is probably not contended abstractly by the Continental Company that the description necessarily limits the claims, but only in the case at bar as following from the first proposition, that is, as resulting from the alleged narrow character of the Liddell invention. A few words more may be necessay to develop fully the contention. Counsel separate the claims of the Liddell machine into divisions, and says that the fourth division of the claimed mechanism in each of the three claims alleged to be infringed is in exactly the same words, which words are:

"Operating means for the forming-plate, adapted to cause the said plate to oscillate about its rear edge upon the surface of the cylinder during the rotary movement of said cylinder."

And it is argued that neither claim designates "operating means," either by names or by reference letters or numerals, and recourse must therefore be had to the descriptive part of the specification to ascertain what "operating means" are meant, and then construe the claim as calling for those "operating means" or their equivalents. The other way, it is said, is to ignore the descriptive part of the specification—

"and to construe the claim as being satisfied by any 'operating means' which can perform the particular function designated in the claim."

Under the second method, it is insisted, identity of function constitutes infringement. Under the first method identity of function must be accompanied by substantial identity of char-

acter and substantial identity of mode of operation in order to constitute that result. The second method was adopted, it is urged, by the circuit court, and led it into the error of deciding that—

"Liddell's alleged invention covers every method of combining the rotary cylinder with the forming-plate to oscillate about its rear edge on the surface of the cylinder, and the claims are as broad as the invention."

It may be well before considering these contentions to refer again to the view which the circuit court and the circuit court of appeals had of Liddell's patent. The circuit court said that the "pith" of the invention—

"is the combination of the rotary cylinder with means for operating the forming-plate in connection therewith, limited, however, to means which cause the plate to oscillate about its rear edge on the surface thereof—"

and distinguished the invention from the prior art, as follows:

"Aside from the cylinder and the forming-plate oscillating about its rear edge everything in these claims [the claims of the patent] is necessarily old in the arts."

It was this peculiar feature of novelty, it was said, which clearly distinguished it from all that went before it. This conclusion was in effect affirmed by the circuit court of appeals. The latter court said that the folding of the bottoms of S. O. S. paper bags had been accomplished in the prior art—

"both by a folding-plate reciprocating upon a plane, and by the operation of fingers upon a cylinder. The folding-plate and the cylinder had never been combined. The complainant urges with much probability that the reason why they had not been combined lay in the difficulty of operating a pivoted folding-form upon the surface of a cylinder. Two circles external to each can be in contact at but one point while, in order that the folding-plate may operate, its end, as it moves upon a pivot, must remain for some distance in contact with the surface of the revolving cylinder. The problem may be solved by causing the pivot or axis of the folding-plate to yield away from the cylinder, or by causing the surface of the cylinder to be depressed away from the folding-plate. The patent in suit adopts the first device, the defendant's machine the second, and the crucial question before the court is this: Under all the circumstances of the case, is the second method, as compared with the first, within the doctrine of equivalents?"

The court, as we have seen, concluded, from the character of the Liddell patent, that "the second method," that is, the method of the Continental Company's machine, was "within the doctrine of equivalents."

Counsel, however, contends that the circuit court, in its decision, virtually gave Liddell a patent for a function by holding that he was entitled to every means to cause the forming-plate to oscillate about its rear edge.

The distinction between a practically operative mechanism and its function is said to be difficult to define. Robinson on Patents, § 144, et seq. It becomes more difficult when a definition is attempted of a function of an element of a combination which are the means by which other elements are connected and by which they co-act and make complete and efficient the invention. But abstractions need not engage us. The claim is not for a function, but for mechanical means to bring into working relation the folding-plate and the cylinder. This relation is the very essence of the invention, and marks the advance upon the prior art. It is the thing that never had been done before, and both the lower courts found that the machines of the Continental Company were infringements of it. It is not possible to say that the findings of those courts on that fact or on the fact of invention were clearly wrong, notwithstanding the great ability of the argument submitted against them.

2. The next contention of the petitioner is that a court of equity has no jurisdiction to restrain the—

"infringement of letters-patent the invention covered by which has long and always and unreasonably been held in non-use * * * instead of being made beneficial to the art to which it belongs."

It will be observed that it is not urged that non-use merely of the patent takes jurisdiction from equity but an unreasonable non-use. And counsel concedes indulgence to a non-use which is "non-chargeable to the owner of the patent," as lack of means, or lack of ability or opportunity to induce others to put the patent to use. In other words, a question is presented, not of the construction of the law simply but of the conduct of the patentee as contravening the supposed public policy of the law.

The foundation of the argument of the petitioner is, as we have intimated, the policy of the patent laws executing the purpose of the constitution of the United States to promote the progress of science and useful arts by securing for limited times to inventors the exclusive right to their respective discoveries. (Art I, § 8.) And it is urged that the non-use of an invention for seventeen years (of course, the whole term of the patent may be selected to test the argument) is not to promote the progress of the useful arts, and the contention is that equity should not give its aid to defeat the policy of the statute, but remit the derelict patentee to his legal remedy. The penalty does not seem to fit the case. It is conceded that the patent is not defeated; only that a particular remedy is taken away. It is conceded that the remedy at law remains. It is conceded, therefore, that a right

has been conferred, but it is said that it may be infringed, though the policy of the law is violated. The petitioner, further to sustain its side of the question, refers to the provision in § 4921, giving power to the courts to grant injunctions. The provision is:

"The several courts vested with jurisdiction of cases arising under the patent law shall have power to grant injunctions according to the course and principles of equity, to prevent the violation of any right secured by the patent, * * *"

and the petitioner cites Root v. Railway Company, 105 U. S. 183, 216, for the contention that the statute does not confer power to grant the injunction, except as incidental to some other equity.

It may be well, however, before considering what remedies a patentee is entitled to, to consider what rights are conferred upon him. The source of the rights is, of course, the law, and we are admonished at the outset that we must look for the policy of a statute, not in matters outside of it—not to circumstances of expediency and to supposed purposes not expressed by the words. The patent law is the execution of a policy having its first expression in the constitution, and it may be supposed that all that was deemed necessary to accomplish and safeguard it must have been studied and provided for. It is worthy of note that all that has been deemed necessary for that purpose, through the experience of years, has been to provide for an exclusive right to inventors to make, use and vend their inventions. In other words, the language of complete monopoly has been employed, and though at first only a remedy at law was given for a violation of the right, a remedy in equity was given as early as 1819. There has been no qualification, however, of the right, except as hereinafter stated. An exception which, we may now say, shows the extent of the right—a right so explicitly given and so complete that it would seem to need no further explanation than the word of the statute. It has, however, received explanation in a number of cases which bring out clearly the services rendered by an inventor to the arts and sciences and to the public. Those cases declare that he receives nothing from the law that he did not have before, and that the only effect of the patent is to restrain others from manufacturing and using that which he has invented. United States v. Bell Telephone Company, 167 U. S., 224, 249. And it was further said in that case that the inventor could have kept his discovery to himself, but to induce a disclosure of it Congress has, by its legislation, made in pursuance of the constitution, guaranteed to him an exclusive right to it for a limited time, and the purpose of the patent is to protect him in this monopoly—not to give him a use which he did not have before, "but only to separate to him an exclusive use." And it was pointed out that the monopoly which he receives is only for a few years. The court further said:

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

And the same relative rights of the patentee and the public were expressed in prior cases, and we cite them because there is something more than the repetition of the same thought by doing so. It shows that whenever this court has had occasion to speak it has decided that an inventor receives from a patent the right to exclude others from its use for the time prescribed in the statute.

"And for his exclusive enjoyment of it during that time the public faith is forever pledged. (Chief Justice Marshall in Grant v. Raymond, 6 Pet. 243, p. 242.)"

And, in Bloomer v. McQuewan, 14 How., 539, Chief Justice Taney said:

"The franchise which the patent grants consists altogether in the right to exclude every one from making use or vending the thing patented without permission of the patentee. This is all he obtains by the patent."

In Patterson v Kentucky, 97 U. S., 501, it was said that an inventor's own right to the use was not enlarged or affected by a patent. See also Willson v. Rouseau, 4 How., 646, 674; Seymour v. Osborne, 11 Wall., 516, 533; Cammeyer v. Newton, 94 U. S., 225; Densmore v. Scofield, 102 U. S., 375.

It may be said that these cases deal only with the right of a patentee, and not with the remedy, whether at law or equity, that he may, at any time, or in all his situations, be entitled to. And there is no case in this court that explicitly does so. However, in the three last cases cited it was decided that patents are property, and entitled to the same rights and sanctions as other property.

In Bement v. National Harrow Company, 186 U. S., 70, 90, adopting the language of the circuit court of appeals for the sixth circuit in Heaton-Peninsular Company v. Eureka Specialty Company, 77 Fed. 294, it was said:

"If he [a patentee] sees fit, he may reserve to himself the exclusive use of the invention or discovery. If he will neither use his device nor permit others to use it, he has but suppressed his

own, * * * his title is exclusive, and so clearly within the constitutional provisions in respect to private property that he is neither bound to use his discovery himself, or permit others to use it. The dictum found in Hoe v. Knap, 17 Fed. 204, is not supported by reason or authority."

In Hoe v. Knap, Judge Blodgett refused an injunction against the infringer, holding that—

"under a patent which gives a patentee a monopoly, he is bound to either use the patent himself or allow others to use it on reasonable terms."

In a number of the circuit courts of appeals it has been decided that as a consequence of the exclusive right of the patentee he is entitled to an injunction against an infringer, even though he (the patentee) does not use the patented device. The cases are inserted in the margin,* also decisions of the circuit court,† some of which define the right of a patentee and others holding that as incident to the right he is entitled to an injunction, though he had not used his invention.

Counsel for petitioner cites counter cases, which he contends are more direct authority‡

[*Edison v. Mt. Morris Co., 57 Fed. 642, 644 (2d Cir.); Heaton-Peninsular v. Eureka, 77 Fed. 294 (6th Cir.); Crown Cork & Seal Co. v. Aluminum Stopper Co., 108 Fed., 845, 868 (4th Cir.); Fuller v. Berger, 120 Fed. 274, 277 (7th Cir.); Lamson Consolidated Store Service Co. v. Hillman, 123 Fed. 416, 422 (7th Cir.); Victor Talking Machine Co. v. Fair, 123 Fed. 425 (7th Cir.); U. S. Seeded Raisin Co. v. Griffin, 126 Fed., 364, 368 (8th Cir.); Rupp v. Elliott, 131 Fed. 730 (6th Cir.); Munroe v. Railway Appliance Co., 145 Fed., 646, 648 (7th Cir.); Filter Co. v. Jackson, 140 Fed., 340, 343 (8th Cir.); U. S. Fastener Co. v. Bradley, 149 Fed. 222 (2d Cir.); Rubber Tire Co. v. Milwaukee 154 Fed., 358, 361 (7th Cir.); Indiana Mfg. Co. v. J. I. Case Co., 154 Fed., 365 (7th Cir.).

†Carr v. Rice, 1 Fish., 198, 200 (N. Y.); Wintermute v. Redington, 1 Fish., 243 (Ohio); Ransom v. Mayor, 1 Fish., 255 (N. Y.); Pitts v. Wemple, 2 Fish., 15 (Ill.); Whitney v. Emmett, 1 Bald., 304; Broadnax v. Central Stock Yard, 4 Fed., 214, 216 (N. J.); in re Brosnahan, Jr., 18 Fed., 62 (Justice Miller) (Mo.); Consolidated Roller Mill Co. v. Coombs, 39 Fed. 803 (Mich.); Wirt v. Hicks, 46 Fed., 71 (N. Y.); Campbell v. Manhattan Railway, 49 Fed., 930 (N. Y.); Edison v. Mt. Morris, 57 Fed., 642, 644 (N. Y.); Masseth v. Johnston, 59 Fed., 612 (Pa.); Bonsack v. Smith, 70 Fed., 383 (N. C.); Columbia v. Freeman, 71 Fed., 302, 306 (Mo.); Wyckoff v. Wagner, 88 Fed., 515 (N. Y.); White v. Peerless, 111 Fed. 190 (Pa.); Brodrick v. Mayhew, 131 Fed.

92 (Wis.); National Co. v. Daab, 136 Fed. 891, 895 (N. J.); Hoe v. Miehle, 141 Fed., 115 (N. Y.); Hartman v. Park & Son, 145 Fed., 358 (Ky.).

‡Isaacs v. Holland, 4 Wash., 54; Ogle v. Ege, 4 Wash., 584; Mott v. Bennett, 2 Fisher 642; Sullivan v. Redfield, 1 Paine 441; Magic Ruffle Co. v. Daughlas, 2 Fisher 333; Hoe v. Knap 27 Fed., 204; Germain v. Wilgus, 67 Fed., 600, C. C. A. Ninth Circuit; Campbell Printing Press Co. v. Duplex Printing Press Co., 86 Fed., 331; Robinson on Patents, vol. 1, § 43; Curtis on Patents, § 320 of the two first editions and § 406 of the third and fourth editions.]

He also reviews the cases cited by respondent, and contents that they are not relevant to the question in the case at bar, which is not that of the simple non-use of a patent, but a long and unreasonable non-use of it. Judge Aldrich, in his dissenting opinion in the court of appeals, excluded the cases as authoritative for a different reason than counsel expresses. The learned judge said:

"Simple non-use is one thing. Standing alone, non-use is no efficient reason for withholding injunction. There are many reasons for non-use which, upon explanation, are cogent, but when acquiring, holding and non-use are only explainable upon the hypothesis of a purpose to abnormally force trade into unnatural channels—a hypothesis involving an attitude which offends public policy, the conscience of equity, and the very spirit and intention of the law upon which the legal right is founded—it is quite another thing. This is an aspect which has not been considered in a case like the one here."

Respondent attacks the conclusion of Judge Aldrich and that of petitioner, and insists that there is nothing in the record to show that the non-use of the patent was either unreasonable or sinister. A very strong argument is presented by respondent. Its counsel pointedly say that "there is no record evidence at all on the subject or character of complainants' [respondents'] use or non-use," and points out that neither the assignments of error on appeal to the circuit court of appeals nor the petition for rehearing in that court presented the question that the injunction should be denied on the ground of mere non-use or unreasonable non-use. Let us see what the courts say and what petitioner says. The circuit court says:

"We have stated that no machine for practical manufacturing purposes was ever constructed under the Liddell patent. The record also shows that the complainant, so to speak, locked up its patent. It has never attempted to make any practical use of it, either itself or through licenses, and apparently, its proposed policy has been to avoid this. In this respect it has not the com-

mon excuse of a lack of means, as it is unquestioned that the complainant is a powerful and wealthy corporation. We have no doubt that the complainant stands in the common class of manufacturers who accumulate patents merely for the purpose of protecting their general industries and shutting out competitors."

The comment of the circuit court of appeals is:

"The machine of the patent in suit is mechanically operative, as was shown experimentally for the purposes of this suit, but it has not been put into commercial use. No reason for the non-user appears in the evidence, so far as we can discover. The defendant's machine has been an assured commercial success for some years. It was suggested at the oral argument that an unused patent is not entitled to the protection given by the extraordinary remedy of an injunction. This contention was not made in the defendant's printed brief. While this question has not been directly passed upon, so far as we are informed, in any considered decision of the Supreme Court, yet the weight of authority is in favor of the complainant."

The cases were cited.

If these statements are to be reconciled it can only be by supposing that the circuit court inferred the motive of the respondents from the unexplained non-use of the patent. But petitioner has given its explanation of the purpose of respondent. Quoting Judge Aldrich, that the patent in suit has been "deliberately held in non-use for a wrongful purpose," petitioner asks:

"What was that wrongful purpose? It was the purpose to make more money with the existing old reciprocating Lorenz & Honiss machines and the existing old complicated Stilwell machines than could be made with new Liddell machines, when the cost of building the latter was taken into account. And this purpose was effective to cause the long and invariable non-use of the Liddell invention, nothwithstanding that new Liddell machines might have produced better paper bags than the old Lorenz & Honiss machines or the old Stilwell machines were producing."

But, granting all this, it is certainly disputable that the non-use was unreasonable or that the rights of the public were involved. There was no question of a diminished supply or of increase of prices, and can it be said, as a matter of law, that a non-use was unreasonable which had for its motive the saving of the expense that would have been involved by changing the equipment of a factory from one set of machines to another? And even if the old machines could have been altered, the expense would have been considerable. As to the suggestion that competitors were excluded from the use of the new patent, we answer that such exclusion may be said to have been of the very essence of the right conferred by the patent, as it is the privilege

of any owner of property to use or not use it, without question of motive. Connolly v. Union Sewer Pipe Co., 184 U. S. 546.

The right which a patentee receives does not need much further explanation. We have seen that it has been the judgment of Congress from the beginning that the sciences and the useful arts could be best advanced by giving an exclusive right to an inventor. The only qualification ever made was against aliens in the act of 1832. That act extended the privilege of the patent law to aliens, but required them—

"to introduce into public use in the United States the invention or improvement within one year from the issuing thereof—"

and indulged no intermission of the public use for any period longer than six months. A violation of the law rendered the patent void. The act was repealed in 1836. It is manifest, as is said in Walker on Patents, § 106, that Congress has not "overlooked the subject of non-user of patented inventions."

And another fact may be mentioned. In some foreign countries the right granted to an inventor is affected by non-use. This policy we must assume Congress has not been ignorant of, nor of its effects. It has, nevertheless, selected another policy; it has continued that policy through many years. We may assume that experience has demonstrated its wisdom and beneficial effect upon the arts and sciences.

From the character of the right of the patentee we may judge of his remedies. It hardly needs to be pointed out that the right can only retain its attribute of exclusiveness by a prevention of its violation. Anything but prevention takes away the privilege which the law confers upon the patentee. If the conception of the law that a judgment in an action at law is reparation for the trespass, it is only for the particular trespass that is the ground of the action. There may be other trespasses and continuing wrongs and the vexation of many actions. These are well-recognized grounds of equity jurisdiction, especially in patent cases, and a citation of cases is unnecessary. Whether, however, a case can not arise where, regarding the situation of the parties in view of the public interest, a court of equity might be justified in withholding relief by injunction we do not decide. Decree affirmed.

Mr. Justice Harlan thinks that the original bill should have been dismissed. He thinks the facts are such that the court should have declined, upon grounds of public policy, to give any relief to the plaintiff by injunction, and he dissents from the opinion and judgment.

416. DIAMOND RUBBER CO. v. CONSOLIDATED RUBBER TIRE CO., 220 U. S. 428, 55 L. ed. 527, 31 Sup. Ct. 444 (1911, Second Circuit. Patent No. 554,675). * * *

Fig. 1.

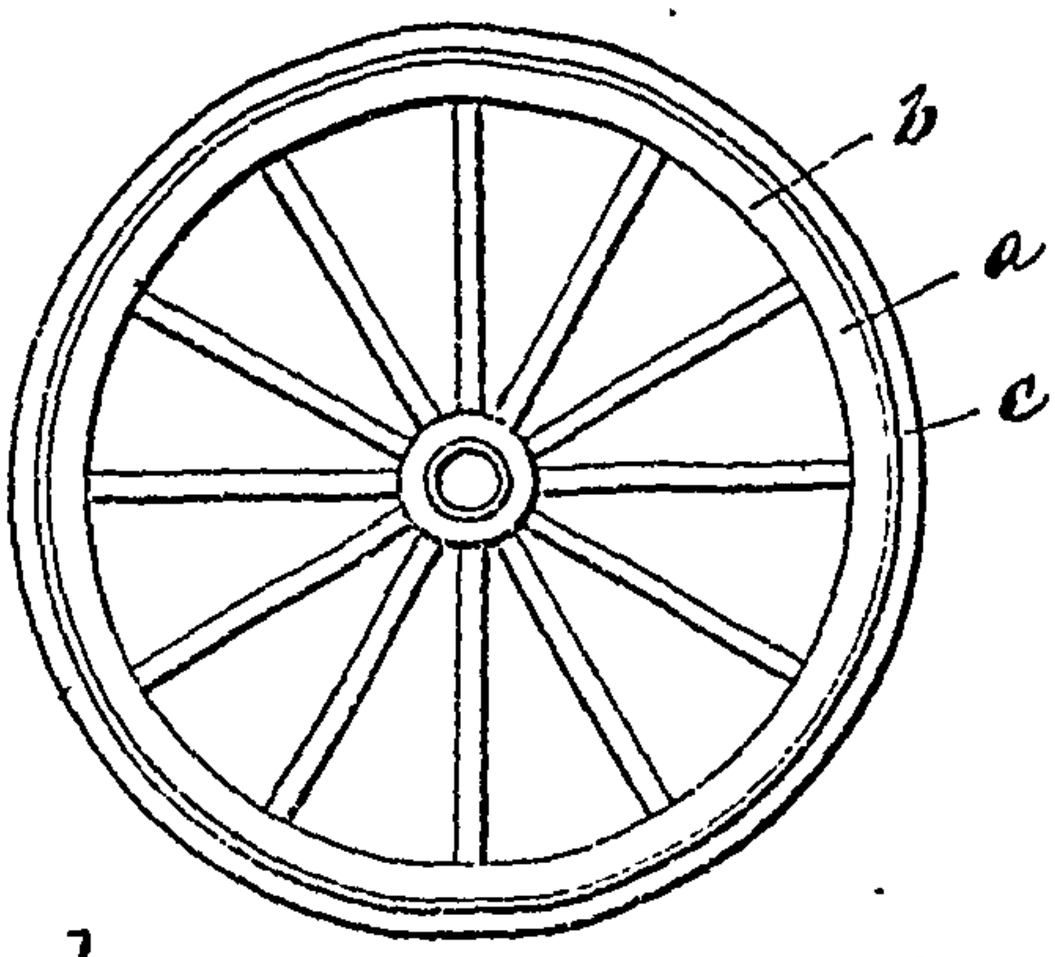


Fig. 1c

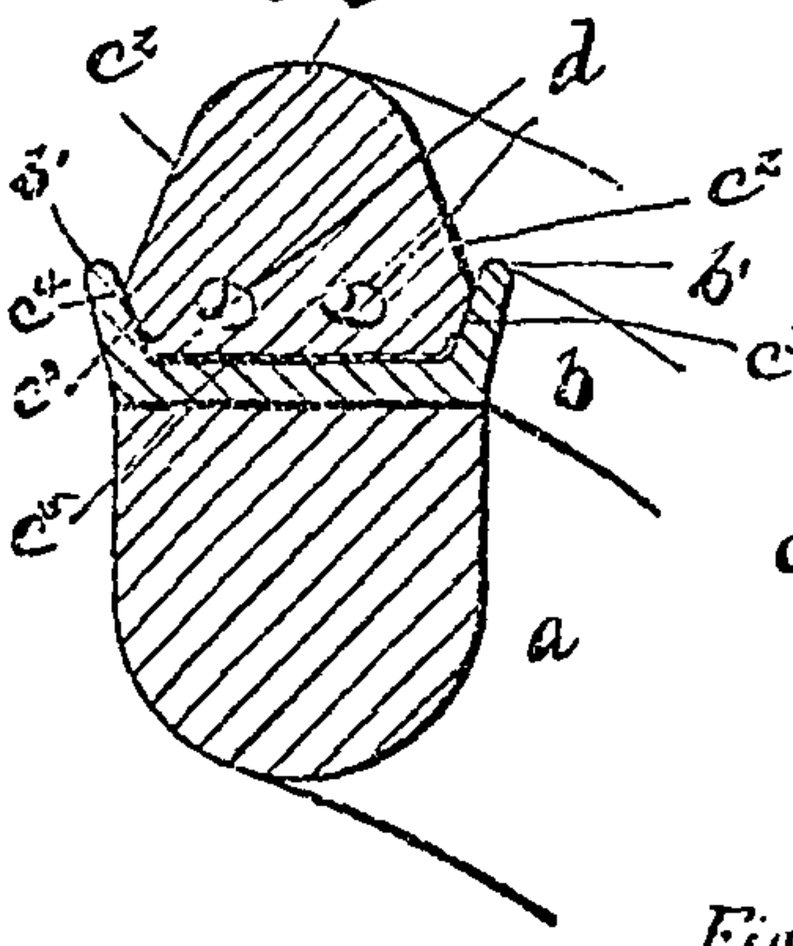


Fig. 4.

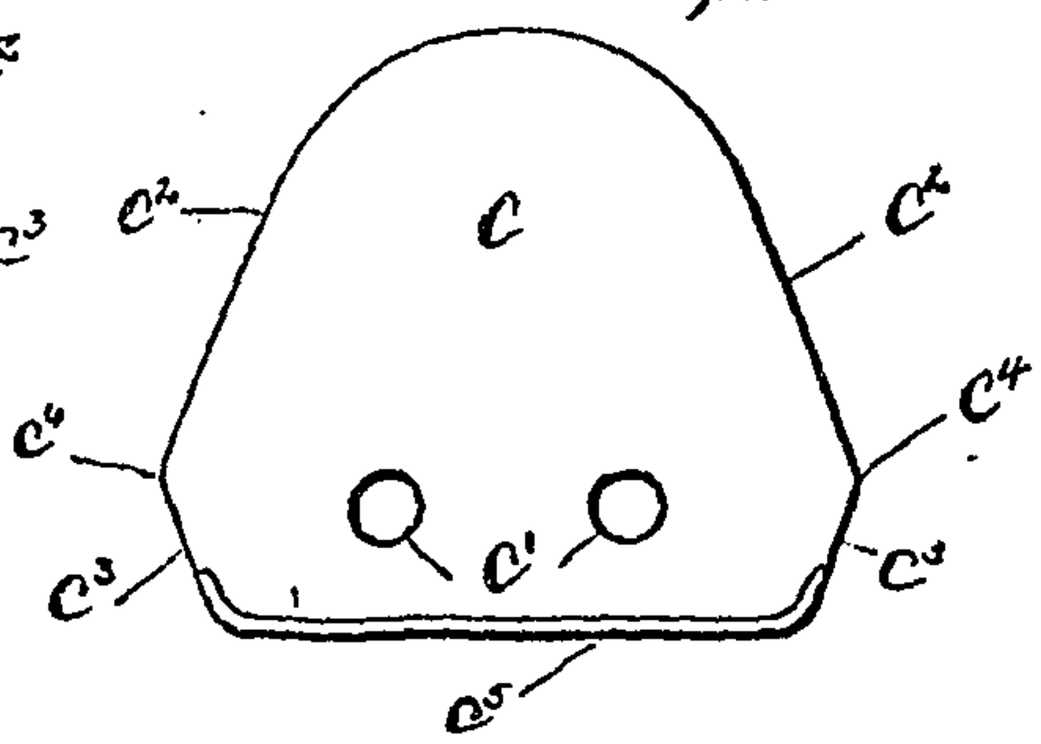
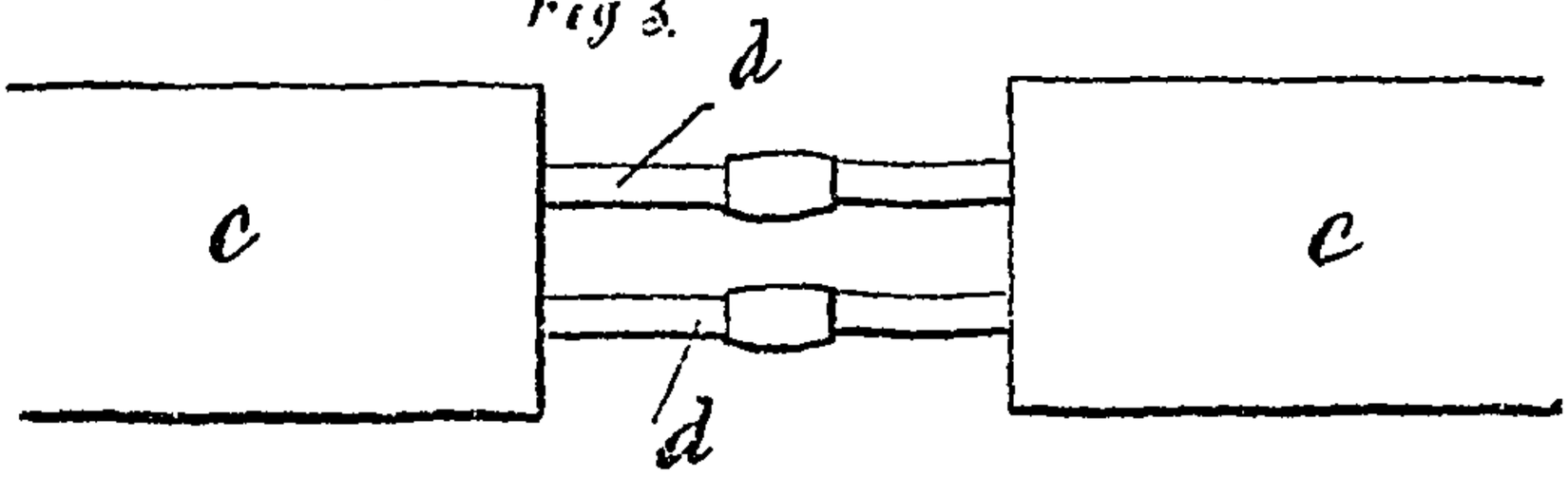


Fig 3.



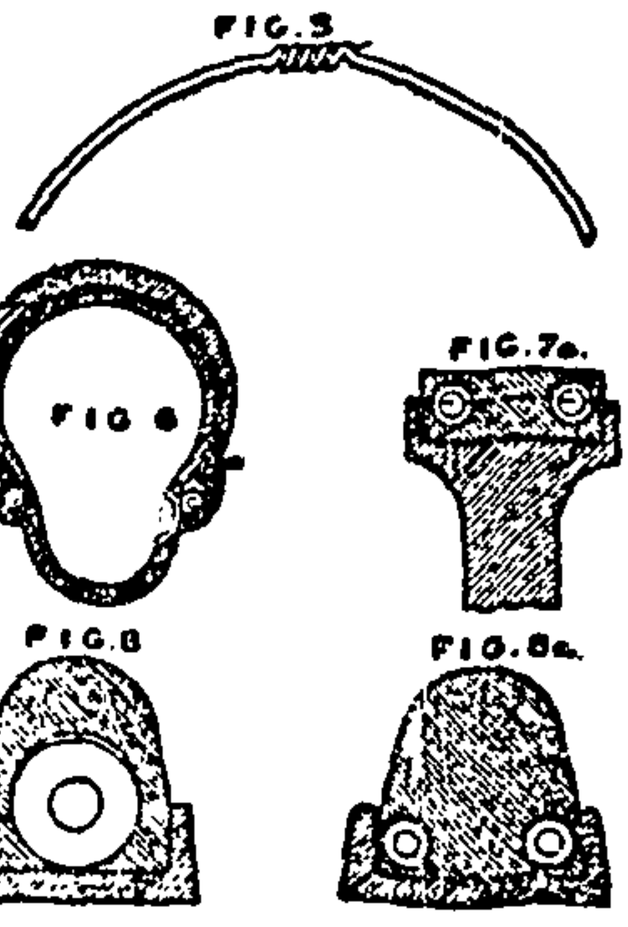
[The above are the figures of the Grant patent in suit. a, b and c respectively represent the wooden felly, the metallic rim, and the rubber tire. b′ represents outwardly projecting flanges of the metallic rim. c c′ are openings in the rubber tire through which are passed retaining wires d. c^2 represents the

preferable angle of the tire and c^3 the angle at the base of the tire forming, as the specification says, "with the lines c^2 an obstuse angle." The lines c^3 are less in length than the inside of the flanges b' so that the angles or corners c^4 fall below the outer periphery of the flange b' and in the channel between the flanges. c^5 is a canvas strip reinforcing the bottom of the tire, but in no case projecting up as far as the corner c^4. The specification puts emphasis on these distinctions and the following claims show how the patent was carefully limited to the exact construction:

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

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

In the opinion it appears that reliance was placed upon two English patents, from one of which, 5924 of 1892, these figures were taken.



The following is the explanation given by counsel of the figures:

"The drawings of the Willoughby patent of March 26, 1892, No. 5,924, as to the flanged channel, show the flanges in three different positions as to the solid rubber tire. Fig. 8 shows the flange at right angles of the rim; Fig. 8a shows the flanges somewhat inwardly inclined with the two retaining-wires, and Fig. 7a shows the flanges vertical with two retaining-wires, the retaining-wires in Fig. 8a being below the outer periphery of the flanges, and the two retaining wires of Fig. 7a being centrally located, as to their openings, with the periphery of the flanges. In Fig. 6, however, which is a pneumatic tire (a tire when highly inflated is as solid as a rubber tire) the flanges are outwardly flaring and the two retaining-wires are substantially below the periphery of the flanges."]

Mr. Justice McKenna delivered the opinion of the court.

Writ of certiorari to review a decree of the circuit court of appeals of the second circuit sustaining a patent for an improvement in rubber tires issued to Arthur W. Grant, February 18, 1896. The patent, and those which it is contended anticipate it, have received full exposition in the opinion of that court. (157 Fed., 677. and 162 Fed., 892, affirming 147 Fed. 739.) It and they were also passed upon and the patent sustained in Rubber Tire Wheel Co. v. Columbia Pneumatic Wagon Wheel Co., 91 Fed 978, and in Consolidated Rubber Tire Co. v. Finlay Rubber Tire Co., 116 Fed., 629; Consolidated Rubber Tire Co. v. Firestone Tire and Rubber Co., 151 Fed., 237. See also Rubber Tire Wheel Co. v. Milwaukee Rubber Works, 142 Fed. 531. 533, and the same case, 154 Fed., 358, 362. It was held invalid in Goodyear Tire & Rubber Co. et al. v. Rubber Tire Wheel Co., C. C. App. Sixth Circuit ,116 Fed. 363, reversing the circuit court, Judge Wing presiding. It was also declared invalid in Rubber Tire Wheel Co. v. Victor Rubber Tire Co., 123 Fed., 85, following 116 Fed., 363, supra.

A further display of the patent and of its alleged anticipating devices would seem to be unnecessary, and that we might immediately take up a review of the divergent decisions. There is controversy as to whether they are divergent and irreconcilable in fundamental conceptions of the patent as well as in result.

We may say at the outset of this asserted conflict between the cases that the Court of Appeals of the Second Circuit considered that there was no antagonism between its decision and that of the Court of Appeals of the Sixth Circuit. It proceeded, as it in effect said, upon—

"new facts and features which have been added to or developed from the records in the earlier cases."

However, something more is required of us than the reconciliation of other cases, some consideration of the patent and the state of the art prior to it.

The patent was issued to Arthur W. Grant, February 18, 1896, and he declares in the specification he has invented—

"certain new and useful improvements in rubber-tire wheels * * * designed for use on ordinary vehicles, such as wagons, buggies, and carriages, * * * and consist in the construction of parts hereinafter described and set forth in the claim."

The claims are as follows:

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

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

It will be observed that the tire is composed of three elements: first, the channel or groove with tapered or inclined sides; second, the rubber tire adapted to fit into the channel or groove, and shaped as described; third, the fastening device, that is, the independent retaining-wires located as indicated. * * *

It is conceded that the claims are narrow, counsel saying that they are—

"limited closely to the specific construction of the Grant tire as it is actually shown and described in the patent."

And a right to equivalents is disclaimed. Indeed, a certain merit is made of this as exhibiting at once the simplicity and perfection of the invention and the tribute paid to its excellence by respondent by exactly imitating it, instead of attempting to evade it. It is pointed out that the coaction of the parts is so

dependent upon their shape and relation that any alteration destroys their co-operation and the utility of the tire. There is strength in the contention, as we shall presently see.

Anticipating somewhat, we may say that the utility of the tire is not disputed; to what its utility is to be attributed is in controversy. The respondents, the Tire Company, contend that the tire is at once firm and mobile in its channel, "creeps" (moves slowly around the edge of the rim), and will yield laterally, and thus the lateral blows against it will be cushioned. It is further contended that if the tire be "tipped from its seat in the channel by a side blow" it "automatically restores itself to normal position when the side pressure is released." In other words, and in the language of one of the expert witnesses, the tire has the capacity to rise and fall and reseat itself under lateral strain, that is, to rise slightly from the rim on one side, independently of the other, when subjected to very great strain, and immediately reseat itself when such strain is removed. "It must be borne in mind," counsel say, "that the Grant tire is not cemented into the channel. This is an essential and important point. Any tire that is cemented in its channel is rigid and cannot 'creep' or yield to lateral blows. It is, therefore, easily and quickly destroyed. The absence of cement in the Grant tire is a vital characteristic." And, further, that Grant, "by omitting the cement and by permitting the tire to tip, to creep and to move in its channel, obtained a radically new and useful result." And it is insisted that this results because the tire is a new and patentable combination of parts coacting in the manner of a true combination to produce a new and useful result, and is not an aggregation of old elements or parts each performing its own function and nothing more. These propositions are combated by the Rubber Company, and it is insisted that the testimony is "conclusive and uncontradicted that the Grant tire, clamped to the tire or rim by the straining tension of the two wires," has not the capacity attributed to it, "and never could have." And it is said that "it is manifest that this question can be easily determined as a question of fact," and that the testimony "proves such asserted movement a myth and a fallacy." And, it is urged, that such capacity in the tire is not recited in the specifications of the patent, and was unknown to Grant.

This tipping capacity is made the pivot of the controversy. It was as to that that the courts of appeals of the sixth and second circuits disagreed either upon the difference of the testimony in the cases, or more deeply, on principle. The controversy and Grant's alleged ignorance of the tipping characteristic of the tire really present some anomaly. The tire has utility,

a utility that has secured an almost universal acceptance and employment of it, as will subsequently appear. It was certainly not an exact repetition of the prior art. It attained an end not attained by anything in the prior art, and has been accepted as the termination of the struggle for a completely successful tire. It possesses such amount of change from the prior art as to have received the approval of the Patent Office, and is entitled to the presumption of invention which attaches to a patent. Its simplicity should not blind us as to its character. Many things, and the patent law abounds in illustrations, seem obvious after they have been done, and, "in the light of the accomplished result," it is often a matter of wonder how they so long "eluded the search of the discoverer and set at defiance the speculations of inventive genius." (Pearl v. Ocean Mills et al., 11 O. G. 2, 2 Bann. & A. 469, Fed. Cas. 10,876.) Knowledge after the event is always easy, and problems once solved present no difficulties, indeed, may be represented as never having had any, and expert witnesses may be brought forward to show that the new thing which seemed to have eluded the search of the world was always ready at hand and easy to be seen by a merely skillful attention. But the law has other tests of the invention than subtle conjectures of what might have been seen and yet was not. It regards a change as evidence of novelty, the acceptance and utility of change as a further evidence, even as demonstration. And it recognizes degrees of change, dividing inventions into primary and secondary, and as they are, one or the other, gives a proportionate dominion to its patent grant. In other words, the invention may be broadly new, subjecting all that comes after it to tribute (Railway Co. v. Sayles, 95 U. S. 554, 556); it may be the successor, in a sense, of all that went before, a step only in the march of improvement, and limited, therefore, to its precise form and elements, as the patent in suit is conceded to be. In its narrow and humble form it may not excite our wonder as may the broader or pretentious form, but it has as firm a right to protection. Nor does it detract from its merit that it is the result of experiment, and not the instant and perfect product of inventive power. A patentee may be baldly empirical, seeing nothing beyond his experiments and the result; yet if he has added a new and valuable article to the world's utilities he is entitled to the rank and protection of an inventor. And how can it take from his merit that he may not know all of the forces which he has brought into operation? It is certainly not necessary that he understand or be able to state the scientific principles underlying his invention, and it is immaterial whether he can stand a successful examination as to the speculative ideas involved. (Andrew v. Croos, 8 Fed. 269; Eames v. Andrews,

122 U. S. 40, 55; St. Louis Stamping Co. v. Quinby, 15 O. G. 135; Dixon Wood Co. v. Pfeifer, 55 Fed. 390; Cleveland Foundry Co. v. Detroit Vapor Stove Co., C. C. A. Sixth Circuit, 131 Fed. 853; Van Epps v. United Box Co., C. C. A. Second Circuit, 143 Fed. 869; Westmoreland Specialty Co. v. Hogan, C. C. A. Third Circuit, 167 Fed. 327.) He must, indeed, make such disclosure and description of his invention that it may be put into practice. In this he must be clear. He must not put forth a puzzle for invention or experiment to solve, but the description is sufficient if those skilled in the art can understand it. This satisfies the law, which only requires as a condition of its protection that the world be given something new and that the world be taught how to use it. It is no concern of the world whether the principle upon which the new construction acts be obvious or obscure, so that it inheres in this construction.

This discussion may be broader than the contention of the Rubber Company requires; indeed, may imply a misunderstanding of it. The contention may only mean that Grant did not discern the manner of the operation of the elements which he combined, and therefore did not really invent anything, only assembled old elements, changing their relations somewhat and retaining their essential character and effect. We should be slow to infer such ignorance. It is difficult to suppose that the contriver of a successful device did not understand how it operated; that he saw nothing in it and committed it to the world without seeing anything in it, but a composition of wood, rubber and iron in certain relations without understanding or attempting to discover the law and principle of its organization and efficiency. Grant's situation demanded caution and knowledge. He was confronted by what has been termed a "crowded" prior art; he might expect to encounter litigation, and, even before litigation, he would have to satisfy the Patent Office of the novelty and utility of his device, and it is hard to believe that he did not know the co-operating law of the elements which he had combined and only unconsciously made use of it. We find the contention difficult to handle. When a person produces a useful instrument, to say that he did not know what he was about is at least confusing. To take from him the advantage of it upon nice speculation as to whether it was an ignorant guess or confident knowledge and adoptation, might do him great injustice. His success is his title to consideration.

In our decision thus far we have assumed that the Grant tire is an invention, but as that is disputed we must examine its right to such distinction. The Rubber Company denies invention to it, and, considering that its pretension to such quality depends upon the possession of tipping power (including in this

reseating power), contests the existence of such power; and, even granting its existence, it is yet contended that anticipation may be demonstrated. In other words, it is insisted that if tipping power exist in the Grant patent it existed in prior patents, and that—

"the old art was crowded with numerous prototypes and predecessors of this Grant tire, with every thought and suggestion of novelty and utility that can be found in drawings and specifications of the Grant patent, or in the idealized contentions as to the patent by the visions and dreams of the experts and counsel for the patent."

Two patents are selected to sustain the contention, out of what are said to be a large number of United States and foreign patents, with the comment that—

'if they do not show anticipation none of the others will show it, and if they do anticipate the Grant patent, it is entirely immaterial whether the others do or not."

They are both English patents issued to Frank Stanley Willoughby. We copy from the Rubber Company's brief the figures of the Patent 5,924. * * *

The following is the explanation given by counsel of the figures: [See above.] * * *

There are resemblances and differences in the figures to those of the Grant patent and we have let the Rubber Company set forth the resemblances. The differences are substantial. To represent them we cannot do better than to quote the description given of them by Judge Thomas (91 Fed. 988), as follows:

"The Willoughby patent, No. 5,924, Fig. 8a, shows in combination wire connections, also described in the specification, very similar, save in location, to those used by Grant, and the figure shows also a very slight angle located slightly within the flanges. The rim, however, is of the clinger variety; that is, the flanges incline inwardly, and bind the rubber on each side. Such a tire thwarts the lateral play otherwise permitted to the rubber by the wires, and, although almost imperceptible angles appear, made by the sides of the rubber, they are not sufficient to give the immunity resulting from a well-defined angle whose vertex is within the flaring rim. Figs. 5a and 5c show rims shaped like the segment of a circle, in which are seated spherical rubbers held in place by a single wire. The rim is described in the specifications as U or V shaped. A V-shaped rim must have flaring flanges, but the rim is quite unlike that employed by Grant, and in the entire absence of the angle the functions attributed to the Grant tire seem to be absent. Indeed, the freedom of action permitted by the wire in the rim used by Grant

seems to be denied the tire, for the reason that the rubber is confined by the V-shaped channel.

"The Willoughby patent, No. 18,030, shows wire connection, flaring flanges and angle (see Figs. 26, 30, 31), and in mere coincidence of parts seems to be the nearest approach to the Grant tire. But look at these figures, and all possible conception of coincidence of function is dissipated at once. There is the flaring rim, in which is seated a rubber upon which is placed a steel outer tire, through which pass the openings and wires. The angle is far without the upper edges of the rim, and it appears that neither function ascribed to the Grant tire is obtained."

Willoughby Patent No. 18,030, has no relevancy whatever. It is true it has flanges upon the rim, flaring and at right angles, and it is illustrated by figures showing what may be called retaining-wires, to quote from the brief of counsel—

"above the periphery of the flanges, another substantially on a line with the periphery of the flanges, and three of the figures showing the retaining-wires substantially below the periphery of the respective flanges."

It is manifest that the relation of the retaining-wires to the periphery of the flanges is absolutely unimportant in the tire. Willoughby, describing his invention, says:

"The object of my present invention is as in my previous one to provide a metallic outer tire or armor to rubber which is of itself flexible."

The retaining-wires hold the metallic exterior to the rubber bed.

The utility of the Grant patent, therefore, was not attained in the Willoughby patent. The Rubber Company's conduct is confirmation of this. It uses the Grant tire, as we shall presently see, not the Willoughby tires. Let it be granted that they afforded suggestions to Grant, and that he has gone but one step beyond them. It is conceded, as we have said, that his invention is a narrow one—a step beyond the prior art—built upon it, it may be, and only an improvement upon it. Its legal evasion may be the easier (Railway Co. v. Sayles, supra), and hence we see the strength of the concession to its advance beyond the prior art and of its novelty and utility by the Rubber Company's imitation of it. The prior art was open to the Rubber Company. That "art was crowded," it says, "with numerous prototypes and predecessors" of the Grant tire, and they, it is insisted, possessed all of the qualities which the dreams of experts attributed to the Grant tire. And yet the Rubber Company uses the Grant tire. It gives the tribute of its praise to the prior art; it gives the Grant tire the tribute of its imitation as others

have done. And yet the narrowness of the claims seemed to make legal evasion easy. Why, then, was there not evasion by a variation of the details of the patented arrangement? Business interests urged to it as much as to infringement. We can find no answer except that given by the Tire Company:

"The patented organization must be one that is essential. Its use in the precise form described and shown in the patent must be inevitably necessary."

That the tire is an invention is fortified by all of the presumptions, the presumption of the patent by that arising from the utility of the tire. And we have said that the utility of a device may be attested by the litigation over it, as litigation "shows and measures the existence of the public demand for its use." (Eames v. Andrews, supra.) We have shown the litigation to which the Grant tire has been subjected.

We have taken for granted in our discussion that the Grant tire immediately established and has ever since maintained its supremacy over all other rubber tires and has been commercially successful while they have been failures. The assumption is justified by the concession of counsel. They do not deny the fact, but attribute it to "three subsequent discoveries and conditions" since the Grant patent, these being—

"(1) that the tire can be held in place and fixed upon its base by straining the wires to a clamping-point; (2) the production, by mechanical means, cheaply and expeditiously as a commercial product, of the channel-rim in straight lengths to be applied to the wheel; and (3) the improvement of the rubber itself; the demand of the public for a solid rubber tire, and the wealth of the complainant, advertising in the market, and pushing and exploiting the tire."

The first ground is a somewhat distant assertion that the tire does not involve invention, but as to that we have sufficiently expressed opinion. The second ground is an inversion of cause and effect, and there is an obvious answer to the third ground. Without suitable rubber, there could have been no rubber tires, and the desire for them necessarily induced their manufacture, and Grant exercised invention to produce an efficient one. We can understand that some advertising was necessary to bring it into notice, and give it a certain use, but the extensive use which it attained, and more certainly the exclusive use which it attained, could only have been the result of its essential excellence, indeed, its pronounced superiority over all other forms. Here, again, in our discussion a comparison is suggested between it and other tires, and the inquiry occurs why capital has selected it to invest in and advertise and not one of the tires of the prior art if it be not better than they? But the effect of ad-

vertising is mere speculation; to the utility and use of an article the law assigns a definite presumption of its character, as we have seen, and which we are impelled by the facts of this record to follow.

To what quality the utility of the tire may be due will bear further consideration, if for no other reason than the earnest contentions of counsel. Aside from those contentions and the ability by which they are supported, we might point to what it does as a demonstration of its difference from all that preceded it, that there is something in it, attribute or force, which did not exist before—something which is the law of its organization and function, and raises it above a mere aggregation of elements to a patentable combination. And we may say in passing the elements of a combination may be all old. In making a combination the inventor has the whole field of mechanics to draw from. (Leeds & Catlin v. Victor Talking Machine Co., 213 U. S., at page 318.)

The Tire Company gives a definition of the "something" as tipping and reseating power. The Rubber Company earnestly denies the existence of the power, and, as we have seen, the courts of appeals of the sixth and second circuits divided in opinion on its existence. We think such power is possessed by the tire. This is shown by the evidence, and was shown at the oral argument. And it is the result of something more than each element acting separately. It is not the result alone of the iron channel with diverging sides, nor alone of the retaining-bands or the rubber. They each have uses and perform them to an end different from the effect of either, and they must have been designed to such end, contrived to exactly produce it. There can be no other deduction from their careful relation. The adaptation of the rubber to the flaring channel, the shape of that permitting lateral movement and compression, the retaining-band, holding and yielding, placed in such precise adjustment and correlation with the other parts, producing a tire that "when compressed and bent sidewise shall not escape from the channel and shall not be cut on the flange of the channel," and yet shall "be mobile in the channel." We agree with the court of appeals that—

"this was not the result of chance or the haphazard selection of parts; his (Grant's) success could only have been achieved by a careful study of the scientific and mechanical problems necessary to overcome the defects which rendered the then-existing tires ineffective and useless."

This conclusion is not shaken by the testimony and argument urged against it.

The contention of non-infringment is very hesitatingly advanced, suggested rather than urged. It is conceded that infringement existed in the prior litigations, but it is said that if under the closer analysis of the Grant patent—

"as here presented, and as considered as contended for, if to be confined to exact angles and relations of angles and precise configuration of parts—"

the Rubber Company's device does not infringe. And this is attempted to be supported by the testimony of a witness who found, he said, in the Rubber Company's tire "the three fundamental mechanical elements" of the Grant patent in suit which, he interjected, were borrowed by Grant, "both individually and in combination, from the prior art long antedating his alleged invention," and then proceeded to declare a difference between the "angles and relations of angles and precise configuration of parts," to use counsel's language, of the two tires and briefly summarizing his conclusion, said that he did not—

"find the alleged invention, combinations and devices of either of the claims of the Grant patent in suit embodied in or contained in either of the exhibits introduced in evidence professing to represent the defendant's tire."

We are unable to concur in the conclusion. The exhibits demonstrate the contrary. And we are fortified in this by the conduct of the Rubber Company in the circuit court. The defense of non-infringment was not there seriously urged. After considering to what extent the case, as presented, differed from the prior litigation, Judge Holt said:

"Of course, if your defense was that this defendant does not infringe, that would be an entirely different question, but the only question argued here is as to the validity of the patent."

In the opinion of the court of appeals non-infringement received no attention, presumably because that defense was not pressed upon it.

The final contention of the Rubber Company is that the Grant patent having been declared invalid by the Circuit Court of Appeals of the Sixth Circuit and by the Circuit Court for the District of Indiana in the Seventh Circuit, the Rubber Company should not have been enjoined from the handling or sale of tires manufactured in the sixth and seventh circuits, and cites Kessler v. Eldred, 206 U. S. 285.

The court of appeals practically reserved the question. It modified the decree of the circuit court so far as it prevented the handling, using or selling tires and rims authorized by any judicial decree, recognizing, as it said, the applicability of Kessler v. Eldred. But it further said:

"Whether it should be given a broader interpretation is a question upon which we express no opinion, deeming it more prudent to wait until the facts are fully developed.

"There is no occasion for attempting at this time to anticipate the future for a contingency which may not arise. * * * To provide in a decree that a defendant is not enjoined from making, using and selling devices which do not infringe or which have been licensed, seems unnecessary. The doctrine of Eldred and Kessler, if carried to the extent contended for by the defendant, will introduce radical and far-reaching limitations upon the rights of patentees. These questions may not arise in the case at bar, but if they should, the court should have the facts, and all the facts, before attempting to decide them."

We concur in these remarks.

Decree affirmed.

Mr. Justice Day and Mr. Justice Lurton took no part in the decision.

417. SLY MFG. CO. v. RUSSELL & CO., 110 C. C. A. 625, 189 Fed. 61 (1911, Sixth Circuit. Patent No. 514,097).

Knappen, McCall and Slater.

Knappen, J.: * * *

The rule is well settled that where an applicant for a patent acquiesces in the rejection of the claims presented, and amends the same or substitutes others to meet the objections of the Patent Office, he must be deemed to have surrendered and disclaimed what he thus conceded, and is bound by the limitation so imposed; and that in such case it is immaterial whether the Patent Office was right or wrong in rejecting the original claims. Shepard v. Carrigan, 116 U. S. 593, 597, 29 L. ed. 723; Roemer v. Peddie, 132 U. S. 313, 317, 33 L. ed. 382; Morgan Envelope Co. v. Albany Paper Co., 152 U. S. 425, 429, 38 L. ed. 500. This court has more than once enforced this rule. See American Stove Co. v. Cleveland Foundry Co., 158 Fed. 978, 983, 86 C. C. A. 182; Campbell v. American Shipbuilding Co., 179 Fed. 498, 103 C. C. A. 122; Twentieth Century Heating Co. v. Taplin, Rice-Clerkin Co., 181 Fed. 96, 104 C. C. A. 156. The rule stated, however, rests upon the proposition that an applicant by submitting to the demands of the Patent Office, and thereby surrendering a claim or limiting its breadth, is deemed to have abandoned the feature so surrendered and to have dedicated it to the public, and thereby become estopped from asserting that the claim so allowed has the breadth of the rejected claim. It is the general rule that abandonment of an invention is not to be presumed, but must be clearly proven (Ide v. Trorlicht, etc., Co. [8th Circuit] 115 Fed. 137, 53 C. C. A. 341); and no reason is apparent why

this rule does not apply to an alleged abandonment through amendment of claims in the Patent Office. * * *

In view of these considerations, and taking into account the fact that rejection was not actually declared by the examiner, we think the applicant was not by that communication put to an election between abandoning the separating element or having his claim disallowed, and that he did not exercise such election. In reaching this conclusion we assume that the statement in the examiner's letter—"The exact object to be accomplished must be clearly set forth"—did not relate to the chambered heads. We also assume that the applicant understood that the aggregation referred to by the examiner related to the inclusion in one claim of the elements thereof relating to the crushing feature and the separating feature respectively. It may well have been that the applicant recognized a degree of plausibility in the suggestion that the inclusion in the claim of the detailed construction of the cylinder heads constituting the separator feature with the detailed description of the crushing element constituted aggregation, and was willing to so restate his claim as to avoid that criticism. But in doing so he did not limit the scope of his claim. On the other hand, he broadened it. Instead of a claim as originally drafted, limited as respects the separating feature to chambered heads having the detailed construction stated therein, he presented and procured the allowance of a claim including as one of its elements the chambered heads of the general description and having the functions and method of operation described in the specifications.

2. We do not understand the defendant to contend that the claim in question, as redrafted, covers merely an aggregation of elements. To prevent misapprehension, however, we state that in our opinion it is not subject to such criticism. When the complete machine of the patent is used the crushing and separating elements do, in our opinion, co-operate to produce a new, final and unitary result, to wit, the complete separation of the cinder from the iron and the ejection of the former from the mill and the leaving of the latter therein. This constitutes invention. National Cash Register Co. v. American Cash Register Co., 53 Fed. 367, 371, 3 C. C. A. 559; Walker on Patents (4th Ed.) § 33. * * *

As stated by Judge Severens in Penfield v. Chambers, 92 Fed., at page 638, 34 C. C. A., at page 587:

"The rule applicable to the determination of equivalency depends upon the importance and the breadth of the original invention, and does not depend upon the question whether it was the first in the field relating to that subject, but upon the degree of advancement which the invention has made in newness of

discovery and utility; for there may be as much merit in bringing on a large illumination from a feeble start, as in the conception of the first beclouded idea which may have originated the course of study and discovery along that line. The rule is not a hard and fast one, but measures equivalents by looking to see what has been accomplished before, and finding whether the combination, read broadly, had been anticipated, or whether, having reference to what had already been shown, the claim must be limited to the precise construction in order to save it as being new; for the constant rule is to give to the inventor the benefit of all that he has invented. If he has improved only a little, he has only a correspondingly narrow standing ground. If he has improved much and widely, the area of the field in which he is to be protected is enlarged to the limits of what his invention has made his own."

In Bundy Mfg. Co. v. Detroit Time Register Co., 94 Fed. at page 540, 36 C. C. A. at page 391, Judge (now Mr. Justice) Lurton said:

"To be entitled to the benefit of the doctrine of equivalents, it is not essential that the patent shall be for a pioneer invention in the broad sense of that term. If his invention is one which has marked a decided step in the art, and has proven of value to the public, he will be entitled to the benefit of the rule of equivalents, though not in so liberal a degree as if his invention was of a primary character."

In McSherry Mfg. Co. v. Dowagiac Mfg. Co., 101 Feb. 716, 41 C. C. A. 627, this court, likewise speaking through Judge Lurton, held that the patentee, although not a pioneer inventor, but an improver only, is entitled to a reasonable range of equivalents, measured by the advance he has made over older machines, and is not limited to the specific form claimed and described unless he has expressly so limited himself, or unless such limitation is necessary in order to save his patent from anticipation. See, also, Winans v. Dennead, 15 How. 330, 14 L. ed. 717; Metallic Extraction Co. v. Brown (8th Circuit), 104 Fed. 345, 43 C. C. A. 568; Vrooman v. Penhollow (6th Circuit), 179 Fed. 296, 307, 102 C. C. A. 495. In the latter case Judge Severens thus stated the rule:

"We do not doubt that where the thing described in a claim has been declared by the inventor to be the only one, or has treated it as the only one appropriate to represent his invention, or the character of the associated elements is such as necessarily to require that particular form, in all such cases the patentee will be bound by his description. But where there are no such considerations, and there is simply and only a description of one form of a thing which would perform the same office in other

forms, the court will apply the general rule above stated and accord him his monopoly in all equivalent forms. In such a case the general rule prevails, and there is no ground for treating the case as exceptional."

Sly's invention marks in our opinion a long step in the art to which it applies, and is entitled to a reasonable breadth of equivalents. No invention in the prior art was adapted with any substantial effectiveness to the treatment of iron cupola cinder.

The so-called "stave-mill," which was specially designed for cleaning castings, and which, before the invention of the Sly machine, was used by foundry men, in connection with their business, for the treatment of iron cinder, was slow in operation and lost from 18 to 35 per cent. of the iron. The Sly machine is rapid in operation, recovers nearly all the iron, and appears not only to have been successfully used by foundry men in connection with their own business, but to have been bought and used with commercial success by others than foundry men for the purpose of the recovery of metal from refuse of brass foundries and old iron cinder heaps bought for the purpose. * * *

The Sly device has proved highly successful and commercially profitable. While sales of the machine were at first slow, they amounted to $40,000 for the year immediately prior to the coming upon the market of the machine of which defendant's is a sample. We are convinced that it is the first successful and satisfactory recoverer of iron from cupola cinder, for which it was specially designed, and for which purpose, as we understand the record, the alleged infringing machine is used by defendant. * * *

In view of this situation, we do not think the patentee should be held limited in the precise form of his crushing agent as described in the patent, in the absence of words of express limitation thereto. We do not construe the language of the specifications and claim as expressly so limiting it.

It is urged, however, that defendant's hexagonal crusher does not perform the functions of the rolling troughed crusher of the patent, and so cannot be considered the equivalent thereof. It is, of course, true that for one thing to be the equivalent of another it must perform the function of that other, and the function must be performed in substantially the same way by the alleged equivalent as by the thing of which it is alleged to be the equivalent. But is not necessary that this function be performed in identically the same way, or to the same extent. As applied to this case, the defendant's hexagonal crusher, theoretically at least, does not perform, to the same extent as Sly's troughed crusher, the function of carrying the crushed material

to the upper side of the crusher and dumping the same before it. It appears, however, that in the practical operation of the Sly crusher very little material is carried up and dumped in front of the crusher through the action of the troughs therein—as only the finer material would be so carried up—and it is apparent that the faces of the defendant's hexagonal crusher (which in defendant's machine are each about 4½ inches wide) do—and especially when brought into relation with the sides of the cylinder—perform, to an appreciable extent, the same function of carrying forward the crushed material and again dumping it in front of the revolving crusher, which could not be the case with a cylindrical crushing agent. Both the troughed crusher of the patent and defendant's hexagonal crusher are loosely placed in the cylinder, and both turn or roll therein in substantially the same way. Both have a striking action upon the material.

In view of the advance made by Sly in the invention of the combination in question, the fact that the form of crusher adopted by him was not necessary to the obtaining of the patent, but, on the contrary, was old in the art; that the crushing was but one element in and one step toward the result to be accomplished; and in view of the extent to which, in practical operation, the defendant's crusher performs the functions of that element of the patent, we are constrained to hold the complainant's patent infringed by the defendant's machine.

The decree of the Circuit Court is accordingly reversed, with directions to enter the usual decree for an accounting. As the patent has expired, there is no occasion for injunction.

418. AMERICAN FIBRE CO. v. BUCKSKIN FIBRE CO., 72 Fed. 508, 18 C. C. A. 662 (1896, Sixth Circuit. Patent Nos. 511,789 and 216,108).

Before Taft, Lurton and Hammond, Judges. * * *

Taft, J., delivered the opinion of the court.

While the action of the court with respect to the Scott patent has been assigned for error, no argument pointing out the error of the court below in its decision thereon has been made orally or on the brief. Where counsel for an appellant or a plaintiff in error files a brief and makes an oral argument and does not allude in either to one or more of his assignments of error, he must be taken to have waived them. This court cannot be expected to examine the assignment of error and find the reasons for reversal itself. The action of the court below in so far as it sustained the demurrer to that part of the bill seeking to restrain an infringement of the Scott patent must therefore be affirmed.

We have only to consider, therefore, the correctness of the court's ruling in sustaining the demurrer to the bills so far as they sought a remedy against the infringment of the McLauchlin patent. The rule is now well settled that a defendant to a patent infringement bill may raise the question on demurrer whether the alleged invention as disclosed by the specification of the patent is devoid of patentable novelty or invention. (Richards v. Chase Elevator Co., 158 U. S. 299; West v. Rae, 33 Fed. 45.) It is also well settled that in considering the question of the validity of a patent on its face the court may take judicial notice of facts of common and general knowledge tending to show that the device or process patented is old or lacking in invention and that courts may refresh and strengthen their recollections and impressions of what facts were of common and general knowledge at the time of the application for the patent by reference to any printed source of general information which is known to the court to be reliable and to have been published prior to the application for the patent. (Brown v. Piper, 91 U. S. 38.)

The presumption from the issuance of the patent is that it involves both novelty and invention. The effect of dismissing the bill upon demurrer is to deny to the complainant the right to adduce evidence to support that presumption. Therefore the court must be able from the statements on the face of the patent and from the common and general knowledge already referred to to say that the want of novelty and invention is so palpable that it is impossible that evidence of any kind could show the fact to be otherwise. Hence it must follow that if the court has any doubt whatever with reference to the novelty or invention of that which is patented it must overrule the demurrer and give the complainant an opportunity by proof to support and justify the action of the Patent Office. This is the view which has been taken by the Supreme Court and the most experienced patent judges upon the circuit. (New York Belting & Packing Co. v. New Jersey Rubber Co., 137 U. S. 445; Eclipse Manufacturing Co. v. Adkins et al., 36 Fed. 554; Blessing v. Jno. Trageser Steam Copper Works, 34 Fed. 753; Bottle Seal Co. v. De La Vergne Bottle and Seal Co., 47 Fed. 59; Indurated Fibre Industries Co. et al. v. Grace et al., 52 Fed. 124; Goeble v. American Railway Supply Co., 55 Fed. 825; Hanlon v. Primrose, 65 O. G. 134, 56 Fed. 600; Dick v. Oil Well Co., 25 Fed. 105; Kaolatype Co. v. Hoke, 39 O. G. 589, 30 Fed. 444; Coop v. Dr. Savage Institute, 47 Fed. 899; Krick v. Jansen, 52 Fed. 823; Bodwell v. Houseman, 58 Fed. 870; Darock v. C. & N. W. R. R., 69 Fed. 468; Henderson v. Tompkins, 60 Fed. 758.)

Referring to his previous decision, Judge Blodgett said in the case of Eclipse Mfg. Co. v. Adkins et al., 36 Fed. 556:

"In West v. Rae, 33 Fed. 45, this court sustained a demurrer to a bill charging infringement of a patent on a device for protecting woolen blankets from insects by incasing them in paper bags, on the ground that within the common knowledge it was old to wrap or incase woolens in paper to protect them from dust or insects. At the time I announced the decision in that case I stated that its effect might be to encourage counsel to demur to bills for infringement of patents in cases where they, from their special knowledge of the art, might be of opinion that the device covered by the patent was old. And my anticipations in that respect have been fully realized, as that decision has already produced in this court quite a bountiful crop of demurrers in this class of cases. But the court must meet each case as it arises, and in sustaining demurrers like this, keep strictly within the field of common knowledge. The practical difficulty and danger is in defining where special knowledge leaves off and common knowledge begins. The judge must always be careful to distinguish between his own special knowledge, and what he considers to be the knowledge of others, in the field or sphere where the device in question is used. But when the judge before whom rights are claimed by virtue of a patent can say from his own observation and experience that the patented device is in principle and mode of operation only an old and well-known device in common use, he may act upon such knowledge. The case must, however, be so plain as to leave no room for doubt; otherwise injustice may be done, and the right granted by the patent defeated, without a hearing upon the proofs. The judge must on all such questions vigilantly guard against acting upon expert or special knowledge of his own, instead of keeping strictly within the field of general or popular knowledge. While I do not intend to lay down a rule, I am free to say that I should not feel justified in holding a patent void for want of novelty on common knowledge, unless I could cite instances of common use which would, at once, on the suggestion being made, strike persons of usual intelligence as a complete answer to the claim of such patent."

In Krick v. Jansen (52 Fed. 823), Judge Townsend said that a demurrer should not be sustained to a bill for infringement of a patent unless the want of patentable novelty was "palpably manifest."

Is it within common knowledge that the process described by McLauchlin in his specification is old? We think not. In his specification McLauchlin refers to the prior art and admits that the treatment of matted fiber for the purpose of using the same in place of cloth and of giving it the flexibility necessary for that purpose by rubbing or crushing it between knobbed rollers was old; but he points out that by such processes as had

theretofore been used the surface of the fiber was abraded, and the material itself thereby lost, in a large measure, its strength. The process which McLauchlin sought a patent for was that of first moistening the sheets of matted fiber and then pounding them in a dampened and crumpled condition. The moistening was to be done with a mixture of twenty parts of water and one part gelatin. The question is whether it is a matter of common knowledge that the way to render wood-fiber paper soft and pliable without injury to its strength or smoothness of surface is to moisten it with a thin water solution of gelatin, to crumple it and pound it in a moistened condition, and then to dry and smooth it. It is of course generally known that the moistening of fiber of any kind will make it for the time being more flexible; but common knowledge would probably lead us to suppose that the moistening of such a material as paper, while it would for the time render it more flexible, would make its surface very much more subject to abrasion and render the whole texture very liable to injury and destruction.

Possibly a review of the art by an expert will show that to treat paper in a moistened condition by pounding or irregular pressure for the purpose of rendering it flexible without loss of strength was old; but such a process is not within our common knowledge. Certainly, to use Judge Blodgett's standard, we cannot cite instances of common use of this process or a similar process which would at once, on the suggestion being made, strike persons of usual intelligence as a complete answer to the claim of such patent. The court below referred to a leather-machine for making leather more flexible by pounding. It seems to us that the very great difference between the character of leather and paper is enough to show that the use of a device with respect to one does not indicate its useful application to the other. Again, allusion is made by the learned judge in his opinion to an article in the Polytechnic Review, vol. 3, page 40, 1877, in which the following statement is made of Japanese uses of paper:

"Paper is also often used as a substitute for cloth, for umbrellas, rain-coats, etc., and even for dress cloth 'shibu' and the 'Ye-no-abura' are the means employed for rendering the paper waterproof. This cloth is generally made of paper alone, by beating it to make it soft, and impregnating it with gummy substance, to make it more resistant to the action of water."

The learned judge also referred to the description of the making of paper cloth in Japan given in the second volume of the Encyclopedia of Chemistry published in 1879, page 534. That description is as follows:

"The mode in which paper cloth 'warranted to wash' is made in Japan is thus described: Take some of the paper called

'Hosho' or some of the best 'senka,' and dye it of the color required. Boil some of the roots called 'kon-niaku-no-dama,' with the skins on. Try them with the inner portion of a rice-stalk; when it penetrates easily they are sufficiently boiled. Peel them, let the water run off, and then pound them into a paste. Spread this paste on either side of the paper, and let it dry in the sun till quite stiff. Then sprinkle water upon it till it is thoroughly damp, and leave it in that state for a night. The next morning roll it upon a bamboo, of the thickness of the shaft of an arrow, and force it with the hands from either end into a crimple in the center; unroll it, and repeat this process two or three times, rolling it from each side and corner of the paper. Then crimple it well in the hands by rubbing it together till it becomes quite soft, and then sprinkle water on it again to damp it. Pull it out straight and smooth, fold it up, and pound it with a wooden mallet. It may then be put into water as much and as often as is desired without sustaining injury, having become a strong and lasting material. Boxes, trays, and even saucepans may be made of this cloth, and saucepans thus manufactured sustain no injury over a strong charcoal fire. Bags may be made of it, in which wine may be put, and heated by insertion in boiling water. Paper thus prepared may be used for papering windows and without being oiled will withstand the rain."

It is well settled that in taking judicial notice of matters of common knowledge the court may refresh its recollection by reference to standard works. (Brown v. Piper, 91 U. S. 38.) In that case a patent had been issued for the process of freezing fish and keeping them in a frozen state of preservation in a close chamber by means of a freezing chamber having no contact with the preserving-chamber. There the court took judicial notice of the fact that the ice-cream freezer as a matter of common knowledge and use by the people throughout the country was operated on substantially the same principles, and having thus pointed out one well-known instance easily within the actual knowledge of the court it referred to articles in the encyclopedia showing the preservative effect of cold, a principle belonging to the general domain of knowledge and science. But in this case the learned judge at the circuit was not able to point, within his personal knowledge, to any process similar or analogous to that here patented. He was obliged to refer to descriptions of processes used in Japan, which we may reasonably suppose did not refresh his recollection with respect to the process there described. They were not instances of a process generally in vogue in the same or kindred arts well known to ordinary life. Indeed, from the description it is very doubtful whether much light is thrown upon the Japanese processes by the descriptions above given. It is

also doubtful whether the paper "warranted to wash" is like the material produced by the complainant's process. It is by no means clear that the process described in the Polytechnic Review is one which involved the dampening of the paper and the pounding of it in a dampened state. We are clearly of opinion that there was sufficient doubt about the novelty, utility, and invention of the complainant's process to require the overruling of the demurrer and a hearing of these questions upon issues made by the answer and proof.

It is also contended that the process described is a mere mechanical process, an aggregation of functions within the limita- Brown, in the case of Risdon Iron and Locomotive Works v. Medart, 158 U. S. 68. In that case the patent was for an imtion announced by the Supreme Court, through Mr. Justice proved process in manufacturing belt-pulleys formed of a wrought-metal rim and a separate center, usually a spider and usually made of cast metal. The process of manufacture was set forth in detail and consisted of the following steps: first, centering the pulley-center or spider; second, grinding the ends of the arms concentrically with the axis of the pulley; third, boring the center; fourth, securing the rim to the spider; fifth, grinding the face of the rim concentric with the axis of the pulley; sixth, grinding or squaring the edges of the rim. It was held that on the face of the specification and claims the patent was not for the mechanism employed nor for the finished product of manufacture, but was, in effect, for a process of solely mechanical steps, and that a valid patent could not be granted for the mere operations of a piece of mechanism, or, what was the same thing, for the function or functions of a machine. We do not think that the present case comes within the principles announced. The treatment of paper in this instance is of a character to change its quality, giving it new and useful attributes. The moistening of it and the treatment in a moistened condition is more or less chemical in its character.

In Cochrane v. Deener, 94 U. S. 780, which Mr. Justice Brown cites in Risdon Iron and Locomotive Works v. Medart, the patent was for a process in manufacturing flour which consisted in passing the ground meal through a series of bolting-reels composed of cloth of progressively finer meshes, which passed the superfine flour and retarded the escape of the fined and lighter impurities, and by which the superfine flour was separated, and the impurities were so eliminated so as to produce superfine flour, was held to be valid, and the patent was not limited to any special arrangement of machinery. In that case Mr. Justice Bradley said:

"A process is a mode of treatment of certain materials to produce a given result. It is an act, or a series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing. If new and useful, it is just as patentable as is a piece of machinery. In the language of the patent law, it is an art. The machinery pointed out as suitable to perform the process, may or may not be new or patentable; while the process itself may be altogether new, and produce an entirely new result. The process requires that certain things should be done with certain substances, and in a certain order; but the tools to be used in doing this may be of secondary consequence."

It seems to us that the present case is clearly within that of Cochrane v. Deener and even more nearly to be likened to a chemical process than was that.

The third objection made to the validity of the patent is one which can only be made in three of the cases appealed from—to wit, those in which the Seymour Scott patent was also made a part of the bill. It is said that the Seymour Scott patent so clearly anticipates the McLauchlin patent on the face of the specification that the McLauchlin patent must be held to be bad. We do not think that without evidence it is clear that the material in the Scott patent is to be subjected to the breaking-rollers while in a dampened condition, though this might be developed by proof of the process of paper-making referred to in the Scott patent. There is nothing in the Scott patent with reference to the crumpling of the paper or the pounding of it in its crumpled condition. The crumpling of the paper is not expressly made a part of the claim, but it is described as a part of the process, and if an essential part of the process then it should be read into the claims. The specification in the Scott patent requires the paper to be subjected to "suitable size;" that of the McLauchlin patent requires that the paper shall be moistened by a thin solution of gelatin, preferably one part in twenty. What "suitable size" is in the Scott patent and whether it would suggest the use of the thin solution of gelatin mentioned in the McLauchlin patent are all questions upon which the court cannot now pass without evidence of experts in paper-making before it.

The decree in these various cases dismissing the bill as to the McLauchlin patent will be reversed, with directions to overrule the demurrers and require answers, while the decrees in so far as they dismiss the bills on the Scott patent are affirmed.

In view of the fact that this result shows that it was unnecessary for the complainant to bring his second actions the order as to costs will be that the costs of the appeals in the three cases (Nos. 332, 333, and 336) in which bills were filed on the McLauchlin patent alone will be taxed to the appellees, while in the

three cases (Nos. 334, 335, and 337) in which the three cases were filed on both the Scott and the McLauchlin patents the costs will be taxed to the appellants, and it is so ordered.

419. NATIONAL ENAMELING, ETC., CO. v. NEW ENGLAND ENAMELING CO., 151 Fed. 19, 80 C. C. A. 485 (1906, Second Circuit).

Before Wallace and Coxe, Circuit Judges, and Holt, District Judge. * * *

Holt, District Judge:

This suit was brought to restrain the alleged infringement of United States patent 527,361, dated October 9, 1894, granted to Hubert Claus for an improvement in enameling metal ware. The patent contains 13 claims. Claims 1 to 7, inclusive, are for the finished enameled article as a new article of manufacture. Claim 8 is for the enamel itself as prepared, and before it is applied to the surface of the metal. Claims 9 to 13, inclusive, are process claims. The court below held that claims 1, 2 and 3 were invalid, that claims 4, 5, 6, 7, and 8 were valid and infringed, and that claims 9, 10, 11, and 12 were not infringed. Claim 13 was not involved in this suit. The defendant's appeal brings up for review the portion of the decree which held that claims 4, 5, 6, 7, and 8 were valid and infringed.

The art of enameling metal is old. Many different formulas and substances are used to form the enamel, but the usual process is substantially as follows: Certain ingredients, usually a mixture of silica or sand, and of other substances having a fluxing property to produce glass when mixed with sand and subjected to heat, are mixed together mechanically. This mixture is called by enamelers the "mix." The mix is then subjected to a high degree of heat and fused, resulting in a vitrified or glassy mass. This is called the "frit." The frit is then put in a mill and ground fine, with a mixture of clay and water, resulting in a liquid paste. This is called the "dip." The metal article to be enameled is then dipped in the paste, dried, and subjected to a very high temperature in an oven or muffle. In some cases more than one dipping and burning takes place. The result is, if the operation is successful, a metal article with its surface covered with an adherent coat of metal.

Prior to about 1892 iron ware had been commonly used for enameling. It was until then cheaper than steel. About that time improved processes in the manufacture of steel were adopted, which resulted in making steel cheaper than iron. It is claimed by the complainants in this case that before Claus made the invention described in his patent there were no means known of successfully producing commercially satisfactory single-coated mottled steel enameled ware, that Claus' invention accomplished

that result, and that Claus' patent was taken out for that invention.

The claims in the Claus patent involved in this appeal are as follows:

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

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

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

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

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

The queston, in construing the meaning, in clauses 4, 6 and 8 of this patent, of the references to alkalinity, is what Claus meant by the expression "an article of manufacture having a coat of enamel of an intensely alkaline nature," or "an article of manufacture having a mottled coat of alkaline enamel," or "an enamel for surfaces having therein a preponderance of alkaline constituents," * * * and that, therefore, his claims in this patent should be interpreted as meaning, so far as the description refers to the alkalinity of the enamel, an enamel made from a mix containing a large preponderance of such alkaline ingredients as feldspar. But in my opinion the difficulty with this theory of construction is that Claus did not apply for any patent for the formula described in his patent, or for a mix made of alkaline ingredients, or of such ingredients as feldspar. * * *

The rule is fundamental, in the construction of patents, that the claim in the patent is the measure of the invention. The specification may be referred to to explain any ambiguity in the claim, but it can not be referred to for the purpose of expanding or changing the claim. Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 274, 24 L. ed. 344; McClain v. Ortmayer, 141 U. S. 419, 12 Sup. Ct. 76, 35 L. ed. 800. The requirement of the patent law that a patentee shall claim in his patent the exact invention is not only to enable the public to use it after the term of the patent has expired, but is also for the purpose of enabling any one to determine what the invention is, which is protected

by the patent, and what processes which are not protected by the patent may be used in the same manufacture. A person who discovers a new and useful invention does not obtain a monopoly under the patent laws unless he claims his invention in his patent. Even if he describes his invention in the specifications, and then claims as his invention somethng he has not invented, his patent is good for nothing. * * *

The fifth and seventh claims of this patent are for a new article of manufacture made of steel or homogeneous iron. The evidence shows that the only possible novelty which can reside in these claims is found in its characteristic as a steel article as distinguished from an iron article. Iron articles having a single coat of mottled enamel on a partly oxidized surface, and having metallic oxides extending from the outer surface of the enamel inwardly had been commonly manufactured for many years before this patent was taken out. It is argued that until this patent was taken out a single coat of mottled enamel could not be successfully applied to steel. There is no doubt, upon the evidence, that iron can be more easily enameled then steel, and that, when it became desirable commercially to use steel instead of iron for enameled ware because it had become cheaper, a good deal of difficulty was found in accomplishing the result. * * *

The defendant's experts have manufactured and put in evidence in this case such ware, manufactured under the Quinby & Whiting patent, and under the Niedringhaus patent, and I see no reason to doubt that these processes, under which iron ware was treated by a single coat of mottled enamel, can be successfully applied to steel. The fact that some manufacturers did not know at first how to do it, and that successful results might not always have been obtained, even when the formulas were followed, does not prove that it could not be done.

The evidence shows clearly that success or failure in the manufacture of enameled articles depends very largely, not only upon the formula employed, but also upon the degree of heat used, the length of time of the exposure of the heat, and generally upon the skill and experience of the men who conduct the operation. The mere application of a process for enameling iron to the enameling of steel involves no invention if the same result is obtained. In this case it must be borne in mind that the claims under consideration upon this appeal are not claims for a process or for an improved result. The claims are for a completed article of manufacture. If these claims are valid, they cover any article of manufacture which has the qualities described in the claims. It is of no consequence how they are produced if the articles have such qualities,

and it is of no consequence whether, when produced, they are superior or inferior in quality. If these claims are valid, the complainants have a monopoly of any article of manufacture which has the qualities described in the claim. It is not a question, therefore, in this case, whether the single-coated mottled steel enameled ware which the Ironclad Company manufactured under the Quinby & Whiting process, or under Comstock's process, or which the defendant manufactured under the Quinby & Whiting process or the Niedringhaus process or which the defendant's experts have made and put in evidence in this case, was as handsome and attractive ware or as good ware as that made by the complainants, or which might be made under the Claus patent. If the previously existing patents instructed those skilled in the art how to make it, whether it was in fact made or not, it was not patentable as a new article of manufacture. * * * The evidence shows that all enamelers are constantly trying new formulas, and that a few formulas succeed while most of them fail. Why some succeed and others fail no one knows. All the experts agreed that, in the present state of chemical science, it is impossible to state what chemical action takes place when glass is produced by the fusion of sand and certain fluxing substances. All that is known is that the ingredients are fused and glass results.

I conclude that the claims in controversy are invalid for want of novelty, and cover nothing which was new in the prior state of the art, and that consequently the portions of the decree appealed from should be reversed, with costs.

Wallace, Circuit Judge (concurring).

I will briefly state some of the reasons which lead me to the conclusion reached by Judge Holt. The process of Claus may be such an improvement in the art of enameling metal as would sustain a patent. But the claims in controversy are not for a process. They are, all of them, for a new article; and there is no claim for the mix itself as a new article. If the article described in the respective claims was old before Claus devised his mix, or if such article, whether it had been actually made or not, could have been made without any exercise of inventive faculty, it was not new in a patentable sense. * * *

The claims for a new article of manufacture cannot be limited by anything which appears in the specification to the real invention of Claus. It is only when a new process introduces new characteristics into the manufactured article by which it can be identified and distinguished from all preceding manufactures that the article itself becomes patentably new. * * *

I can not agree with the argument for the appellees, which prevailed with the court below, that the alkaline characteristics

of the enamel of the claims are to be determined solely by the constituents of the mix. Undoubtedly claims 4, 5, 6 and 7 refer to the enamel in its completed state, after the coat has been dried upon the metal, and claim 8 refers to the enamel when it is ready to be coated upon the metal. It seems plain that the identifying characteristics of the enamel are those which then exist in it. If it can be found that it is then alkaline, or intensely or preponderatingly alkaline, by the litmus test or any test which those skilled in the art can apply, the claims are satisfied so far as they refer to the alkaline characteristic. In the specification the term "enamel" is applied to the coating in all stages of its manufacture, to the mix, to the molten and ground or pasty mass when ready to be applied as a coating, and to the coating after it has been applied to the metal. In one sense the mix is an enamel. It is an inchoate enamel. But the enamel of the claims is the perfected article. The proportions of the ingredients of the mix disappear in the frit or mass, and are no longer capable of being traced. The quality of the enamel depends upon the influence of what occurs in the smelter and what survives the smelter, and can be found in the frit. If Claus thought that in all stages subsequent to the mix his compound was alkaline because of the alkaline qualities of the mix, and that to know the mix, therefore, was to know the final enamel, he was grossly ignorant; but his ignorance does not require those skilled in the art to suppose that the quality of the enamel, either after it has been applied to the metal or when it is ready to be applied to the metal, is to be ascertained by testing the quality of the mix. They could rightfully assume that it was to be found by testing the quality of the completed enamel, either by such a test as was applied to it by complainants' expert, Banks, or by the defendant's expert, or by some other test known to the art. Such a test would show the alkalinity of the frit, but would not show the alkalinity of the mix. A test of the alkalinity of the frit would, therefore, seem to be the best criterion of the alkalinity of the enamel.

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

420. DURAND v. SCHULZE, 61 Fed. 819, 10 C. C. A. 97 (1894, Third Circuit). * * *

Before Acheson, Circuit Judge, and Butler and Wales, District Judges.

Wales, District Judge:

This is a suit brought for infringement of letters patent No. 253,371, dated February 14, 1882, for manufacture of colors or dye stuffs, granted to Horace Koechlin, and by him assigned to the appellants. The specific charge against the defendants is that they imported, used, and sold coloring matter enbodying and containing the invention described and claimed in the patent. The defendants denied infringement, alleging that the patent was for a process only (which they did not use), and not for a product. The circuit court sustained this defense, and dismissed the bill of the complainants. The claim of the patent reads as follows:

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

As it was not proved that the defendants had used the process, the only question that was considered and decided by the circuit court was whether the claim covered both the process and the product. One and the same patent may cover both a process and its product, but, if the patentee choose to restrict himself to one by his claim, he cannot include the other also by a reference to other parts of his specification. It is well known that patentees, generally, make a much broader statement of the novelty of their invention in the body of the specification than they limit themselves to in the claim, which latter is held to be the distinctive feature of a patent. By the act of congress of 1836, the applicant for a patent was, for the first time, required to "particularly specify and point out the part, improvement or combination which he claims as his own invention or discovery." In Merrill v. Yeomans, 94 U. S. 568, the court said:

"In practice, this allegation of the distinct matters for which he (the applicant) claims a patent comes at the close of the schedule or specification. * * * This distinct and formal claim is therefore of primary importance in the effort to ascertain precisely what it is that is patented."

In Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 278, it was said by the court:

"When the terms of a claim in a patent are clear and distinct (as they always should be), the patentee, in a suit brought upon a patent, is bound by it," citing Merrill v. Yeomans.

By the act of 1870, under which the patent in suit was issued, the requirement in regard to the claim is still more strict, the language of the act being that the applicant shall "particularly point out and distinctly claim the part," etc. In Mahn v. Harwood, 112 U. S. 360, 5 Sup. Ct. 174, and 6 Sup. Ct. 451, the court said:

"The taking out of a patent which has (as the law requires it to have) a specific claim is notice to all the world, of the most public and solemn kind, that all those parts of the art, machine, or manufacture set out and described in the specification, and not embraced in such specific claim, are not claimed by the patentee—at least, not claimed in and by that patent. If he has a distinct patent for other parts, or has made application therefor, or has reserved the right to make such application, that is another matter not affecting the patent in question. But, so far as that patent is concerned, the claim actually made operates in law as a disclaimer of what is not claimed, and of all this the law charges the patentee with the fullest notice. * * * Of course, what is not claimed is public property."

Again, in Burns v. Meyer, 100 U. S. 671, the court said, in reference to the claim of a patent:

"It defines what [the patent office], after a full examination of previous inventions and the state of the art, determines the applicant is entitled to. The courts, therefore, should be careful not to enlarge, by construction, the claim which the patent office has admitted, and which the patentee has acquiesced in, beyond a fair interpretation of its terms."

In White v. Dunbar, 119 U. S. 51, 7 Sup. Ct. 72, Mr. Justice Bradley, speaking for the court, said:

"The context may undoubtedly be resorted to for the purpose of better understanding the meaning of the claim; but not for the purpose of changing it and making it different from what it is. The claim is a statutory requirement, prescribed for the very purpose of making the patentee define precisely what his invention is; and it is unjust to the public, as well as evasive of the law, to construe it in a manner different from the plain import of its terms."

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

he has claimed; the latter, not the former, being made the measure of his rights." Koechlin might have claimed a product, if his description of his invention be true. He says: "Other coloring matter can be made by similar reactions. The product, as well as the method of producing the same, constitutes a part of the invention, which comprises, therefore, the preparation and the coloring matters above mentioned;" but, when he comes to his claim, he limits his invention to the method by which the coloring matters are to be produced, namely, "by the action of nitroso derivatives," etc. Disconnected from what precedes it, there is no hint in the claim that the "violet coloring matters" are a new production, which has been invented or discovered by the patentee; and from this omission to claim the product, as well as the method of making it, the inference is reasonable that he would be satisfied with a patent for the process. Other portions of the specifications may, as was said in White v. Dunbar, be resorted to, "for the purpose of better understanding the meaning of the claim; but not for the purpose of changing it and making it different from what it is." The words "manufacture" and "production," as used in the claim, are not the names of things but of acts. The claim indicates the mode and manner of doing certain things, or of making certain combinations, in order to produce certain results, and is for the improved process of obtaining those results, i. e., in manufacturing and producing them. It is not stated that violet coloring matters have never before been produced, or that they could not be produced by other processes than those described in the claim. The claim is for "the improvement in the manufacture of coloring matters," and describes the improvement as "consisting in the production of coloring matters by the action of nitroso derivatives," etc. The improvement, that is, the process, is claimed as new, but not the product. The contention that, in the Koechlin patent, the product inheres in the process, and that, therefore, the claim of the one necessarily includes the other, cannot be sustained on principle or authority. The claim is single, and is either for a process or a product; otherwise, if the claim is divisible, one part being for a process, and another part for a product, it would be a double claim, and as such in danger of being held void for ambiguity. The applicant for a patent may separately claim both a process and a product, but cannot properly claim them in one claim. They are the proper subjects of separate and distinct claims. Merrill v. Yeomans, 1 Bann. & A. 55, Fed. Cas. No. 9,472; Goodyear v. Rubber Co., 2 Cliff. 371, Fed. Cas. No. 5,583. The decree of the circuit court is affirmed.

421. WELSBACH LIGHT CO. v. UNION INCANDESCENT LIGHT CO., 101 Fed. 131, 41 C. C. A. 255 (1900, Second Circuit).

* * * Before Wallace and Shipman, Circuit Judges.

Per Curiam:

That part of the order appealed from restraining the defendant, during the pendency of the action, from selling any incandescent mantles "except such as shall be shown to have been coated by others," can only be justified upon the theory that the patent for infringing which the suit was brought was a patent for a product or manufacture, and not one for a process. If it was a patent for a process, it would not be infringed by selling the product, and no conditions should have been annexed to the exercise of the vendor's rights. The broad proposition that the vendor of a product which has been made in infringement of a patented process is an infringer, or liable to any extent to the patentee, is untenable and does not require discussion. The patentee's remedy is against the manufacturer. Merrill v. Yeomans, 94 U. S. 568, 24 L. ed. 235.

The patent in suit (No. 407,963) was granted July 30, 1889, to Frederick Lawrence Rawson and William Stepney Rawson for "production of incandescent mantles." We entertain no doubt that it is one for a process, and not for a product. It describes a method of producing the Welsbach mantle, and treating it after ignition so as to render it sufficiently hard and resistent to allow of transportation without danger of breakage. The method described consists in stretching the mantle upon a mandrel and igniting it, then shaping it against the mandrel by a blowpipe flame, and then coating it with paraffin, or other similar material. The patent contains two claims, which are as follows:

"(1) The herein-described improvement in strengthening incandescent mantles, consisting in coating the completed mantle with paraffin, or other suitable material, substantially as set forth. (2) In the manufacture of incandescent mantles, the method of forming said mantles, which consists of first stretching the impregnated knitted mantle upon a mandrel, then burning the mantle, then shaping the mantle against the mandrel by means of a blowpipe flame, and finally coating the mantle with paraffin, or other suitable material, substantially as set forth."

The first claim covers merely the final part of the process, and the second covers the entire process. It is unfortunate that an invention of such great merit and value is not adequately protected by the claims of the patent; but so it is, and any person is at liberty to vend or use the invention without accountability to the patentee, except he also be the manufacturer or a contributory infringer. The order must, as to the part referred to, have been inadvertently made, and should be modified by eliminating that part.

422. APPLETON MFG. CO. v. STAR MFG. CO., 60 Fed. 411, 9 C. C. A. 42 (1894, Seventh Circuit. Patent No. 290,571).

Before Woods and Jenkins, Circuit Judges, and Bunn, District Judge.

Woods, Circuit Judge (after stating the case):

The utterances of the supreme court upon the question whether or not a mechanical process is patentable are not in clear harmony: Corning v. Burden, 15 How. 267; O'Reilly v. Morse, Id. 62; Tilghman v. Proctor, 102 U. S. 707; Lawther v. Hamilton, 124 U. S. 1; Cochrane v. Deener, 94 U. S. 788; Brown v. Piper, 91 U. S. 37. In Lawther v. Hamilton, the process was for extracting oil from oleaginous seeds, and was not entirely mechanical; but the improvement for which the patent there considered was granted consisted merely in the omission of a mechanical part of the process, namely, the grinding of the seeds under muller stones, and the patent was sustained, though not in the broad and general sense of the claim; the process being held to be "limited by the clear terms of the specification, at least so far as the crushing of the seed is concerned, to the use of the kind of instrumentality described." In Cochrane v. Deener, the original process and the patented improvement which was in issue, comprising the use of an air blast, related to the manufacture of flour, and were entirely mechanical in character and operation.

"A process," it was there said, "is a mode of treatment of certain materials to produce a given result. It is an act, or a series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing. If new and useful, it is just as patentable as is a piece of machinery. In the language of the patent law, it is an art. The machinery pointed out as suitable to perform the process may or may not be new or patentable; whilst the process itself may be altogether new, and produce an entirely new result. The process requires that certain things be done with certain substances, and in a certain order; but the tools to be used in doing this may be of secondary consequence."

But in Corning v. Burden, quoted with approval in Tilghman v. Proctor, it is said:

"A process eo nomine is not made the subject of a patent in our act of congress. It is included under the general term 'useful art.' An art may require one or more processes in order to produce a certain result or manufacture. The term 'machine' includes every mechanical device or combination of mechanical powers and devices to perform some function or to produce a certain effect or result. But where the result or effect is produced by chemical action, by the operation or application of some

element or power of nature or of some substance to another, such modes, methods, or operations are called processes. A new process is usually the result of discovery, a machine of invention. * * * It is when the term 'process' is used to represent the means or method of producing a result that it is patentable, and it will include all methods or means which are not effected by mechanism or mechanical combinations. But the term 'process' is often used in a more vague sense, in which it cannot be the subject of a patent. Thus we say that a board is undergoing the process of being planed, grain of being ground, iron of being hammered or rolled. Here the term is used subjectively or passively, as applied to the material operated upon, and not to the method or mode of producing that operation, which is by mechanical means, or the use of a machine, as distinguished from a process. In this use of the term it represents the function of a machine, or the effect produced by it on the material subjected to the action of the machine. But it is well settled that a man cannot have a patent for the function or abstract effect of a machine, but only for the machine which produces it."

In general harmony with these propositions are the numerous cases of which, in Pennsylvania R. Co. v. Locomotive, etc., Truck Co., 110 U. S. 490, 4 Supt. Ct. 220, it is said:

"It is settled by many decisions of this court, which it is unnecessary to quote from or refer to in detail, that the application of an old process or machine to a similar or analogous subject, with no change in the manner of application, and no result substantially different in its nature, will not sustain a patent, even if the new form or result has not been before contemplated."

In Brown v. Piper, 91 U. S. 37, a patent for a method of preserving fish in a closed chamber by means of a freezing mixture was held to have been anticipated by a like method practiced by undertakers for the preservation of dead bodies; and, to the proposition that the process had never before been applied to the preservation of fish and meats, the court said:

"The answer is that this is simply the application by the patentee of an old process to a new subject, without any exercise of the inventive faculty, and without the development of any idea which can be deemed new or original in the sense of the patent law. The thing was within the circle of what was well known before, and belonged to the public."

And so, in Howe v. Abbott, 2 Story 190, Fed. Cas. No. 6,766, a patent for the process of curling palm leaf for mattresses was held invalid in view of the fact that hair had been prepared by the same means for analogous uses. Justice Story said:

"It is precisely the same as if a coffee mill were now for the

first time used to grind corn. The application of an old process to manufacture an article to which it had never before been applied is not a patentable invention. There must be some new process or some new machinery used to produce the result. If the old spinning machines to spin flax were now first applied to spin cotton, no man could hold a new patent to spin cotton in all modes, although he had invented none."

In Fuller v. Yentzer, 94 U. S. 288, where the claims, though in terms for the function or result of the operation of the mechanism described, were construed, in order to uphold the patent, to be for the mechanism itself, it is said:

"Patents for a machine will not be sustained if the claim is for a result, the established rule being that the invention, if any, within the meaning of the patent act, consists in the means or apparatus by which the result is obtained, and not merely in the mode of operation, independent of the mechanical devices employed; nor will a patent be held valid for a principle or for an idea, or any other mere abstraction. Burr v. Duryee, 1 Wall. 531."

And in Roberts v. Ryer, 91 U. S. 150, 157, is this expression:

"It is no new invention to use an old machine for a new purpose. The inventor of a machine is entitled to the benefit of all the uses to which it can be put, no matter whether he had conceived the idea of the use or not."

To same effect, see Stow v. Chicago, 104 U. S. 550; Heald v. Rice, Id. 755; Stimpson v. Woodman, 10 Wall. 117; Tucker v. Spalding, 13 Wall. 453.

It being, as we suppose, well settled that a patent for a machine covers its use for all purposes, whether anticipated by the patentee or not, and that the functions or methods of operation of mechanical devices may not be patented, it would seem to follow that processes, which are to be effected wholly by mechanical means, in order to be patentable must be capable of being distinguished from the method of operation or mere function of the mechanism necessary for their accomplishment. Whether or not such processes are possible is a question primarily for inventors; the courts can decide only whether a particular process presented for consideration is of that character. The processes now in question were designed for—

"Reducing and separating corn in the stalk at a single operation, so that the grains will be separated from the cob, and at the same time the stalk, husk, and cob are cut up or comminuted and [made] ready for use as stock food—ensilage."

The means specified for accomplishing these results are entirely mechanical, consisting of a combination of machines and devices long well known, and we find it impossible to see any dis-

tinction between the processes and the mere functions or mode of operation of the mechanism itself; and the same objection manifestly would apply if other devices were substituted for those described. But, if we waive the objection stated as one which under the decisions and dicta of the cases cited may or may not be tenable, and consider these processes in the light of the prior art in proof, we are constrained to find them devoid of patentable novelty. A completely analogous process is shown by the patent of Ford, Sullivan & Gregg, which is upon machinery designed for cutting, separating, and threshing wheat and other small grains. It is insisted, however, that cornstalks and ears in the husk resemble trees more than wheat, oats, rye, or barley, and that the process shown for the treatment of the latter afforded no suggestion for the treatment of the other by the same or similar method; though it is admitted that if the cutting device of the Goddard patent were substituted for cutting device of the Ford, Sullivan & Gregg machine—a substitution which would not involve invention—it would make of it an operative machine upon which the processes of the Goddard patent might be completely performed. But as our conclusion rests only in small measure upon the patent of Ford, Sullivan & Gregg, we do not stop to consider further the force of the arguments in respect to it.

The first two steps of the process covered by Goddard's first claim are identical with the two steps which constitute the process of the second claim, and the fair presumption is that those two steps were first conceived or discovered, and that the third was devised later. The first inquiry in logical order, therefore, is whether or not in the two steps common to both claims there was a patentable discovery. The proof to the contrary is convincing. The only feature of novelty asserted is that Goddard was the first to conceive or discover that the shelling of corn, either wholly or in part, could be done by means of a feed cutter; and "this fact," says the appellant's expert, "lies at the bottom of his invention or process." The same witness testified that "it has long been a practice among farmers to chop up ears of corn with an axe to fit it for feed for cattle;" that he did not know "that corn was ever cut in the stalk, husk, or ear, with a feed cutter;" though he admitted that upon the cutters shown in the patents of Miller, Neff, Wentzel, and others, referred to in the prior art, without any change of parts or construction, the process of Goddard's claim could be performed. Though not explicitly so stated, we think it inferable from this testimony that the practice of farmers was to chop up for feed the unhusked ears of corn, and it would seem entirely probable, because so manifestly practicable, if, indeed, the fact may not

be affirmed upon common knowledge within the cognizance of the court, that the cutting was done upon the old-fashioned cutting-boxes, as well as with axe or hatchet; and if corn and husk and stalk together were not cut in the same way, and especially by means of the improved and patented cutters after they came into use, it was because an obvious and important utility for which the inventions were adapted was blindly overlooked or purposely rejected. On acount of late planting, early frosts, and for other reasons, growing corn is often cut when the grain upon the ears is too immature to ripen after cutting into a merchantable article, and in that condition the farmer, already possessed of a cutter adapted for the purpose, needed no inventive suggestion to enable him to subject the stalk and ear together to the very process of which appellant would have a monopoly. It is hardly to be believed, in the absence of proof, that since the introduction of improved cutters, designed to reduce the entire product of the corn plant into a condition fit to be fed to cattle, they have not been used more or less to chop cornstalks and ears of corn by a single operation, affording complete illustration of Goddard's second process, both in respect to its operation and result. And this proposition does not rest on probability alone. The Harvey machine, patented in 1867, which is in evidence, though called a straw cutter, was expressly designed "for cutting not only hay, straw, cornstalks, etc., but also ears of corn and other vegetable products;" another part of the specification being that "when the material to be cut is of a coarser quality, such as cornstalks, ears of corn," etc., certain arms of the device were to be lengthened. While, therefore, it is not explicitly said that the cutter of that patent was designed to operate upon the unseparated ears and stalks, the obvious possibility of its being so used left no room for patentable novelty in a suggestion of that method; and whether Harvey's design was that the corn and stalks should be treated separately or together, and whether the practice with that and like machines was one way or the other, the result of the operation or process necessarily was the cutting of the stalks, ears, and cobs into disks, and the more or less complete shelling of the corn. It cannot be true, therefore, that Goddard was the first to discover that corn could be shelled by means of feed cutters, though he may have been the first to perceive how completely the shelling had been and could be accomplished in that way, and that by separating the shelled corn, when of good quality, from the comminuted mass of other materials, as they came from the cutters, the clean product could be made a merchantable commodity. To accomplish that, it was only necessary to add to Miller's cutter, or any other of the devices adapted to cutting cornstalks, or

stalks and ears, a screen or sieve, which might be vibrating or revolving or stationary. They were well-known devices, of common use in threshers, as illustrated by the patent of Ford, Sullivan & Gregg, which, if it did not contain an obvious suggestion that corn in the husk and on the stalk could be treated by the method which it embodied, did show plainly enough how the process of the second claim could be carried to the third step, constituting the first claim of the patent, simply by annexing to the feed cutters adapted to chop cornstalks and ears of corn some form of screen or separator. As was said of the Grant patent in Grant v. Walter, 148 U. S. 547, 556, the most that can be said of the Goddard patent is that it is a discovery of a new use for old devices, which does not involve patentability. The decree of the circuit court should be affirmed, and it is so ordered.

423. COMPUTING SCALE CO. v. AUTOMATIC SCALE CO., 204 U. S. 609, 51 L. ed. 645, 27 Sup. Ct. 307.

Day, J.: * * *

It is true that many valuable inventions seem simple when accomplished, and yet are entitled to protection. The books abound in cases showing inventions involving only small departure from former means, yet making the difference between a defective mechanism and a practical method of accomplishing results. In such cases a decision in favor of invention as distinguished from mere mechanical improvement has not infrequently resulted, in view of the fact that the device has made the difference between an impracticable machine and a useful improvement displacing others theretofore occupying the field. Krementz v. The S. Cottle Co., 148 U. S. 556; Consolidated Brake Shoe Co. v. Detroit Steel & Spring Co., 47 Fed. 894; Star Brass Works v. General Electric Co., 111 Fed. 398.

In the present case it nowhere appears in the testimony, nor is it claimed in the specifications of Hayden's patent, that the prior mechanisms of horizontal construction were impracticable or inefficient. There is no suggestion that Hayden's invention has been the last step between an inoperative machine and one practically operative and useful. There is no showing that it has been generally accepted in the trade and displaced the former machines used for the same purpose. Without resort to the record in the Patent Office, we think it is plain that the invention is but a small advance upon others already in use.

Broadly considered, the elements of Hayden's invention were in the horizontal machines, and the idea of vertical construction was old. Considering this invention in the light of what occurred in the Patent Office in connection with the other considerations already referred to, and the state of the art at the

time, we think Hayden's invention can only be sustained to a limited extent.

Before taking up the record as disclosed in the file-wrapper and contents we may premise that it is perfectly well settled in this court by frequent decisions that where an inventor, seeking a broad claim which is rejected, in which rejection he acquiesces, substitutes therefor a narrower claim, he cannot be heard to insist that the construction of the claim allowed shall cover that which has been previously rejected. Corbin Cabinet Lock Co. v. Eagle Lock Co., 150 U. S. 38-40, and cases there cited.

A late statement of the rule, and one as favorable to the inventor as the previous cases would admit, is found in Hubbell v. United, 179 U. S. 77, 80, as follows:

"An examination of the history of the appellant's claim, as disclosed in the file-wrapper and contents, shows that, in order to get his patent, he was compelled to accept one with a narrower claim than that contained in his original application; and it is well settled that the claim as allowed must be read and interpreted with reference to the rejected claim, and to the prior state of the art, and cannot be so construed as to cover either what was rejected by the Patent Office or disclosed by prior devices. Leggett v. Avery, 101 U. S. 256; Shepard v. Carrigan, 116 U. S. 593; Knapp v. Morss, 150 U. S. 221, 227.

"It is quite true that where the differences between the claim as made and as allowed consist of the mere changes of expression, having substantially the same meaning, such changes, made to meet the views of the Examiners, ought not to be permitted to defeat a meritorious claimant. While not allowed to revive a rejected claim by a broad construction of the claim allowed, yet the patentee is entitled to a fair construction of the terms of his claim as actually granted."

Looking to the record in the Patent Office, we find that claim 1, as originally presented, read as follows:

"1. In a spring-balance computing-scale, the combination of a suitably-supported vertical non-rotatable casing provided with a price-index, a vertical rotatable computing-cylinder journaled in said casing, provided with cost computations, a spring-supported load-pan supported from said casing, and means connected with said pan and cylinder for rotating the cylinder as the pan is lowered under pressure, substantially as and for the purpose set forth."

The examiner rejected this claim upon the patent of Smith, No. 545,616, price-scales, and in view of the patent of Turnbull, No. 378,382, spring-scales, saying, "It would not involve invention to arrange upon Turnbull's scales a vertical stationary casing having within it a revolvable computing-chart, the axis being

connected with the index-carrying shaft P shown in the Turnbull patent."

To this the applicant, through his attorneys, replied:

"The first portion of the Examiner's letter is not understood, as there are no modifications referred to in lines 6 to 26 of page 3. A reconsideration of the claims is requested, for the reason that it is believed that the references cited do not anticipate any of the claims. In both of the references cited a rack-bar extending transversely of the center of rotation of the computing-chart serves, by means of engagement with a pinion at the axis of the computing-chart, to rotate the latter. This is entirely different from applicant's construction, and it is not seen that the references are pertinent to the issue. Certainly, the references neither singly nor taken together anticipate the structure set forth in the claims, and there can hardly be any question that the construction which applicant shows is a substantial improvement in the art. It is hoped that all the claims may be allowed."

But the Examiner again rejected claims 1, 8 and 9 upon the references of record, and held that it would not involve invention to arrange upon the vertical shaft of Turnbull's scale a computing-chart and inclosing case having the characteristics of Smith's scale. To this the attorneys for applicant answered:

"These claims are canceled, not because considered unallowable, but because it is not desired to prosecute an appeal, in view of the fact that the allowed claims appear to cover the invention as it would be constructed in practice. The cancellation is made, therefore, without prejudice to the claims which remain."

The sixth claim was allowed upon the suggestion of the Examiner, as follows:

"In a spring-balance, the combination of a non-rotating frame providing an external casing and having means for supporting it from above, weighing-springs secured at their upper ends to rigid parts of said frame, a vertically-movable runner which is suspended from the lower ends of said springs and is provided with means to support the load, a chart-drum rotatably mounted within said casing on a vertical axis and having external horizontal rows of value-indicating figures computed at different rates, said casing having a sight-opening through which portions of said value-indicating rows may be seen, and corresponding rate-indicating figures on the outer face of said frame adjacent to the value-indicating rows on the chart-drum and mechanism for translating the vertical movement of the runner into the rotary movements of the chart-drum."

It was afterwards stated by the Examiner:

"Upon consideration of claim 6 preparatory to the declaration of interference it is found that the claim does not clearly and pat-

entably distinguish from the scale shown in the patent to Herr, No. 651,801, June 12, 1900, price-scales, and it is therefore necessary to reject the claim. It is believed, however, that the claim may be rendered allowable by inserting 'depending' before 'means' in line 6."

and, accordingly, the word "depending" was inserted in the claim, so as to make it in its present form. How this added anything to the patentability of the mechanism described it is difficult to perceive, in view of the presence of "depending means to support the load" in all scales of this class.

The general rule, as stated, as to the effect of a patentee striking out a broad claim and accepting a narrow one, is conceded by the learned counsel for appellant, but it is contended that if an inventor presents a broad claim and strikes it out and then presents and obtains an equally broad claim, he loses no right by such action, and may justly claim his allowed claim to be a broad one and have relief accordingly. But we think the action of the Department in this case cannot be thus eliminated. Claim 1, as presented, had contained the words "a spring-supported load-pan supported from said casing, and means connected with said pan and cylinder for rotating the cylinder as the pan is lowered under pressure," and as allowed there was inserted "a spring-supported load-bearing and cylinder-revolving rod suspended from said casing, and connecting means between rod and computing-cylinder, whereby by longitudinal movement of the rod rotary movement is imparted to said cylinder, substantially as and for the purpose set forth." This limitation to specific means is certainly a narrowing of the claim.

It was accepted, as the patentee said, "in view of the fact that the allowed claims appear to cover the invention as it would be constructed in practice."

We cannot think it was the intention of the Department, after requiring the insertion of "a spring-supported load-bearing and cylinder-revolving rod" and "connecting means between rod and computing-cylinder" to secure the rotary movement of the inner cylinder as a means of saving claim 1, to then permit the claim to be granted broadly in allowing other claims. And we believe it would be a more reasonable construction of the letter of the applicant to say that he recognized that his invention, "as constructed in practice," must have read into it to sustain the claim, the specific means shown for translating the vertical movement of the runner into the rotary movement of the chart-drum, rather than as saving a right to construe a claim broadly as including in one claim what had just been refused in another.

It is to be noted that Hayden, in his specifications, says:

"The spiral rod passing through the lower ends of the casing and serving, by means of its connection with the two cylinders, to rotate the computing-cylinder is regarded as the essence of this feature of the invention, however, regardless of the precise details of connection between cylinders and rod."

In view of the action of the Patent Office in this case and the acquiescence of the applicant, considered also in view of the state of the art, in our opinion it is necessary to have this novel element of the invention read into them in order to save the claims of Hayden's patent.

Conceding that this spiral rod and its connections with the cylinder in the manner and for the purposes stated is a novel feature in the combination and entitled to protection, it is of that narrow character of invention which does not entitle the patentee to any considerable range of equivalents, but must be practically limited to the means shown by the inventor. The distinction between pioneer inventions permitting a wide range of equivalents and those inventions of a narrow character, which are limited to the construction shown, has been frequently emphasized in the decisions of this Court. (Ciniotti Unhairing Co. v. American Fur Refining Co., 198 U. S. 399, 406, and cases therein cited.)

* * *

424. SUFFOLK CO. v. HAYDEN, 70 U. S. 315, 18 L. ed. 76 (1865, 1866).

* * *

This original application before the commissioner for a patent, among other things, for an improvement in the screen of the long trunk, not having been acted upon by that officer, a new application was made by Hayden, separately, for this improvement, and which resulted in the patent of 1st December, 1857, on which the present suit is brought.

We do not perceive any objection to this proceeding. It simplified the application, and disembarrassed it from its connection with other improvements claimed; and, doubtless, hastened the granting of the patent. The office, however, subsequently acted upon this original application, and, on the 11th September, 1860, granted a patent to the plaintiff, and, as is alleged, for the same improvement embraced in the patent of the 1st December, 1857, the one in question. And it is insisted that, for this reason, this prior patent for the same improvement is void. This is, obviously, a misapprehension. The last, not the first, is void.

We may add, on looking at the patent of 11th September, 1860, it does not appear that it was granted for the same improvement. It is a patent for a combination of this improvement with other devices. * * *

Judgment affirmed.

425. MILLER v. EAGLE MFG. CO., 151 U. S. 186, 38 L. ed. 121, 14 Sup. Ct. 310 (1893).

Fig 1.

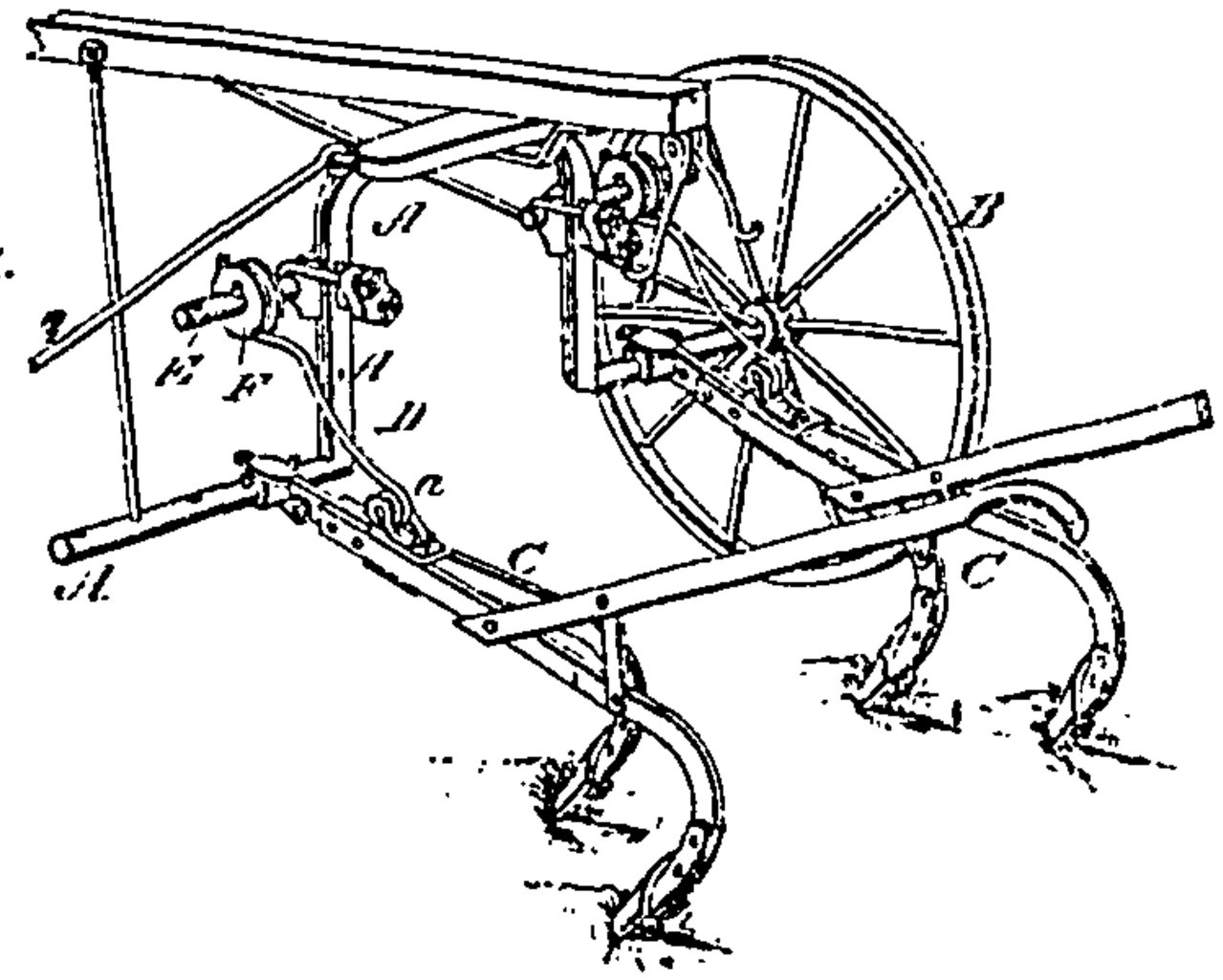


Fig. 2.

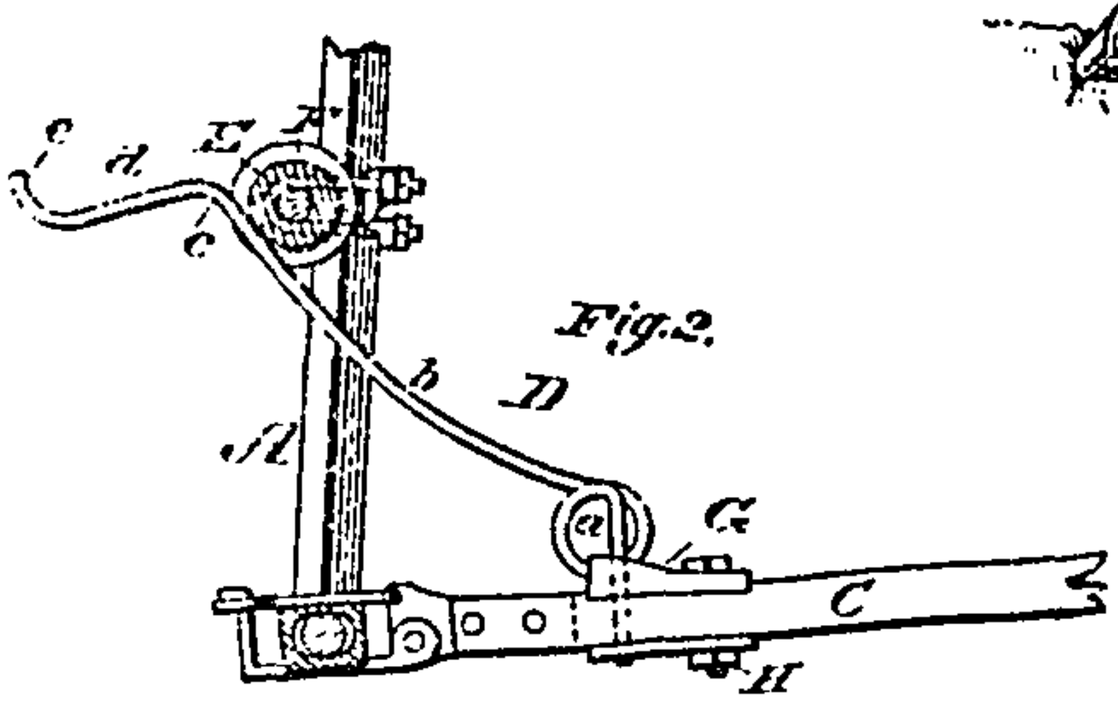
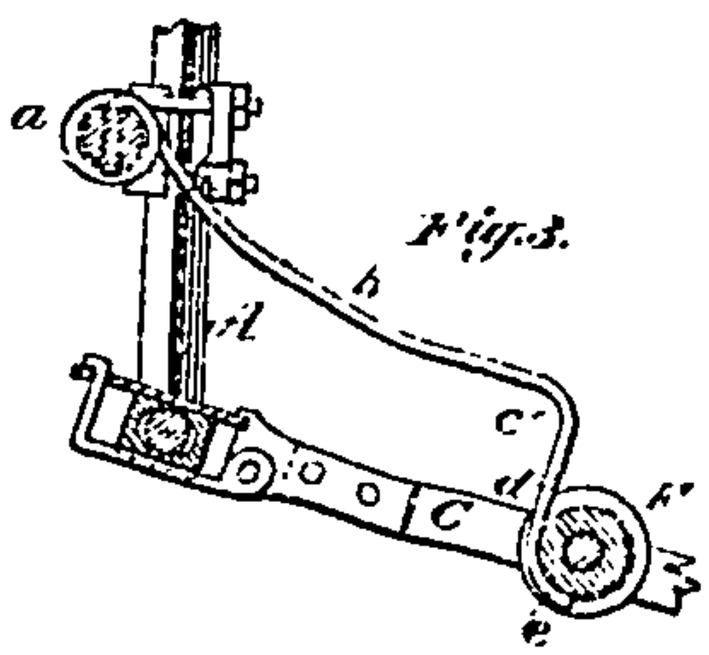


Fig. 3.



[The above figures illustrate the preferred form of the attachment and its application to a cultivator.

A is the arched axle, B the wheels, C the beams, free to swing vertically and laterally as usual, D are springs having a coil a, a curved arm b, with an outer end which terminates in a sharp point or shoulder c followed by a short arm d at the end of which is a sharp bend or curl e.

When the shovels are in the ground, as shown, the portion d of the spring bears beneath the roller and serves to hold the beam down. When the shovels enter to the full depth desired, the end e of the spring encounters the roller and serves to check the descent and to suspend the beam. When the beam is raised the spring continues to urge or hold them down until the bend or angle c of the spring passes the roller, whereupon the spring instantly changes its action, and tends to lift the beam.

Claim 1, for example, describes the relation of the structure in both patents.

"1. In combination with a vertically-swinging beam or drag-bar, a spring, substantially as described and shown, arranged to urge the beam downward when in action and urge it upward when it is lifted above the operative position."]

Mr. Justice Jackson delivered the opinion of the court.

The appellee, as assignee of letters patent No. 222,767, dated December 16, 1879, and No. 242,497, dated June 7, 1881, issued to Edgar A. Wright, for certain new and useful improvements in wheeled cultivators, brought this suit against the appellants, who were the defendants in the court below, for the alleged infringement thereof. * * *

In his original application, filed May 23, 1879, Wright fully described his improved device for use in connection with cultivators, and claimed for it, not only its lifting and depressing action, but also its lifting power, which increased as the beams were raised.

An interference with other pending applications being anticipated as to the broad claims of the invention, the application was divided, on November 12, 1879, for the purpose of obtaining one patent for the lifting and depressing effect of the spring on the beams, and another for the lifting power of the spring, increasing as the beams rise; the latter being sought upon the original application, while the former was based upon the divisional application of November 12, 1879. Patent No. 222,767, for the double effect or duplex action of the improved spring, was granted on December 16, 1879; and thereafter, on June 7, 1881, patent No. 242,497, for the single effect of increased lifting force in raising the plow beams, was granted, after interference had been disposed of. * * *

The novelty of Wright's invention consists, as held by the court below, in the application of a double-acting spring to assist the operator in either lifting the plow beams, or the plows attached thereto, or in sinking them deeper in the earth, as occasion might require, while the cultivator is in service. The first patent, issued in 1879, covered both the lifting and depressing actions or operations, while the second patent covered only the lifting effect. The spring device which was designed to accomplish these effects or operations, is the same in both patents. The drawings in each of the patents are identical, and the specification in each is substantially the same. Under these circumstances can it be held that the second patent has any validity, or must it be treated as having been anticipated by the grant of the 1879 patent? If, upon a proper construction of the two patents—which presents a question of law to be determined by the court (Heald v. Rice, 104 U. S. 749), and which does not seem to have been passed upon and decided by the court below—they

should be considered as covering the same invention, then the later must be declared void, under the well-settled rule that two valid patents for the same invention cannot be granted either to the same or to a different party.

Thus, in Manufacturing Co. v. Hayden, 3 Wall, 315, it was held that where two patents, showing the same invention or device, were issued to the same party, the later one was void, although the application for it was first filed; thereby deciding that it is the issue date, and not the filing date, which determines priority to patents issued to the same inventor on the same machine.

In James v. Campbell, 104 U. S. 382, the court say: "It is hardly necessary to remark that a patentee could not include in a subsequent patent any invention embraced or described in a prior one, granted to himself, any more than he could an invention embraced or described in a prior patent granted to a third person; indeed, not so well, because he might get a patent for an invention before patented to a third person in this country, if he could show that he was the first and original inventor, and if he should have an interference declared. * * * If he was the author of any other invention than that which the specification describes and claims, though he might have asked to have it patented at the same time, and in the same patent, yet if he has not done so, and afterwards desires to secure it, he is bound to make a new and distinct specification for that purpose, and make it the subject of a new and different patent." When a patentee anticipates himself, he cannot, in the nature of things, give validity to the second patent.

In Lock Co. v. Mosler, 127 U. S. 355, 8 Sup. Ct. 1148, it was held that, a patent having issued for a product as made by a certain process, a later patent could not be granted for the process which results in the product.

In McCreary v. Canal Co., 141 U. S. 467, 12 Sup. Ct. 40, it was held that where a party owned two patents, showing substantially the same improvement, the second was void; the court saying: "It is true that the combination of the earlier patent in this case is substantially contained in the later. If it be identical with it, or only a colorable variation from it, the second patent would be void, as a patentee cannot take two patents for the same invention."

In Underwood v. Gerber, 149 U. S. 224, 13 Sup. Ct. 854, it was ruled that where a patentee obtained two patents on the same day, upon applications filed on the same day, they could not be treated as one patent with two claims, and that the complainant, in suing upon the second, or the one having the latest

number, could not use the first, or the one with the earlier number, to help sustain the action.

In Odiorne v. Nail Factory, 2 Mason 28, the reason for the rule since established by the above-cited cases was stated to be that the power to create a monopoly is exhausted by the first patent, and for the further reason that a new and later patent for the same invention would operate to extend or prolong the monopoly beyond the period allowed by law.

The result of the foregoing and other authorities is that no patent can issue for an invention actually covered by a former patent, especially to the same patentee, although the terms of the claims may differ; that the second patent, although containing a broader claim, more generical in its character, than the specific claims, contained in the prior patent, is also void; but that where the second patent covers matter described in the prior patent, essentially distinct and separable from the invention covered thereby, and claims made thereunder, its validity may be sustained.

In the last class of cases it must distinctly appear that the invention covered by the later patent was a separate invention, distinctly different and independent from that covered by the first patent; in other words, it must be something substantially different from that comprehended in the first patent. It must consist in something more than a mere distinction of the breadth or scope of the claims of each patent. If the case comes within the first or second of the above classes, the second patent is absolutely void.

It is insisted on the part of the appellee that "whether this invention shall be protected in part of its features by one patent, and as to the rest by another, or shall be completely protected by a single patent, is a matter which concerns solely the patent office and the inventor." Under the rule announced in the foregoing authorities, this proposition cannot be sustained.

The second and principal contention of the appellee is that the patent of 1881 covers a distinct and separate invention from the first, and, in support of that proposition, the appellee relies upon the rule announced in Garratt v. Seibert, 98 U. S. 77; Sewall v. Jones, 91 U. S. 190; and Merrill v. Yeomans, 94 U. S. 568. These cases do not, however, establish the appellee's position.

In Garratt v. Seibert the arrangement for the operation of the device in the second patent was entirely different from the original patent. In Sewall v. Jones it was held that there might be a patent for the process, and one for the product. In Merrill v. Yeomans it was held that where a patent described an apparatus, a process, and a product, and the claims covered only the apparatus and the process, the law provided a remedy by

a surrender of the patent and a reissue, for the purpose of embracing the product.

A single invention may include both the machine and the manufacture it creates; and in such cases, if the inventions are really separable, the inventor may be entitled to a monopoly of each. It is settled, also, that an inventor may make a new improvement on his own invention of a patentable character, for which he may obtain a separate patent; and the cases cited by the appellee come to this point, and to this point only: That a later patent may be granted where the invention is clearly distinct from, and independent of, one previously patented.

It clearly appears from a comparison of the two patents, and their respective specifications and drawings, that the first function or object of the patent of 1879, relating to the lifting power of the spring, is identical with the sole object or function covered by the patent of 1881, and that the improved device and combination for the accomplishment of the lifting operation are identical in both patents.

The invention covered by the first patent, as stated in the specification, consists in a spring which serves the double purpose of lifting or holding down the plows at will; and it is further stated that one spring may be adapted to serve all, or either one or more, of the offices above enumerated.

The patent of 1879 thus embraces both the lifting and the depressing effects or operations of the spring device, while that of 1881 seeks to cover only the increased lifting effect of the same device. The first patent clearly includes the second. No substantial distinction can be drawn between the two, which have the same element in combination, and the same spring arrangement and adjustment to accomplish precisely the same lifting effect, increasing as the beams are raised from their operative positions. The matter sought to be covered by the second patent is inseparably involved in the matter embraced in the former patent; and this, under the authorities, renders the second patent void.

If the two patents in question had been granted to different parties, it admits of no question that the last would have been held an infringement of the first, for the reason that the patent of 1879 just as clearly includes as a part of the invention the increased lifting effect of the spring device, increasing as the beams are raised, as that disclosed in the patent of 1881. It certainly did not involve patentable novelty to drop or omit from the patent a claim for the depressing action of the spring arrangement which might be effected by any mere mechanical contrivance.

This view of the case is sustained by the statement in the specification forming a part of the patent of 1881, in which it is said: "The springs represented in the drawings are adapted to serve the double purpose of holding the beams down, and of lifting them, or assisting to lift them, when they are raised above the operative position. No claim is made, in the present case, to this duplex action of the springs, nor to the peculiar form or arrangement of the springs, otherwise than as regards the feature of exerting or increasing a maximum strain on the beams, as the latter rise; the peculiar construction of the spring being already covered in a patent hitherto granted to me."

This statement admits that the peculiar construction of the spring device, by means of which the lifting effect was to be accomplished, was already covered in a patent previously granted to the patentee; referring to the patent of 1879. In thus admitting the existence of a prior patented device, identical with that described in the second specification and drawings, it is difficult to understand upon what principle the patentee can be allowed to withdraw from the operation of such prior patent, one of its distinct elements, and make it the subject of a second distinct patent. It is not the result, effect, or purpose to be accomplished which constitutes invention, or entitles a party to a patent, but the mechanical means or instrumentalities by which the object sought is to be attained; but a patentee cannot so split up his invention for the purpose of securing additional results, or of extending or of prolonging the life of any or all of its elemental parts. Patents cover the means employed to effect results. Pencil Co. v. Howard, 20 Wall. 507; Fuller v. Yentzer, 94 U. S. 288.

The prior invention covered the means, and the only means, by which the results sought by the patent of 1881 were to be accomplished; and it is settled that the patentee of such prior device would be entitled to all of its uses, whether described or not. Roberts v. Ryer, 91 U. S. 150; Stow v. Chicago, 104 U. S. 547. Under these authorities, a single element or function of a patented invention cannot be made the subject of a separate and subsequent patent; and it therefore follows that this increased lifting effect of the spring device, sought to be covered by the 1881 patent, being clearly shown and described in the specification, drawings, and claims of the 1879 patent, was not the subject-matter of a valid patent.

This conclusion is in no way affected by the reservation attempted to be made in the 1879 patent, of the "broad idea of a lifting spring which acts with increasing force as the beam rises," for the reason that the broad idea sought to be reserved is embodied in identically the same mechanical device constituting the invention and covered by the first patent, which completely

occupies all the ground that was reserved. The spring and its connecting apparatus are the same in each patent, and the claims of the first covered the double automatic action—upward or downward. There is nothing in the specification or claims to indicate that in the first patent the lifting action is in any degree slighter or weaker as the beam rises than in the second patent; on the contrary, both specifications clearly indicate that the spring device acts with increasing force in each patent as the beam rises.

In addition to this, it distinctly appears that every claim of the 1881 patent could have been properly included and made a part of the claims of the 1879 patent. With the exception of the first broad claim of the 1881 patent, each of the other claims include the spring device with the limiting and qualifying words, "substantially as described," and, by virtue of its reference to the specification, the lifting element of the spring device is shown to be the same in each patent. There is nothing in either patent, or the specification or claims thereof, to indicate that there is any greater or stronger lifting action in the one than in the other. It is thus shown that one and the same mechanical device, which covers the entire invention, is described in each of the patents; and the effort to secure a second patent on one part thereof, or on its function, after such part or its action had been clearly described and covered by a prior patent, cannot be sustained.

To hold, under these circumstances, that the first and second patents, in respect to the lifting effect of the same spring device, present distinct inventions, or that both are valid for the same invention, would involve the drawing of distinctions too refined for the practical administration of the patent law. * * *

Tested by this rule, and in view of the prior devices and the great variety of springs in use previous to the granting of his patent, Wright cannot be treated as a pioneer in the art. Neither can he nor his assignee be allowed to invoke the doctrine of equivalents, such as the courts extend to primary inventions, so as to include all forms of spring devices and adjustments which operate to perform the same function or accomplish the same result. * * *

Our conclusion on the whole case is that the patent of 1881 is anticipated by that of 1879; that the first claim thereof is anticipated by the Brown patent; that the patent of 1879, in view of the state of the art, is to be limited and restricted, if it has any validity at all, to the specific spring therein described; and, as thus restricted, it is clearly not infringed.

We are therefore of opinion that the decree of the court below should be reversed, and the cause remanded, with directions to dismiss the bill; and it is accordingly so ordered.

426. BENJAMIN v. DALE, 158 Fed. 617, 85 C. C. A. 439 (1907, Second Circuit. Patents No. 721,774 and No. 721,777).

Lacombe, Coxe, Ward.

Per Curiam: * * *

We concur, also, in the conclusion that "there is sufficient mechanical invention shown in the Benjamin patents to make the patents valid." They disclose a novel, ingenious, and meritorious invention. Examination of the claims above quoted will show that there is but little difference between the structures shown in the two patents. Claims 5 and 7 of the first patent cover the combination which has been called in argument the cluster unit, without any cover. Claim 32 brings in the cover with an opening opposite each socket, the sockets being separated electrically from the cover by air spaces. The second patent shows the same cluster unit, the same cover, and the same openings; insulating bushing having taken the place of air spaces. In view of this the Circuit Court held that:

"It is very doubtful whether the second patent is not to be regarded as invalid because anticipated by the first patent. * * * As I understand the rule the patent numbered first takes precedence of the other."

This is a correct statement of the general rule, defendants citing Underwood v. Gerber, 149 U. S. 224, 13 Sup. Ct. 854, 37 L. ed. 710; Writing Machine Co. v. Elliott & Hatch Book-Typewriter (C. C.), 106 Fed. 507; Willcox & Gibbs S. M. Co. v. Machine Co., 93 Fed. 206, 35 C. C. A. 269; and Crown Cork & Seal Co. v. Standard S. Co., 136 Fed. 841, 69 C. C. A. 200. But where the patentee has had an application pending for the allowance of the later numbered patent at the time when the earlier numbered patent was issued, and especially when it was through no fault of his that his original application for a single patent was split up and a plurality of patents issued, an exception is made to the enforcement of this rule. Electrical Co. v. Brush Co., 52 Fed. 137, 2 C. C. A. 682; Thomson-Houston El. Co. v. Elmira & H. R. Co., 71 Fed. 404, 18 C. C. A. 145; Independent Electric Co. v. Jeffery Mfg. Co. (C. C.), 76 Fed. 989. As was stated in Badische Anilin Co. v. Klipstein (C. C.), 125 Fed. 554:

"It would be a failure of justice if the patentee of a meritorious invention should be deprived of the fruit of his labors because an arbitrary rule of the Patent Office has brought about complications not contemplated."

This case is a striking example of the unfortunate result of too close adherence to rule. Benjamin came to the Patent Office with a meritorious invention—a simple one which was quite sufficiently described in a brief specification. The specification and

the drawings showed his cluster-unit, by itself and also made practically a commercial article by the use of a cover and a switch; varieties of cover with and without bushing being shown. He asked for seven claims. The logical way would have been to include the genus and its varieties in the same patent, and half a dozen claims would have covered every possible combination which he was entitled to hold. But by the time the Patent Office got through with him Benjamin was the holder of four separate patents granted upon divisional applications split off from his original one; the four patents containing together 98 claims. It does not seem just that the patentee, who was powerless to obtain any modification of the rule for dividing applications, should be made to suffer from such misdirected energy. There seems sufficient authority to warrant a construction, which will hold that these two patents, based on a single original application and issued on the same day are to be treated as a single one, containing the five claims above quoted. * * *

427. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107 (1897, Sixth Circuit). * * *

We come now to the second assignment of error in these cases—namely, that the patents relied on are void because the inventions covered by them were patented in prior patents to the same patentee. The circumstances make this question different, as it arises on the two patents, and we shall first consider whether Patent No. 424,695 is void by reason of the prior issue of Patent No. 397,451. We are clearly of opinion that it is not. The application for No. 424,695 was filed more than a year before that for the Patent No. 397,451. The inventor expressly states in his specification in No. 397,451 that his invention is an improvement on the switch and trolley devices and combinations shown in the application which subsequently resulted in Patent No. 424,695. An examination of the drawings and specification leaves no doubt that this statement is true. With respect to the switch or switch-plate in the patent of later application and earlier issue the inventor added to the simple switch-box center ribs and side contractions of the extremities of the passage-ways for the purpose of more certainly directing the trolley-wheel in entering and leaving the switch in the way in which it should go. With respect to the trolley arm the improvement consisted in making it of adjustable length. The claims, all of them, include and refer to one or the other of these improvements. Now it is not material to this discussion whether these improvements are patentable or not. They are expressly claimed as improvements and no attempt is made by the patentee to cover anything but them. If inventions at all, then they are separable from the old

switch and trolley combinations, and if they are not inventions the patents are void and cover nothing.

Since the case of O'Reilly v. Morse, 15 How. 61, 121, 133, it has been well settled that a patent may issue for an improvement on an earlier invention either to the original inventor or to a stranger. Of course no one can use the improvement without right or license to use the fundamental invention; but, on the other hand, the right to use the original invention does not confer the right to use the improvement without license from the tributary inventor. We do not understand this general doctrine to be denied; but it is said that if, by some chance, the application for the fundamental patent is delayed in its course through the Patent Office until a patent on the avowed improvement has issued then the patent on the fundamental invention is void. In cases where the delay in the issuing of the patent for the main invention can not be charged to the laches or fraud of the patentee such a rule would be a hard one, and unless it is required by the express words of the statute or by the express holding of the Supreme Court we should be inclined, if possible, to avoid declaring it to exist. The contention of counsel for the defendant in this behalf instead of having the support of the authority of the Supreme Court is in the teeth of two decisions of that tribunal.

In Suffolk Co. v. Hayden, 3 Wall., 315, an inventor applied for a patent on improvements in the interior arrangements of an elongated trunk previously in use for cleaning cotton. While this application was pending he applied for an improvement on the form of the trunk—i. e., its external form—and in his second application he described the improvement in the interior arrangements of the trunk without making any claim as to it. A patent issued on the second application before one was issued on the first, and the point at issue before the court was whether the prior patent on the later application describing but not claiming the improvement for which a patent had first been applied for avoided the later patent on the earlier application for this improvement, and it was held that it did not. In disposing of the contention that the second patent was void the Supreme Court said:

"The first point of the plaintiff in error is that the description in the patent of March, of the improvement patented the December following, and on which the present suit is brought, and omission to claim it in such earlier patent, operated as an abandonment or dedication of it to the public, and that for this reason the subsequent patent of 1st December was void. But the answer to this ground of defense is that it appeared that Hayden, the patentee, had pending before the Commissioner of Patents an application for this same improvement at the time he described

it in the specification of the 17th of March, which was doubtless the reason for not claiming it in this patent. The description in no sense affected this application thus pending before the commissioner, and, while it remained before him, repelled any inference of abandonment or dedication from the omission to again claim it."

The same question arose again in the Barbed-Wire Patent Case, 143 U. S. 280, 12 Sup. Ct. 443, 450, and is stated and disposed of in Mr. Justice Brown's opinion in that case as follows:

* * *

[See infra.]

It will be observed that the case at bar is stronger than either of the cases cited, because in the application for the patent on the improvement not only is no claim made for the main invention, but the applicant expressly states that he has an application pending for the main invention necessarily described in describing the improvement, but not claimed, and thus shows beyond peradventure that he has no intention of abandoning or dedicating to the public his main invention. The authority and effect of these two cases counsel for defendant seeks to meet by the claim that the ground upon which he contends that the second patent in the cases before the court must be void was not presented to the court and was not considered by it. He says that the second patent for the main invention is void, not because it was dedicated to the public in the first patent, but because the effect of the second patent is to extend the monopoly of the first patent beyond the statutory period. The argument runs thus: The monopoly of the first patent, the one for the improvement, can legally be of no longer duration than seventeen years; but the improvement can not be used except as applied to the main invention, and as the later patent (the one for the main invention) does not expire until some time after the expiration of the patent for the improvement the monopoly of the improvement patent is in fact extended until the expiration of the later patent (the one for the main invention) and so exceeds the statutory seventeen years. It may be conceded that it is doubtful whether the case of Suffolk Co. v. Hayden on its facts presented the question thus raised by counsel, because the two patents there under consideration were improvements on different parts of the same machine, and it did not appear that the earlier patent might not have been used without also using the later patent, and possibly the same thing is true of the Barbed-Wire Patent Case. However this may be, we can not yield to the argument based on such a distinction, because we cannot accept its minor premise—to wit, that the later granting of the patent for the main invention ex-

tends the monopoly of the earlier improvement patent. The patent for the improvement expires in seventeen years. After that any one may use the improvement without infringing the patent issued upon it. If he uses the improvement without a license to use the main invention, he is liable for the infringement, not of the patent for the improvement, but of the patent for the main invention, and in estimating the damages for the same the value of the main invention, and not that of the improvement, would be the basis for estimating the damages.

It can make no difference in considering this question whether the patent for the improvement issues to the patentee of the main invention or to another. The right of the public to use the improvement when the patent on it expires is exactly the same whether the patentees of the two inventions are the same or not, because in each case the improvement can only be used with the license of the patentee of the main invention. If the patentee of the improvement is a stranger to the main invention, it is manifest that he can derive no benefit from the limitation upon the use of his invention after his patent expires because of the patent on the main invention. Why, then, does he derive an advantage if he happens to own the main patent? The only advantage conferred by the issue of the patent for the main invention is the legitimate monopoly for the statutory period of that invention and of no other. Did the personality of the owner of two different patents affect the validity of either then the anomalous result would follow that the owner of one patent would avoid it by acquiring ownership of another. According to the argument of counsel the patentees of the earlier improvement patent and of the later main patent being the same person the main patent is void. Let us suppose that they were different persons, but that, by mesne assignments, the two patents became the property of one person. The effect upon the public use of the improvement patent is exactly the same as if the now owner had been the inventor and patentee of both. Does the unity of title avoid the main patent, which was valid before? It must do so if the argument of counsel for defendant in this behalf is to be followed, for the effect of the unity of title is "to extend the monopoly" of the earlier improvement patent in the sense in which counsel uses that phrase. To our minds this conclusion is reductio ad absurdum. The fact that a patent for an improvement may expire before the patent for the main invention is the result of several circumstances—one that a patent may be taken out for an improvement on a patentable invention, another that there is no limitation by statute upon the time within which a patent may issue upon an application after it is filed, provided the applicant is not guilty of violating the two

years' restriction imposed by the statute, and a third that the course of an application for a generic or broad invention may legitimately take longer in its course through the patent office than a comparatively unimportant improvement on that invention.

The case upon which counsel for defendant chiefly relies to support his argument is Miller v. Manufacturing Co., 66 O. G. 845, 151 U. S. 186, 14 Sup. Ct. 310, where it was held that when two patents issued to the same patentee for the same invention the second patent was void for the reason that the new or later patent would prolong the monopoly beyond the period allowed by law. As pointed out by Mr. Justice Jackson, this was not a new doctrine, and found support in a number of earlier cases cited by him. The patents under consideration in that case were for a peculiar form of spring which when connecting the plow-beams of a plow with the upright portion of the axle assisted the operator in lifting the plow-beams when above the level and in depressing them when below it, and the patent first issued covered the spring thus used. The spring thus used had the additional function of increasing its lifting force and action the higher the beams were raised. The second patent was taken out to cover this feature of the spring. In effect the only difference between the patents was that the earlier patent covered a spring with both a depressing and a lifting function, while the second patent covered exactly the same spring with a lifting function increasing in force as the spring rose above the level. Now the function of the spring described in the second patent was necessarily present in the spring as it was shown in the earlier patent, for no change in form of the spring was suggested in either patent by which it might serve the purpose and claim of the first patent and discharge the functions therein described without also at the same time discharging the function which was supposed to distinguish the second patent and its claim from the first. In other words, the division of the original application into two patents was nothing more than an attempt to patent as two separate inventions the same device when discharging different functions. The opinion of Mr. Justice Jackson distinctly recognizes that—

"where the second patent covers matters described in the prior patent, essentially distinct and separable from the invention covered thereby and claims made thereunder, its validity may be sustained"—

and—

"that an inventor may make a new improvement on his own invention of a patentable character, for which he may obtain a separate patent"—

and—

"that a later patent may be granted where the invention is clearly distinct from and independent of one previously patented."

It is of course true that if an improvement is an invention separable from the generic invention the latter is an invention distinct and separable from the improvement. Hence it follows from the propositions above quoted from the opinion in the case of Miller v. Manufacturing Co., that a patent for a generic invention is not avoided by the fact that a prior invention has been issued for a distinct improvement on that invention, provided always that the language of the application for the first patent and the circumstances of filing it are not such as to dedicate the generic invention to the public. The case of Miller v. Manufacturing Co., therefore, instead of sustaining the claim made for it, is distinctly an authority to the contrary. We are of opinion that Patent No. 424,695 is not rendered void by Patent No. 397,451. We are strongly fortified in this conclusion by the most satisfactory opinion of Judge Wallace, speaking for the Circuit Court of Appeals of the Second Circuit, upon exactly the same question. Thomson-Houston Electric Co. v. Elmira & H. Ry. Co., 18 C. C. A. 145, 71 Fed. 396, affirming the decree of Judge Coxe in the circuit court in the same case. 69 Fed. 257.

We come now to the question whether Patent No. 495,443 is rendered void by the prior issue of Patent No. 424,695. This presents much more difficulty than the question just disposed of. In this case the drawings and specifications of the two patents are substantially alike, and show a car, a track, a post on top of the car, a swinging and hinged arm pivoted on the post, with a contact-wheel at its outer end. A spring is secured to the lower end of the swinging arm, and to the spring is attached a weight which works in suitable vertical grooves down through the roof to the front platform, within reach of the driver. The swing and weight maintain the contact of the outer end of the swinging arm with the overhead conductor. Switches in the overhead conductor are maintained immediately over the point in the track where track-switches occur. The trolley post and arm are in such positions and of such size that the point of contact of the outer end of the arm and the overhead conductor is back of the front wheels of the car. This is for the purpose of imparting to the trolley-wheel as it enters the switch in the overhead conductor the direction already taken by the front wheels of the car in entering the switches upon the track. The spring and weight working in vertical grooves are intended to keep the trolley-arm in the vertical plant of the longitudinal center of the car and thus to make its contact-wheel more certain to follow in the overhead switch the direction of the car as it turns

into a track-switch. It is shown by the evidence that the inventor first used in his combination a spring attached to the top of the car to secure contact, and then a spring attached to the foot of the trolley-post, and finally the spring and weight arrangement shown in the drawings of the patents. The claims of the second patent in question are for the broad claims of a combination, in an electric railway, of a car, a track, an overhead conductor, a post and swinging hinged arm on the car, and a tension-spring for maintaining contact between the arm and the conductor, and the language of the specification shows that it was the intention of the inventor to make this cover the generic invention.

The claims of the first patent that embrace the whole combination include the weight as part of the means for maintaining upward pressure of the arm against the conductor. There are five claims of the first patent that cover the whole combination and include a spring or weight to perform the function of keeping the trolley-arm in the center line of the car. Now this same spring and weight in the drawings discharge the function of maintaining the upward pressure of the swinging arm. The contention of the counsel for the complainant is that the first patent was a patent for the special and improved form of the invention, including the spring and weight with their upward pressure and centralizing tendency, and that the second patent, though using the same drawings and specification, shows by the language of the latter and its claims that it was intended to cover, and did cover, a combination with a spring without a weight in such a position that it need only discharge the function of maintaining the upward pressure of the arm without the centralizing tendency, and that the modification of the drawings and specification to show such a tension-spring is only the work of a skilled mechanic.

To the objection that the last five claims of the earlier patent are exactly the same as the broad claims of the later patent with the mere statement of a necessary centralizing function of the same spring always present in it, it is answered that the second patent was intended to cover springs that had no centralizing tendency, and that the use of the function in describing the spring therefore is a limitation of the claim showing it to be a special form of spring. It is argued, therefore, that, as the claims of the first patent do not cover any of the broad claims of the second patent based on a simpler combination of parts than that shown in the drawings, the second patent may be held to be a separate generic invention, while the earlier patent is merely for improved forms of the same invention entitled to a separate patent. We think the case on these two patents much nearer Miller

v. Manufacturing Co. than the case on the two patents already considered, but we are unwilling, upon an appeal from a preliminary injunction heard upon affidavits and without a full review of the art and without a fuller argument and closer consideration of the claims and specification, to decide the question mooted. The questions are whether, in determining the separability of the inventions, we may consult evidence dehors the record, and whether, in considering the gist of the second patent, we may supply such variations in the form of the combination shown in the drawings and specification suggested by mere mechanical skill as would make it one not covered by the first patent, but a simpler and more generic form, and whether the claims of the second patent are limited to the devices actually shown by the words "substantially as described."

The main invention is confessedly a meritorious one, and we shall be loath to declare it void because of a mistake in the patent office proceedings, if we can by any reasonable construction of the patents do otherwise. The second patent was sustained as valid after a full hearing on the merits before so good and experienced a patent judge as Judge Townsend of Connecticut. Thomson-Houston Electric Co. v. Winchester Ave. Ry. Co., 71 Fed. 192. This certainly justified the court below in assuming the validity of the patent on a motion for preliminary injunction. It is well settled that on appeals like this this court will ordinarily look into the case merely to see whether the discretion of the court below in issuing or withholding the order of preliminary injunction has been abused, and that only in exceptional cases in which a controlling question of law may be as fully and fairly considered as upon final hearing, and the court has no doubt upon it, will it finally dispose of the injunction and the case on a hearing like this Duplex Printing-Press Co. v. Campbell Printing-Press & Manufg. Co., 16 C. C. A. 220, 69 Fed. 250; Mayor, etc., v. Africa, 23 C. C. A. 252, 77 Fed. 501. Questions on appeals of this character are ordinarily to be treated in this court from the standpoint from which they were viewed by the circuit court, and the decision on the merits by a circuit court of another circuit sustaining the patent is therefore usually of controlling weight here, as it should be in the court below.

In an appeal from a preliminary injunction on this same patent the Circuit Court of Appeals of the Second Circuit affirmed the order without examining or deciding the validity of the patent, justifying its course in this regard by the statement that in another cause, heard upon a voluminous record by Judge Townsend, the patent had been sustained. (Thomson-Houston Electric Co. v. Kelsey Electric Railway Specialty Co., 22 C. C. A. 1, 75 Fed. 1005.)

The orders of preliminary injunctions appealed from in both cases are accordingly affirmed, at the costs of the appellant, the defendant below.

428. UNION TYPEWRITER CO. v. SMITH, 181 Fed. 966, 104 C. C. A. 430 (1910, Third Circuit).

Before Lanning, Circuit Judge, and Bradford and McPherson, District Judges.

Lanning, Cir. J.:

The following are conceded facts in this case:

On May 2, 1890, James D. Daugherty filed an application for a patent for improvements in type-writing machines. On June 1, 1891, he voluntarily canceled certain of the claims then standing in the application, giving notice in his letter of cancellation that the canceled claims would be made the subject of a divisional application within a few days. On June 9, 1891, the divisional application was filed, in which he said:

"I do not make any claim in this application to the pivoted shifting-frame carrying the type-bars, whereby either the upper or lower case of type are brought to the printing-point, as this is made the subject-matter of my pending application filed May 2, 1890."

The divisional application was allowed in Patent No. 457,258 on August 4, 1891. The remaining claims of the application filed May 2, 1890, appeared in Patent No. 470,990, which was allowed March 15, 1892, and in which claims a pivoted shifting-frame carrying type-bars is an element. It is to be noted, however, that the two claims 37 and 38, hereinafter quoted, were not included in 470,990 notwithstanding Daugherty, as early as January 21, 1892, in an interference proceeding on his application for 470,990, had been found by the patent office to be entitled to them.

On March 8, 1892, just a week before patent 470,990 was allowed, Daugherty filed an application for another patent for improvements in type-writing machines, containing fifty-three claims. It was sworn to on March 4, 1892. In it he said:

"My invention relates to type-writing machines, and it consists in certain improvements in the construction of the parts shown and described in patents No. 457,258, dated August 4, 1891, and No. 470,990, dated March 15, 1892, both of which are granted to me."

How the date of allowing patent 470,990, or its number, came to be inserted in the application, does not appear, nor is it material. The application also contained the following language:

"The type-bar-shifting frame, 12, has its outer ends pivoted between vertical lugs, which extend from opposite sides of the base, A, and which is shifted at its inner end for the purpose of bringing the proper character at the outer end of the type-bars, 9, to the printing-point, as fully described and shown in the said patents [that is, in patents 457,258 and 470,990] The type bars each carry several characters and are of the same construction substantially as that shown and described in the said patents [that is patents 457,258 and 470,990] as are also the key-levers, 14, neither of which need therefore be more fully or particularly referred to in this application, as they form no part of the present invention."

On April 26, 1892, more than a month after patent 470,990 had been allowed, Daugherty eliminated from the application the above italicized sentence. On July 9, 1892, nearly three months after patent 470,990 had been allowed, and after the fifty-three claims of the application filed March 8, 1892, had been reduced by rejections and cancellations to thirty-six in number, Daugherty eliminated from the application the words, "as fully described and shown in the said patents," with which the sentence immediately preceding the italicized sentence ends, and substituted therefore the following:

"The frame differs radically from that described in said patents, in that a shifting-frame pivoted between its ends is not herein used for carrying the type, but the type are carried by the frame, 12, which is pivoted at its outer end in this instance, and has its inner free end shifted by means of a lever, H, and arm, J, as before described."

With the amendment containing this last-mentioned elimination, Daugherty also added two wholly new claims. The amendment was verified by his supplemental oath, because, as he said, "the claims presented were not originally in the case." These two claims, being 37 and 38, appeared with the other thirty-six claims in Patent No. 481,477, allowed August 23, 1892. They are the claims, and the only claims, now in suit. They read as follows:

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

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

From these conceded facts it will be observed:

1. That in his divisional application, which ripened into patent 457,258, Daugherty disclaimed a pivoted shifting-frame carrying the type-bars, saying that such a claim was the subject-matter of the application which subsequently ripened into patent 470,990.

2. That in his patent 470,990 there are claims which include such a pivoted shifting-frame, though claims 37 and 38 were omitted therefrom.

3. That when the application for patent 481,477 was first filed it declared that the pivoted type-bar-shifting frame therein mentioned was fully described and shown in patents 457,258 and 470,990, and that the type-bars and key-levers therein mentioned were substantially of the same construction as those of said patents, and that the type-bars and key-levers formed no part of the invention described in the application for patent 481,477.

4. That after the application for patent 481,477 was first filed, and after patent 470,990 had been allowed, the application for patent 481,477 was amended in such manner as to include what had not before been claimed therein, by changes in the specification and by adding claims 37 and 38.

Daugherty admits that all the elements of these two claims are found in patent 470,990. The complainant's counsel, also, in their brief, say:

"There can be no doubt that these claims, taken in their plain ordinary meaning, cover broadly the forms shown in both Daugherty patents; they embody the broad combination disclosed in both these patents and in defendants' machine, and could properly be drawn in either."

With these concessions before us, we think the decree of the circuit court should be affirmed. The combinations of the claims in suit were disclosed in the proceedings for patent 470,990, issued to the same inventor nearly three months before the claims in suit were filed. We think it was too late then to amend the specification in the application for patent 481,477 in such manner as to open the way for adding claims 37 and 38. The application for 481,477 was not a divisional application of 470,990. It was for improvements in the construction of certain parts of 470,990. Up to July 9, 1892, reference was made in the application for 481,477 for the construction and method of operation of the type-bar-shifting frame to patents 457,258 and 470,990, where, it was said, they were "fully described and shown," and the type-bars and key-levers were declared to "form no part of the present invention." The interjection into the application for 481,477, on July 9, 1892, of claims 37 and 38 for combinations to effect certain methods of type action, was recognized by Daugherty as

an amendment not within the scope of his application as filed on March 8, 1892, for otherwise he would not have accompanied it with his supplemental oath. These claims, properly interpreted, are not for—

"improvements in the construction of the parts shown and described in Patents No. 457,258, dated August 4, 1891, and No. 470,990, dated March 15, 1892,"

but are, as both Daugherty and the counsel for the complainant admit, for combinations disclosed in patent 470,990. Indeed, we think the circuit court has correctly concluded—

"that the claims of the patent in controversy, upon any such reading of them as is contended for, are inclusive of claims 1 and 2 of No. 470,990."

See opinion of that court, 173 Fed. 288. If the claims of 470,990 were narrower than Daugherty's real invention, or if claims 37 and 38 were omitted from that patent by mistake, the error or mistake should have been corrected in a reissue. It can not be corrected, as we understand the patent law, by inserting the broader claims to which he might have been entitled on a reissue of 470,990 in a patent for improvements in the construction of certain parts of 470,990.

We think the decree of the circuit court should be affirmed, with costs; and it is so ordered.

429. NATIONAL HOLLOW B. B. CO. v. INTERCHANGEABLE B. B. CO., 106 Fed. 693, 45 C. C. A. 544 (1901, Eighth Circuit).

Before Caldwell, Sanborn, and Thayer, Circuit Judges.

Sanborn, Circuit Judge, after stating the case as above, delivered the opinion of the court.

Four of the fourteen claims in issue upon these appeals involve the cardinal principle of the appellants' hollow metallic brake beam. The remaining ten relate to slight improvements and minor details of construction. * * *

The patentee claimed his combination in these words: [Patent No. 361,009.]

"(2) The combination, in a brake beam, of a hollow beam, a strut, end plugs or caps, 8, and a truss rod, 3, which extends through the caps, 8, and is provided with nuts, substantially as and for the purposes specified." * * *

He claimed his second combination in these words: [Patent No. 480,194.]

"(1) A metallic brake beam, consisting of a compression member, a tension member, and an interposed strut; the compression member having a camber, and the beam structure containing means of adjustment whereby the camber of the com-

pression member is produced and the resiliency of the beam made available.

"(2) A metallic brake beam, consisting of a hollow compression member, a tension member, and an interposed strut; the compression member having a camber, and the beam structure, containing means of adjustment whereby the camber of the compression member is produced and the resiliency of the beam made available."

"(7) In a trussed brake beam, the combination of a tension member having threaded ends and nuts therefor, a strut, and a cambered compression member, which maintains the tension of the parts and prevents the rotation of the nuts, substantially as specified." * * *

A patent is a contract by which the government secures to the patentee the exclusive right to vend and use his invention for a few years, in consideration of the fact that he has perfected and described it and has granted its use to the public forever after. The general rules for the interpretation of grants and contracts govern its construction, and the equitable principle that one who has derived great benefit from the performance of a contract ought not to be allowed to escape its burdens without cogent reasons is not inapplicable in its exposition. Among the primary rules for the construction of a contract are these: The court should put itself in the place of the parties at the time it is made, and should read its terms in the light of the facts and circumstances which then surrounded them. When the intention of the parties is manifest, it should control, regardless of inapt expressions and technical rules. In cases of doubtful validity or of ambiguous terms, that construction should be adopted which sustains and vitalizes the agreement, rather than that which destroys or paralyzes it. Prior negotiations are merged in the contract, and, while they may be considered to interpret its purpose, they must not be permitted to contradict or modify its express meaning. Let us read and interpret these patents in the light of these principles.

* * * * * * * * * * *

A machine or combination which is not designed by its maker, nor actually used nor apparently adapted to perform the function of a patented machine or combination, but which is discovered in a remote art and was used under radically different conditions to perform another function, neither anticipates nor limits the scope of the patent. Ansonia Brass & Copper Co. v. Electrical Supply Co., 144 U. S. 11, 18, 12 Sup. Ct. 601, 36 L. ed. 327; Topliff v. Topliff, 145 U. S. 156, 161, 12 Sup. Ct. 825, 36 L. ed. 658; Potts v. Creager, 155 U. S. 597, 608, 15 Sup. Ct.

194, 39 L. ed. 275; Westinghouse v. Air-Brake Co., (C. C.) 59 Fed. 581, 590; Walk. Pat. (2d Ed.) p. 54, § 68.

The solemn grants of great franchises cannot be stricken down by testimony so flimsy and unsatisfactory. The memory of men is too brief and fleeting, too easily swayed by chance and by interest, to permit the recollection of one or two witnesses, prompted by presently prepared pictures of the proof desired, to condition the validity of valuable patents that have stood unchailenged for years. Unsupported oral testimony of a prior use is always open to suspicion, and it cannot prevail over the legal presumption of validity which accompanies the patent, unless it is sufficient to establish such a use beyond a reasonable doubt. The testimony relative to the use of this Wabash beam is not of that character, and it will not be further considered. Mast, Foos & Co. v. Dempster Mill Mfg. Co., 82 Fed. 327, 332, 27 C. C. A. 191, 195, 49 U. S. App. 508, 516; In re Barbed-Wire Patent, 143 U. S. 275, 12 Sup. Ct. 443, 450, 36 L. ed. 154; Deering v. Harvester Works, 155 U. S. 286, 300, 15 Sup. Ct. 118, 39 L. ed. 153; Miller v. Handley, (C. C.) 61 Fed. 100, 102.

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No one of these devices has the caps, the tension member with threaded ends passing through the ends of the compression member, or the nuts on the ends of the tension member, which constitute such essential elements of the combination of Hien. No one of them has the capability of producing, adjusting, and maintaining the rigidity of the structure, the spring of the beam, or the coning of the shoe by the simple expedient of turning the nuts on the ends of the tension rod; and no one of them is the mechanical equivalent of Hien's invention.

Many other patents and references were introduced in evidence in the progress of this cause, but none which illustrate more fully or more clearly than those already noticed the state of the art when the combinations described in the four claims now under consideration were secured; and the question of their patentability arises upon the facts which have now been stated.

The second claim of the first patent to Hien is for a combination of old mechanical elements in a new way. It is not for new elements, but for a new method of combining old elements; and a new combination of old elements, whereby a new and useful result is produced, or an old result is attained in a more facile, economical, and efficient way, may be protected by patent as securely as a new machine or composition of matter. Seymour v. Osborne, 11 Wall. 516, 542, 548, 20 L. ed. 33; Gould v. Rees, 15 Wall. 187, 189, 21 L. ed. 39; Thomson v. Bank, 53

Fed. 250, 252, 3 C. C. A. 518, 520, 10 U. S. App. 500, 509. The prior art discloses no combination of the elements of Hien's brake beam in the way which he describes. In other words, the method of combination of the old devices which he presented was new. Nowhere in the history of the art can the tension member, with threaded ends passing through the ends of the hollow metallic compression member, and through caps thereon, secured in place by nuts on its ends, by the mere turning of which the rigidity of the structure, the resilience of the compression member, and the coning of the brake shoes to the tread of the wheels may be produced, adjusted, and maintained, be found. Yet this is the principle of his invention, the mode of its operation, the peculiar combination of devices which distinguishes it from other brake beams. Burr v. Duryee, 1 Wall. 531, 510, 17 L. ed. 650. * * *

The patent itself is prima facie evidence of the novelty of his combination, and if that issue was doubtful this presumption would entitle it to a construction which would sustain, in preference to one which would destroy, the grant it evidences. In five years after Hien disclosed his invention and obtained his patent, his brake beam was in use on 85 percent. of the railroads controlling 80 percent. of the cars using iron brake beams in this country, and in 11 years from the date of his patent more than 1,000,000 of his brake beams had been made and sold. It is true that the extensive use of a machine or combination which is clearly without novelty does not dispense with that statutory requirement, and that it will not alone sustain a patent. McClain v. Ortmayer, 141 U. S. 419, 428, 12 Sup. Ct. 76, 35 L. ed. 800; Duer v. Lock Co., 149 U. S. 216, 223, 13 Sup. Ct. 850, 37 L. ed. 707; Olin v. Timken, 155 U. S. 141, 155, 15 Sup. Ct. 49, 39 L. ed. 100; Klein v. City of Seattle, 77 Fed. 200, 204, 23 C. C. A. 114, 118, 44 U. S. App. 741, 748. But where the question of novelty is fairly open for consideration under the law, the fact that a patented device or combination has displaced others which had previously been used to perform its function, and has gone into immediate and general use, is pregnant and persuasive evidence that it involves invention. Smith v. Vulcanite Co., 93 U. S. 486, 495, 23 L. ed. 952; Loom Co. v. Higgins, 105 U. S. 580, 591, 26 L. ed. 1177; Manufacturing Co. v. Adams, 151 U. S. 139, 143, 14 Sup. Ct. 295, 38 L. ed. 103; Magowan v. Packing Co., 141 U. S. 332, 342, 12 Sup. Ct. 71, 35 L. ed. 781; Graphophone Co. v. Leeds, (C. C.) 87 Fed. 873; Topliff v. Topliff, 145 U. S. 156, 164, 12 Sup. Ct. 825, 36 L. ed. 658. The peculiar combination of devices which distinguishes the brake beam of Hien from all those which went before it; its superior lightness, compactness, simplicity, and adjustability; the presumption of va-

lidity accompanying his patent; the fact that his combination had not suggested itself to any mechanic skilled in the art during 12 years of diligent search and effort for improvement; the facility and rapidity with which it took the place of old devices and went into immediate and extensive use as soon as it was disclosed—all these facts converge upon the mind with compelling force to prove that the striking and effective improvement he made was the production, not of the skill of the mechanic, but of the intuitive genius of the inventor. Thomson v. Bank, 53 Fed. 250, 3 C. C. A. 518, 10 U. S. App. 500; Griswold v. Harker, 62 Fed. 389, 393, 10 C. C. A. 435, 439, 27 U. S. App. 122, 152; Loom Co. v. Higgins, 105 U. S. 580, 591, 26 L. ed. 1177; Consolidated Safety-Valve Co. v. Crosby Steam-Gauge & Valve Co., 113 U. S. 157, 179, 5 Sup. Ct. 513, 28 L. ed. 939; Magowan v. Packing Co., 141 U. S. 332, 341, 343, 12 Sup. Ct. 71, 35 L. ed. 781. In re Barbed-Wire Patent, 143 U. S. 275, 281, 283, 12 Sup. Ct. 443, 450, 36 L. ed. 154. The combination of mechanical devices found in the second claim of the first patent to Hien was novel and useful, and the patent which secured it is valid. * * *

Now, the function or result of the operation of a machine or combination is not patentable under our laws, and therefore the camber in the beam could not be monopolized by means of a patent. The means, the mechanical device, by which that camber was produced and that alone, was capable of protection by such a franchise. Fuller v. Yentzer, 94 U. S. 288, 24 L. ed. 103; Pencil Co. v. Howard, 20 Wall. 498, 507, 22 L. ed. 410; Miller v. Manufacturing Co., 151 U. S. 186, 201, 14 Sup. Ct. 310, 38 L. ed. 121; Knapp v. Morss, 150 U. S. 221, 228, 14 Sup. Ct. 81, 37 L. ed. 1059; Carver v. Hyde, 16 Pet. 513, 519, 10 L. ed. 1051; Le Roy v. Tatham, 14 How. 156, 14 L. ed. 367; Corning v. Burden, 15 How. 252, 14 L. ed. 683; Burr v. Duryee, 1 Wall. 531, 17 L. ed. 650. Again, since a function is not patentable, a combination of functions is not; nor is a combination of mechanical devices or elements and one of the functions of that combination. It is a combination of mechanical elements, and of such elements alone, that may be protected by the grant of a patent, and for this reason the combination of the mechanical elements described in the first patent and the camber produced by that combination was not patentable under the acts of congress. * * * When he has plainly described and claimed his machine or combination, and has secured a patent for it, he has the right to every use to which his device can be applied, and to every way in which it can be utilized to perform its function, whether or not he was aware of all these uses or methods of use when he claimed and secured his monopoly. Roberts v. Ryer, 91 U. S. 150, 157, 23 L. ed. 267; Miller v. Manufacturing

Co., 151 U. S. 186, 201, 14 Sup. Ct. 310, 38 L. ed. 121; Goshen Sweeper Co. v. Bissell Carpet-Sweeper Co., 72 Fed. 67, 19 C. C. A. 13, 37 U. S. App. 555; Frederick R. Stearns & Co. v. Russell, 85 Fed. 218, 226, 29 C. C. A. 121, 129; Manufacturing Co. v. Neal, (C. C.) 90 Fed. 725; Tire Co. v. Lozier, 90 Fed. 732, 744, 33 C. C. A. 255, 268. * * *

Reason has approved, and the decisions of the courts established these rules:

One who invents and secures a patent for a machine or combination which first performs a useful function is thereby protected against all machines and combinations which perform the same function by equivalent mechanical devices; but one who merely makes and secures a patent for a slight improvement on an old device or combination, which performs the same function before as after the improvement, is protected against those only who use the very device or improvement he describes or mere colorable evasions thereof. In other words, the term "mechanical equivalent," when applied to the interpretation of a pioneer patent, has a broad and generous signification, while its meaning is very narrow and limited when it conditions the construction of a patent for a slight and almost immaterial improvement. Adams Electric R. Co. v. Lindell R. Co., 77 Fed. 432, 440, 23 C. C. A. 223, 231, 40 U. S. App. 482, 498; Stirrat v. Manufacturing Co., 61 Fed. 980, 981, 10 C. C. A. 216, 217, 27 U. S. App. 13, 42; McCormick v. Talcott, 20 How. 402, 405, 15 L. ed. 930; Railway Co. v. Sayles, 97 U. S. 554, 556, 24 L. ed. 1053; Brill v. Car Co., 90 Fed. 666, 33 C. C. A. 213, 62 U. S. App. 276. But the great majority of patents falls between these two extremes. They are neither for pioneer inventions nor for improvements so slight as to be almost immaterial. While they do not evidence the first or the last step in the progress of the art to which they relate, they often mark signal advances and protect useful improvements. The doctrine of mechanical equivalents conditions the construction of all these patents, and in determining questions concerning them the breadth of the signification of the term is proportioned in each case to the character of the advance or invention evidenced by the patent under consideration, and is so interpreted by the courts as to protect the inventor against piracy and the public against unauthorized monopoly. Schroeder v. Brammer, (C. C.) 98 Fed. 880; McSherry Mfg. Co. v. Dowagiac Mfg. Co., 41 C. C. A. 627, 101 Fed. 716, 721; Bundy Mfg. Co. v. Detroit Time-Register Co., 94 Fed. 524, 36 C. C. A. 375; Miller v. Manufacturing Co., 151 U. S. 186, 207, 14 Sup. Ct. 310, 38 L. ed. 121; Penfield v. Chambers Bros. Co., 92 Fed. 639, 647, 34 C. C. A. 579, 587; McCormick Harvesting Mach. Co. v. Aultman, Miller &

Co., 69 Fed. 371, 16 C. C. A. 259, 37 U. S. App. 299; Muller v. Tool Co., 77 Fed. 621, 630, 23 C. C. A. 357, 366, 47 U. S. App. 189, 204. The doctrine of mechanical equivalents is governed by the same rules and has the same application when the infringement of a patent for a combination is in question as when the issue is over the infringement of a patent for any other invention. Schroeder v. Brammer, (C. C.) 98 Fed. 880; Imhaeuser v. Buerk, 101 U. S. 647, 653, 25 L. ed. 945; Griswold v. Harker, 62 Fed. 389, 391, 10 C. C. A. 435, 437, 27 U. S. App. 122, 150; Thomson v. Bank, 53 Fed. 250, 253, 3 C. C. A. 518, 521, 10 U. S. App. 500, 509; Seymour v. Osborne, 11 Wall. 516, 542, 548, 20 L. ed. 33; Gould v. Rees, 15 Wall. 187, 189, 21 L. ed. 39; Fay v. Cordesman, 109 U. S. 408, 420, 3 Sup. Ct. 236, 27 L. ed. 979; Water-Meter Co. v. Desper, 101 U. S. 332, 25 L. ed. 1024; Gage v. Herring, 107 U. S. 640, 2 Sup. Ct. 819, 27 L. ed. 601; Machine Co. v. Murphy, 97 U. S. 120, 24 L. ed. 935; National Cash Register Co. v. American Cash Register Co., 53 Fed. 367, 373, 3 C. C. A. 559, 565, 3 U. S. App. 340, 357; Belding Mfg. Co. v. Challenge Corn Planter Co., 152 U. S. 100, 14 Sup. Ct. 492, 38 L. ed. 370. Mere changes of the form of a device or of some of the mechanical elements of a combination secured by patent will not avoid infringement, where the principle or mode of operation is adopted, unless the form of the machine or of the elements changed is the distinguishing characteristic of the invention. Watch Co. v. Robbins, 64 Fed. 384, 396, 12 C. C. A. 174, 187, 22 U. S. App. 601, 634; New Departure Bell Co. v. Bevin Bros. Mfg. Co., (C. C.) 64 Fed. 859. * * *

Where the advance towards the desideratum is gradual, and several inventors form different combinations which accomplish the desired result with varying degrees of operative success, each is entitled to his own combination so long as it differs from those of his competitors and does not include theirs. Railway Co. v. Sayles, 97 U. S. 554, 556, 24 L. ed. 1053; McCormick v. Talcott, 20 How. 402, 405, 15 L. ed. 930; Stirrat v. Manufacturing Co., 61 Fed. 980, 981, 10 C. C. A. 216, 217, 27 U. S. App. 13, 42; Griswold v. Harker, 62 Fed. 389, 391, 10 C. C. A. 435, 438, 27 U. S. App. 122, 150; Adams Electric Ry. Co. v. Lindell Ry. Co., 77 Fed. 432, 440, 23 C. C. A. 223, 231, 40 U. S. App. 482, 498. * * *

It is true that if a patentee acquiesces in the rejection of his claim on references cited in the patent office, and accepts a patent on an amended claim, he is thereby estopped from maintaining that the amended claim covers the combinations shown in the references, and from claiming that it has the breadth of the claim that was rejected. Roemer v. Peddie, 132 U. S. 313, 317, 10 Sup. Ct. 98, 33 L. ed. 382; Morgan Envelope Co. v. Al-

bany Perforated Wrapping Paper Co., 152 U. S. 425, 429, 14 Sup. Ct. 627, 38 L. ed. 500; Brill v. Car Co., 90 Fed. 666, 668, 33 C. C. A. 213, 215, 62 U. S. App. 276, 282; Railroad Co. v. Kearney, 158 U. S. 461, 469, 15 Sup. Ct. 871, 39 L. ed. 1055; Knapp v. Morss, 150 U. S. 221, 14 Sup. Ct. 81, 37 L. ed. 1059; Crawford v. Heysinger, 123 U. S. 589, 8 Sup. Ct. 399, 31 L. ed. 269. But this is the limit of the estoppel. One who asquiesces in the rejection of his claim because it is said to be anticipated by other patents or references is not thereby estopped from claiming and securing by an amended claim every known and useful improvement which he has invented that is not disclosed by those references. The only limitation, therefore, imposed upon the second claim of the patent to Hien by the rejection of the original claim, was that he was thereby estopped from maintaining that it covered the devices disclosed in the references cited by the examiner, which the latter believed were within the limits of the claim first presented. * * *

There are cases wherein the form of a device is the principle of the invention. There are other cases wherein the state of the prior art and the specific terms of the specification and drawings leave no doubt of the intention of the applicant to restrict his claim to the specific form of the device or element he points out. In such cases claims of patents are sometimes limited to the specific forms of the devices pointed out by letters or numbers in the claims or specifications. Weir v. Morden, 125 U. S. 98, 107, 8 Sup. Ct. 869, 31 L. ed. 645; Railroad Co. v. Kearney, 158 U. S. 461, 469, 15 Sup. Ct. 871, 39 L. ed. 1055; Crawford v. Heysinger, 123 U. S. 589, 8 Sup. Ct. 399, 31 L. ed. 269; McCormick Harvesting Mach. Co. v. Aultman, Miller & Co., (C. C.) 58 Fed. 773; Newton v. Manufacturing Co., 119 U. S. 373, 7 Sup. Ct. 369, 30 L. ed. 442; Bragg v. Fitch, 121 U. S. 478, 7 Sup. Ct. 978, 30 L. ed. 1008; Dryfoos v. Wiese, 124 U. S. 32, 8 Sup. Ct. 354, 31 L. ed. 362; Hendy v. Iron Works, 127 U. S. 370, 375, 8 Sup. Ct. 1275, 32 L. ed. 207. But this is not a case of that character. * * *

The description in a specification or drawing of details which are not, and are not claimed as, essential elements of a combination, is the mere pointing out of the better method of using the invention. City of Boston v. Allen, 91 Fed. 248, 249, 33 C. C. A. 485, 486. A reference in a claim to a letter or figure used in the drawing and in the specification to describe a device or an element of a combination does not limit the claim to the specific form of that element there shown, unless that particular form was essential to, or embodied the principle of, the improvement claimed. Sprinkler Co. v. Koehler, 82 Fed. 428, 431, 27 C. C. A. 200, 203, 54 U. S. App. 267, 272; McCormick

Harvesting Mach. Co. v. Aultman, Miller & Co., 69 Fed. 371, 393, 16 C. C. A. 259, 281, 37 U. S. App. 299, 343; Muller v. Tool Co., 77 Fed. 621, 23 C. C. A. 357, 47 U. S. App. 189; Delemater v. Heath, 58 Fed. 414, 424, 7 C. C. A. 279, 284, 20 U. S. App. 14, 30; Reed v. Chase, (C. C.) 25 Fed. 94, 100; Walk. Pat. (3d. ed.) § 117a. That interpretation which sustains and vitalizes the grant should be preferred to that which strikes down and paralyzes it. Reece Button-Hole Mach. Co. v. Globe Button-Hole Mach. Co., 61 Fed. 958, 962, 10 C. C. A. 194, 198, 21 U. S. App. 244, 363; Consolidated Fastener Co. v. Columbian Fastener Co., (C. C.) 79 Fed. 795, 798; American Street Car Advertising Co. v. Newton St. Ry. Co., (C. C.) 82 Fed. 732, 736; McSherry Mfg. Co. v. Dowagiac Mfg. Co., 41 C. C. A. 627, 101 Fed. 716, 722. One who appropriates a new and valuable patented combination cannot escape infringement by uniting or operating its elements by means of common mechanical devices which differ from those which are pointed out for that purpose, but which are not claimed in the patent. Deering v. Harvester Works, 155 U. S. 286, 302, 15 Sup. Ct. 118, 39 L. ed. 153; City of Boston v. Allen, 91 Fed. 248, 249, 33 C. C. A. 485, 486; Schroeder v. Brammer, (C. C.) 98 Fed. 880. The application of these principles to the case at bar compels the conclusion that this grant was not limited to the exact geometrical form of the caps shown in the drawing which accompanies it, nor to the specific devices there pointed out for the purpose of fastening the elements of the combination it protects to each other, and leaves no avenue of escape from the conclusion that the appellee is guilty of an infringement of the second claim of the patent. The variation in the form of the caps which the appellee has introduced constitutes no improvement on the patented combination, is an immaterial change in obvious mechanical devices that were neither essential to nor claimed by the patentee, and served only to point unerringly to the reason of its being. The appellee's brake beam still has every element and every attribute of Hien's combination. It was made for the same purpose, and it accomplished the same result by the same means. * * *

The defense to these claims came to this court sustained by letters patent No. 609,396, issued to Francis B. Aglar, on August 23, 1898, and by the established rule that where the chancellor has considered conflicting evidence, and made his finding and conclusion thereon, they must be taken to be presumptively correct, and unless an obvious error has intervened in the application of the law, or some serious mistake has been made in the consideration of the case, the findings and decree should not be disturbed. Mann v. Bank, 86 Fed. 51, 53, 29 C.

C. A. 547, 549, 57 U. S. App. 634, 637; Tilghman v. Proctor, 125 U. S. 136, 8 Sup. Ct. 894, 31 L. ed. 664; Kimberly v. Arms, 129 U. S. 512, 9 Sup. Ct. 355, 32 L. ed. 764; Furrer v. Ferris, 145 U. S. 132, 134, 12 Sup. Ct. 821, 36 L. ed. 649; Warren v. Burt, 58 Fed. 101, 106, 7 C. C. A. 105, 110, 12 U. S. App. 591, 600; Plow Co. v. Carson, 72 Fed. 387, 383, 18 C. C. A. 606, 607, 36 U. S. App. 448, 456; Trust Co. v. McClure, 78 Fed. 209, 210, 24 C. C. A. 64, 65, 49 U. S. App. 43, 46; Exploration Co. v. Adams, (C. C. A.) 104 Fed. 404, 408. In the consideration and decision of the issues of law and fact here involved, these presumptions have neither been overlooked nor disregarded. But the state of the art of constructing brake beams in 1887, when the first patent to Hien was issued, the proceedings in the patent office, the terms of the patent, the peculiar combination of devices it secures, the obvious value and usefulness of the invention, and the plain appropriation of it by the appellee, have swept these presumptions away, and forced our minds inexorably to the conclusion that no mechanical equivalent of the combination of Hien's first patent is found in the prior art, and that the appellee's brake beam is such an equivalent. * * *

Moreover, its brake beam lacks the specific lugs and notches described in claims 3, 4 and 5 of patent No. 480,194, and for these reasons its use is not an infringement of any of the five claims of this patent under consideration. The absence from a device that is alleged to infringe a patented combination of a single element of that combination is fatal to the claim of infringement. Adams Electric R. Co. v. Lindell R. Co., 77 Fed. 432, 451, 23 C. C. A. 223, 242, 40 U. S. App. 482, 515. * * *

There are some mechanical devices so obvious and appropriate for the performance of their acustomed functions that the common knowledge and experience of those unskilled in mechanics, to say nothing of those learned in the art, at once suggests their use when the results which they customarily attain are desired. Projections or lugs on approaching jaws or flanges, for the purpose of limiting their closing, are surely among these contrivances. The moment the want of this limitation is felt, projections on the jaws or flanges naturally occur to those unskilled, as well as to those skilled, in the art, as the most obvious and appropriate means to fill the want. There can be neither discovery nor invention in applying a remedy so plain to, or in combining a contrivance so obvious with, an old mechanical device which needs it. There was, therefore, no invention in interposing the inwardly projecting lugs between the flanges of this clamp, or in combining them with the old elements of that device, to limit the closing of the flanges, in order that they might not bind the chain, and that the yoke and

bolt might grip the beam with a spring clamp; and for this reason the second claim of patent No. 430,755 is void for want of patentable novelty. Hollister v. Manufacturing Co., 113 U. S. 59, 72, 73, 5 Sup. Ct. 717, 28 L. ed. 901; Manufacturing Co. v. Mellon, 58 Fed. 705, 7 C. C. A. 439, 19 U. S. App. 239.

The discussion of the numerous issues presented in these suits is now completed. In accordance with the conclusions which have already been announced, the decree in Chicago Railway Equipment Company v. Interchangeable Brake-Beam Company must be affirmed, and the decree in National Hollow Brake-Beam Company and Chicago Railway Equipment Company v. Interchangeable Brake-Beam Company must be reversed, and that suit must be remanded to the court below, with directions to enter a decree in favor of the appellants and against the Interchangeable Brake-Beam Company for an infringement of the second claim of letters patent No. 361,009, and for the usual injunction and accounting, and to take such further proceedings in that suit as shall not be inconsistent with the views expressed in this opinion; and it is so ordered.

430. HARDINGE CONICAL MILL CO. v. ABBE ENGINEERING CO., 195 Fed. 936, (C. C. A.) (1912, Second Circuit. Patent No. 908,861).

* * *

Before Lacombe, Coxe, and Noyes, Circuit Judges.

Lacombe, Circuit Judge (after stating the facts as above):

(1) The patent sued upon is No. 908,861, issued January 5, 1909, to H. W. Hardinge for apparatus for disintegrating ores and other materials. The material to be reduced is placed in a revolving cone-shaped tumbling barrel which is rotated around its axis. The patentee states that when lumps or pieces of ore are thus rotated, the larger pieces remain in the part of the barrel having the greatest diameter, while the smaller pieces are pushed towards the apex; the result being the arranging of the pieces or bodies in the barrel according to size, and the pieces being successively smaller toward the outlet opening, which is at the apex. The advantages of such an arrangement, in facility of disintegration and economy of power, are pointed out. The patentee states that metal or flint balls may be used to effect disintegration of the ore, or this may be accomplished by the lumps of ore themselves.

Complainant put the patent in evidence and also introduced a stipulation accompanied with a blueprint and some correspondence all showing quite clearly what the defendant's apparatus is. It called no expert and rested its case.

(2) The defendant, although the answer had set up an extensive prior art, put in no testimony whatever: it did not even

introduce the patent under which counsel contends that its apparatus is made. Its contention here is that the patent is a puzzling one difficult to comprehend, and that an expert should have been called to show just what is the structure, mode of action, and result of the patented apparatus and also of defendant's; that in no other way could it be made to appear that there is such identity of structure and function as would sustain a finding of infringement.

We do not agree with defendant's counsel. We find nothing difficult, intricate, or puzzling about the specifications, the drawings, or the single claim, on which complainant relies. Possibly an expert, if allowed to talk long enough, might have made them seem puzzling by the use of a multitude of words, and the reading into the description of propositions emanating from the expert's own brain, unsuggested by anything in the specifications. Just what the structure is, how it works, and what results from its operation, is set forth in plain language in the patent; there is nothing improbable in the results which the inventor asserts, an assertion to which the Patent Office gave credit.

Moreover, the structure of the defendant is so nearly identical that the action of similar materials rotated in the tumbling barrels of both machines must, in the absence of proof to the contrary, be taken to be the same. Indeed, the spacing of the different sized pebbles in defendant's blueprint of its apparatus indicates that the action is the same. Defendant uses the tumbling barrel of the patent, but has two conical barrels and two outlets and a different method of feeding. Mere duplication will not avoid infringement, and it seems quite clear to us that defendant has appropriated the substantial features of the claim. And if there is not identity of elements operating to produce the same results, there is certainly such equivalency as to constitute infringement of a patent not confined to specific forms. Complainant is to be commended for not overloading such a simple case with expert testimony, and we think the decree should be affirmed, and that nothing further need be added to Judge Hazel's opinion. As to the statement that defendant's apparatus is built under some patent of its own, we cannot guess at what that patent is; it may only cover the "ideal spiral feed" referred to in defendant's circulars and which is a mere addition to the invention of Hardinge. If defendant intended to rely on this patent for protection, it should have put it in evidence.

Decree affirmed, with costs.

431. COLT'S PATENT FIREARMS MFG. CO. v. NEW YORK SPORTING GOODS CO., 190 Fed. 553, 111 C. C. A. 405 (1911, Second Circuit. Patent No. 580,924).

Before Lacombe, Coxe and Noyes, Circuit Judges.

Per Curiam. * * *

The other claim relied upon is:

"13. In a firearm, the combination with a frame and a barrel mounted on said frame, of a breech block or bolt carrier, comprising a breech-bolt and a forward semi-tubular extension to cover the barrel, and having an opening forward of the breech-bolt to permit the ejection of the shell."

In the opinion of a majority of the court it cannot be successfully contended that the Browning patent, No. 580,924, covers a generic invention. Automatic firearms, embodying the general principles of the Browning device, had long been known, and are shown and described in numerous prior patents heretofore referred to, notably the patent to Borchardt.

As time progressed defects were discovered, and, as usually happens in so promising a field, many skilled workers in the art entered upon the task of remedying these defects; the result being the compact and effective arm of the present day. Some of these men were inventors, others were skilled mechanics, and frequently the changes, even when made by men possessing the inventive faculty, required only the skill of the calling. The finished product of today, is to a large extent the evolution of successive improvements developed as experience demonstrated their necessity. Browning does not assume to be a pioneer. He distinctly says that his additions and changes are but improvements upon existing structures. It is not pretended that Browning was the first to construct an automatic recoil-operated firearm containing as essential elements the frame, the barrel, and the breech-slide. He has made certain definite and meritorious improvements upon this firearm, consisting, as the complainants' expert states, "in a definite structural and operative relation of these three elements to one another in the organization of the pistol."

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

It must be confined strictly to the elements as shown and described. * * *

We are convinced that we must follow the familiar rule and interpret the claim in the light of the specification, conceding to Browning all that he has accomplished, but not permitting him to collect tribute from an independent inventor, who has made other improvements in an already crowded art. The three elements of the claim—the frame, the barrel and the breech-block—are not any frame, barrel, and breech-block, but Browning's frame, barrel, and breech-block, as described and shown in his specification and drawings. It is not enough that the defendant has these three elements, unless they are found in the environment and operating in the manner described by Browning. They cannot so operate and accomplish the result sought by him unless they have the characteristics and perform the functions pointed out in the patent. His combination will not operate unless its members are assembled as he directs. The frame and the barrel must be so constructed as to permit the "limited double movement" which is so clearly emphasized. Without this the combination is inoperative.

The barrel of the patent must have a longitudinal and also a vertical movement. The bolt-carrier comprises the bolt as an integral part thereof. In the defendant's pistol the barrel is not mounted on the frame, but is mounted on the bolt-carrier. It has no longitudinal or vertical movement, but is fixed against both. The "double limited movement" of the patent is therefore wholly absent. In the defendant's structure the breech-bolt is separate from the bolt-carrier; in the patented structure the carrier comprises the bolt as an integral part thereof.

Many other differences between the two structures could be pointed out, but sufficient has been said to indicate our views. It is enough that the defendant's pistol does not have one of the elements of the combination of the claim, namely, a barrel mounted on a frame. Neither does it have the "limited double movement" which is an essential ingredient of the combination of the claim.

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

Undoubtedly a rider is mounted upon a horse, even though he wears breeches and has a saddle under him; but the illustration, though specious, fails, we think, for lack of resemblance. We

might suggest another and, perhaps, a more relevant simile. Would it be accurate to assert that the locomotive engineer seated in his cab is mounted on the rails, because his engine is so mounted?

In the most favorable view for the complainants, which can be taken of the evidence, infringement of the thirteenth claim is involved in doubt.

It follows that the decree of the Circuit Court must be affirmed, with costs.

432. AMERICAN AIR CLEANING CO. v. GENERAL COMPRESSED AIR & VACUUM MACHINERY CO., 195 Fed. 744 (1912, Seventh Circuit. Patent No. 690,084).

Before Baker, Seaman and Kohlsaat, Circuit Judges.

Baker, J.: * * *

For the claims in suit to have any validity, in view of the statement of the nature and scope of the invention made in the specification and particularly in view of the prior art, the words "substantially as described" must be taken to limit the claims to a structure which will accomplish the stated objects of the invention in substantially the manner described in the specification. State Bank v. Hillman's, 180 Fed. 732, 736, 104 C. C. A. 98; Pope Mfg. Co. v. Gormully & J. Mfg. Co., 144 U. S. 248, 253, 12 Sup. Ct. 641, 36 L. ed. 423; Westinghouse v. Boyden Power Brake Co., 170 U. S. 537, 568, 18 Sup. Ct. 707, 42 L. ed. 1136; Singer Mfg. Co. v. Cramer, 192 U. S. 265, 284, 285, 24 Sup. Ct. 291, 48 L. ed. 437. So limited, the claims are not infringed. * * *

433. WOLFF TRUCK FRAME CO. v. AMERICAN STEEL FOUNDRIES, 195 Fed. 940 (1912, Seventh Circuit. Patent No. 569,044).

* * *

The case is thus stated by the trial judge: "The bill charges infringement of claims 2, 3, and 6 of patent No. 569,044, granted to J. S. Hardie on October 6, 1896, for a metallic car truck. The claims in suit read as follows, viz.:

"2. A car truck, comprising two truck-arches rigidly connected with each other, each truck-arch having a transverse opening, the upper portion of which is contracted, a truck-bolster fitted in the upper portion of said openings, and springs seated in the openings and below the truck-bolster and respectively bearing against the truck-bolster, substantially as described.

"3. A truck having two truck-arches, each formed with an opening, the upper portion of which is contracted, a truck-bolster having its ends respectively fitted within the upper portions of said openings, and means within the upper portions of said openings, and means within the openings and below the truck-

bolster by which the truck-bolster is held in place, substantially as described. * * *

"6. A truck having a truck-arch formed with an opening, the central portion of which is enlarged over the terminals, a spring-seat fitted within the contracted lower portion of the opening, springs rested on the spring-seat, and truck-bolster fitted within the upper contracted portion of the opening, and engaged by the springs, substantially as described.

* * *

"The application upon which the patent in suit was granted was filed January 25, 1896. Of the four original claims asked for, none claimed the contracted upper part or the enlarged central portion. Original claims, 1, 2, and 4 were rejected. Original claim 3, which covered principally the means for placing and holding the bolster in the contracted upper part, was allowed. Thereupon Hardie canceled original claims 1, 2, and 4, and added claims 2 to 9, inclusive, among which appear the claims in suit. Now for the first time appears a claim for the contracted upper end and the enlarged central portion of the opening. No new specification or drawings were filed, nor was the change in the claims sworn to. The drawings disclosed the contracted upper portion and the enlarged central portion of the opening, but no reference is made thereto in the specification."

* * *

Before Baker and Seaman, Circuit Judges, and Sanborn, District Judge.

Sanborn, District Judge (after stating the facts as above):

(1) The gist of the testimony so taken under objection is that Hardie's real invention was a truck adapted for use with any bolster then known, and particularly suited to that of the type of the Schaffer bolster, having column guides, but which cannot be inserted into the side-frames unless the opening is enlarged in the manner shown in the patent drawings. But as the purpose of this enlargement is not explained in the patent or file wrapper, and since the bolster shown in the patent needs no such enlargement (working just as well with a square opening), a situation results where the sole patentable novelty asserted resides in an element wholly without use or function, and which might just as well have been entirely omitted unless explained or aided by something outside the four corners of the patent itself. From this it will be seen how very important this testimony becomes. Without it the patent as now construed by appellees has no force or effect. It may well be called Hardie's reissue. Moreover, his story is most persuasive, almost pathetic. His car truck has been highly successful in the hands

of his assignee, as evidenced by its enormous sales. The picture of the poor but brilliant inventor being cheated out of his valuable discovery by the misapprehension of his solicitors is an appealing one, well calculated to influence any court. It was said upon the argument that this testimony was taken without a shadow of doubt of its admissibility; and it is undeniable that evidence to show the patentee's equities is very common in patent cases, while motions to strike out such evidence are correspondingly rare. Therefore the question of admissibility becomes a vital one upon which alone depends the validity of the patent.

The patent record in suit presents a case quite similar to that of a patent ambiguity in a contract, which, as Lord Bacon said, could not be "holpen by averment." The enlarged opening appears in the patent drawings, and is referred to in the amended claims, but without any explanation of its purpose, or any suggestion of usefulness or function. After reading all there is in the patent, the uncertainty still remains. When the file wrapper is examined, it is found that the enlargement of the opening is made part of the amended claims, but why this was done is just as uncertain as before. The ambiguity is emphasized, but the doubt is not dispelled. So we have an element shown in the drawings, and counted on in the claims, whose purpose is a mystery, entirely without any use or function. "A patent ambiguity is an uncertainty that arises at once on the reading of the contract. We do not have to wait until some other fact is brought to our knowledge before the uncertainty is apparent, but the doubt is suggested at once, and by the phrase itself." Strong v. Waters, 27 App. Div. 299, 50 N. Y. Supp. 257. A latent ambiguity, on the other hand, is one brought out by extrinsic evidence, where the words, in themselves clear, apply equally well to two different things. Petrie v. Trustees, 158 N. Y. 458, 53 N. E. 216. "Nothing is clearer than the general rule," said Judge Story, in Peisch v. Dickson, 1 Mason 9, Fed. Cas. No. 10,911, that "latent ambiguities may be removed by parol evidence, for they arise from proof of the facts aliunde; and, where the doubt is created by parol evidence, it is reasonable that it should be removed in the same manner. But patent ambiguities exist in the contract itself; and if the language be too doubtful for any settled construction, by the admission of parol evidence, you create, and do not merely construe, the contract."

(2) The question then arises whether the contract between the government and the patentee, expressed by the patent, must not be construed to exclude all reference to the enlarged opening. Hardie's alleged use of the Schaffer bolster as an element of his invention was all before he filed his application. He tried to

make it a part of his discovery, but through his solicitors' failure to comprehend was unable to do so. Thereupon he abandoned the only forms of bolsters which could possibly have any functional connection with his real invention, and substituted an ancient form which in and of itself absolutely excluded the only use, function, or novel result he was seeking to obtain. On this basis the patent was issued, the contract made. To allow the patentee now, by parol testimony, to make a wholly different contract, and obtain an entirely different grant, is utterly inadmissible. Even as against the government, the other party to the grant, this would be unauthorized by settled principle, and how much less should it be allowed against the public, in no way bound or concluded by such grant.

In Osgood Dredge Co. v. Metropolitan Dredging Co., 75 Fed. 670, 673, 21 C. C. A. 491, defendant's declarations or admissions tending to show patentability were shown in evidence. "In that class of litigation in which the results can affect no interests except those of the parties to it, the court may well give weight to declarations of that nature; but with reference to a patent for an invention, which is of public concern, such declarations are of little consequence and neither the inventor nor the alleged infringer can be permitted to substitute his own acts or opinions for the judgment of the court. It is a thoroughly well-settled principle of patent law that in clear cases the court may, of its own motion, adjudge a patent invalid, even if its invalidity is not set up by the alleged infringer. Much more would it refuse to be controlled by evidence of this kind which the complainant thus brings to our attention."

"Were it important to inquire which of these two men would be most likely to produce a working machine having the necessary characteristics, there can be little doubt that Mr. Brush would be chosen. But such an inquiry seems irrelevant. The patent law cannot be administered along such lines as these. Patents are formal grants controlled by carefully drawn statutes and strict rules, and must be construed as other similar documents are construed. The court is not permitted to inquire what the patentee might have done or was capable of doing. The question is, What did he do? Conjecture and speculation are out of place in interpreting the claims of a patent." Coxe, J., in Edison Electric Light Co. v. E. G. Bernard Co., (C. C.) 88 Fed. 267, 275.

On the other hand, the evidence may properly show the prior art, the problem presented to the inventor, and all the surrounding circumstances, in order that the specifications and claims may be read in the light of the inventor's actual knowledge, and such information as the law imputes to him. Field, C. J., in

Giant Powder Co. v. California Vigorit Powder Co., (C. C.) 4 Fed. 720, 727, 728. Thus, a broad claim, when applied to the disclosures of the prior art (presumed to be known to the inventor), must be limited accordingly. Rules of construction must be applied, to learn what the claim means. A latent ambiguity arises, and to explain it the court may put itself in the position of the inventor, and seek to know what he knew, and what the law required him to know. But this is quite a different thing from allowing him, by testimony showing what he tried to do, and how he unfortunately failed, to make a new contract, based on evidence never disclosed either to the Patent Office or the public, and which never saw the light until it became necessary for his assignee to broaden the contract, and include something which the patentee gave up, even though he gave it up through mistake of law.

Two cases were cited on the argument in support of the contention that the testimony of Hardie is admissible. These were Ball & Socket Fastener Co. v. Kraetzer, 150 U. S. 111, 14 Sup. Ct. 48, 37 L. ed. 1019, and Steward v. American Lava Co., 215 U. S. 161, 30 Sup. Ct. 46, 54 L. ed. 139. In both these cases, however, the testimony was rather in the nature of an admission, made against interest, and was not self-serving in its character, as were the persuasive explanations of the patentee in this case. Technically speaking, Hardie had no interest, because he had assigned his patent; but his statements were not against his interest, he having none, but were in support of his assignee's attempt to broaden the scope of the public disclosure of his specifications and claims.

Disregarding this evidence, as we must, we have the case of an element not defined, vital to the validity of the patent as now construed by appellees, and which is utterly without function or use. Within the loosest construction of the statute requiring full, clear, concise description, the appellees' contention respecting the lawful scope of the patent in suit cannot be sustained. Merrill v. Yeomans, 94 U. S. 568, 24 L. ed. 235; Bates v. Coe, 98 U. S. 31, 25 L. ed. 68; Incandescent Lamp Patent, 159 U. S. 465, 16 Sup. Ct. 75, 40 L. ed. 221.

Within the rules of Blease v. Garlington, 92 U. S. 1, 23 L. ed. 521, and Nelson v. United States, 201 U. S. 92, 114, 26 Sup. Ct. 358, 50 L. ed. 673, settling the rule as to the return on appeal of inadmissible evidence taken below, defendant's counsel might have moved before hearing to strike out so much of Hardie's testimony as related to his conferences with his solicitors, and to his re[illegible]vention, or insisted on the hearing (as they did) upon the [illegible]tion. Whatever action might have been taken by the co[illegible]ither event, the evidence would nevertheless be

part of the record on appeal, even if struck out by the trial judge. Under the cases cited, and by the common practice, all evidence taken, whether struck out or not, is to go up on appeal.

The decree appealed from is reversed, with direction to dismiss the bill for want of equity.

433a.

[The patent is prima facie proof of invention, patentability and regularity in its issue. Philadelphia, etc., R. Co., v. Stimpson, 14 Pet. (U. S.) 448, 10 L. ed. 535; Corning v. Burden, 15 How. (U. S.) 252, 14 L. ed. 683; Seymour v. Osborne, 78 U. S. 516, 20 L. ed. 33; Marsh v. Seymour, 97 U. S. 348, 24 L. ed. 963; Hunt Bros. v. Cassidy, 53 Fed. 257, 3 C. C. A. 525.]

434. ATLAS GLASS CO. v. SIMONDS MFG. CO., 102 Fed. 643, 42 C. C. A. 554.

The meaning of the words "patent" and "patented" as used in section 4887, is not difficult to ascertain. The word "patent," originally a qualifying adjective applied to the "open letters" by which a sovereign grants an estate or privilege, has come to mean, in connection with the so-called patent laws of the United States, as well as in common parlance, the exclusive privilege itself granted by the sovereign authority to an inventor with respect to his invention. What the nature and extent of the exclusive privilege thus granted by the constitution and laws of the United States may be depends upon the terms of the act of Congress providing for and regulating the same; and, when this section 4887 speaks of an invention which has been previously patented in a foreign country, it obviously means an invention with respect to which the inventor has received from the sovereign authority of such foreign country such exclusive privilege as its laws provide for or sanction.

435. BUTTERWORTH v. HOE, 112 U. S. 50, 28 L. ed. 656, 5 Sup. Ct. 25.

[See Const., Art. I, sec. 8.]

The legislation based on this provision regards the right of property in the inventor as the medium of the public advantage derived from his invention; so that in every grant of the limited monopoly two interests are involved, that of the public, who are the grantors, and that of the patentee. There are thus two parties to every application for a patent, and more, when, as in case of interfering claims or patents, other private interests compete for preference. The questions of fact arising in this field find their answers in every department of physical science, in every branch of mechanical art; the questions of

law, necessary to be applied in the settlement of this class of public and private rights, have founded a special branch of technical jurisprudence.

[The following under this heading are brief extracts to complete the discussion.]:

436. BATES v. COE, 98 U. S. 31, 25 L. ed. 68.

Power to grant patents is conferred upon the commissioner; and when that power has been duly exercised, it is, of itself, when introduced in evidence in cases like the present, prima facie evidence that the patentee is the original and first inventor of that which is therein described as his invention. Proof may be introduced by the respondent to overcome that presumption but in the absence of such proof, the prima facie presumption is sufficient to enable the party instituting the suit to recover for the alleged violation of his rights.

437. PALMER V. CORNING, 156 U. S. 342, 39 L. ed. 445, 15 Sup. Ct. 381.

There is no doubt that the letters patent are prima facie evidence that the device was patentable. Still, we are always required, with this presumption in mind, to examine the question of invention vel non upon its merits in each particular case.

438. [illegible]REN CO. v. ROSENBLATT, 80 Fed. 540, 25 C. C. A. 625.

The presumption referred to is sometimes defined to mean that the patent itself is prima facie evidence of novelty and of invention, but that presumption is probably a mere rule of evidence, which casts the burden of proof upon the alleged infringer. This presumption cannot usurp the province of the court to declare what constitutes novelty. The court should give due consideration to the action of the patent office, but should not permit that action to control its deliberate judgment when it is manifest that there is no invention.

439. ROGERS v. FITCH, 81 Fed. 959, 27 C. C. A. 23.

In view of the fact that the examiners-in-chief seem not to have had the remotest conception of what the specifications showed, or of what Fulton claimed, the presumption in this case of patentability arising from the allowance of the application by the patent office is of no practical value.

440. FAIRBANKS, ETC., CO. v. STICKNEY, 123 Fed. 79, 59 C. C. A. 205.

The officials of the Patent Office, with the prior art before them so found, and granted a patent. This action on their part

creates a presumption of patentable novelty, which presumption can be overcome only by clear proof that they were mistaken, and that the combination lacks patentable novelty.

441. ELECTRICAL ACCUMULATOR CO. v. BRUSH ELECTRIC CO., 52 Fed. 130, 2 C. C. A. 682.

If letters patent were to be treated by courts in the critical and hostile spirit which a plea in abatement formerly encountered, the contention of the defendant would have technical importance; but courts do not construe letters patent for the purpose of their destruction.

442. THOMSON-HOUSTON ELECTRIC CO. v. WESTERN ELECTRIC CO., 72 Fed. 530, 19 C. C. A. 1.

In the construction of a patent, it is not the personal intent or understanding of the patentee, but the actual facts regarding the invention, that are material.

443. ROBERTS v. RYER, 91 U. S. 150, 23 L. ed. 267.

The inventor of a machine is entitled to the benefit of all the uses to which it can be put, no matter whether he has conceived the idea of the use or not.

444. GOSHEN SWEEPER CO. v. BISSELL CARPET SWEEPER CO., 72 Fed. 67, 19 C. C. A. 13.

He is entitled to this beneficial function of his invention, whether he then knew all its beneficial uses or not.

445. REECE BUTTON-HOLE MACH. CO. v. GLOBE BUTTON-HOLE MACH. CO., 61 Fed. 958, 10 C. C. A. 194.

The rule is clear that ordinarily a patentee who is first to make an invention is entitled to his claim for all the uses and all the advantages which belong to it, so far as the new application does not itself involve further invention.

446. MULLER v. LODGE, ETC., TOOL CO., 77 Fed. 621, 23 C. C. A. 357.

An inventor is entitled to all the uses of which his invention is capable, whether he then knew of all such uses or not. It is not necessary that he shall state all the beneficial results, effects, uses, or advantages of the mechanism which he has devised.

447. CANDA v. MICHIGAN, ETC., IRON CO., 124 Fed. 486, 61 C. C. A. 194.

If the patent gave reason to suppose that the inventor may probably have contemplated that his device was capable of

other uses, and made adequate provisions therefor, his invention should be regarded as covering them, whether he mentioned them or not, or whether he contemplated any other particular use or not.

448. WESTMORELAND SPECIALTY CO. v. HOGAN, 167 Fed. 327, 93 C. C. A. 31.

But the mere failure of a patentee to realize all the benefits and possibilities of his invention is not fatal. The after-discovery of unsuspected usefulness in a disclosed apparatus, far from detracting from its value, may serve to enhance it.

449. TEMPLE PUMP CO. v. GOSS PUMP, ETC., CO., 58 Fed. 196, 7 C. C. A. 174.

It is, of course, true that a mistaken description, or even misconception of the operation of a device which is itself fitly described and claimed, does not vitiate a patent.

450. WELLS v. CURTIS, 66 Fed. 318, 13 C. C. A. 494.

If the idea [of invention] was not present to his mind, but is an after-thought perceived from subsequent experience or scientific inspection or analysis, it is obvious that there was no invention in thus by accident, as it were, supplying the means of a function not contemplated.

451. PARSONS v. SEELYE, 100 Fed. 455, 40 C. C. A. 486.

A man may, under certain circumstances, be protected in building stronger than he knows. And in this sense it is broad enough to include the idea that, if the momentum element which was described, or at least illustrated by the drawings, becomes, in practical operation, a more potent and efficient element than was understood, still the patent should not be rendered invalid for that reason.

452. GENERAL ELECTRIC CO. v. BULLOCK, ETC., MFG. CO., 152 Fed. 427, 81 C. C. A. 569.

It does not follow that, because the patentee did not state all the advantages of his invention, he was ignorant of them. But if he was, yet if those advantages were really present, they might properly be taken into account in estimating the novelty and utility of the invention. In a number of opinions of this court it has been held that it is not necessary for the patentee to describe in detail all the beneficial functions which he claims

will result from his invention. It is enough if those functions are evident and obviously contribute to the success of the invention.

453. WESTINGHOUSE ELECTRIC, ETC., CO. v. STANLEY INSTRUMENT CO., 133 Fed. 167, 68 C. C. A. 523.

Possibly he valued no other two-phased alternating current motors, or he conceived that there were no others, so that naturally the practical application which he had in mind was limited accordingly. Nevertheless he is entitled to the advantage of the well-settled rule by virtue of which an inventor who has patented his invention is entitled to all the uses to which it may be applied of the class to which he himself practically applied it.

454. KUHLMAN ELECTRIC CO. v. GENERAL ELECTRIC CO., 147 Fed. 709, 78 C. C. A. 97.

The object that Dobrowolsky seemed to have chiefly in mind was to avoid the useless converting of energy into heat by the constant and rapid changing of poles of the transformer apparatus then in use. As things have turned out this has not proven the chief actual advantage. * * * Now though these advantages be different from the one chiefly in the patentee's mind, the invention will not on that account fail, if there be in the concept an actual advantage, and the structure embodying it evinces patentable invention; for a patentee is entitled, not only to what he specifically sees, but to what has been brought about by his invention, even though not at the time actually seen.

455. BATES MACH. CO. v. FORCE, ETC., CO., 149 Fed. 220, 79 C. C. A. 178.

It is true that a patentee is entitled to all the beneficial uses of his real invention, whether stated or not. But the fact that this patentee, while enumerating in his specification some 12 advantages resulting from his improved construction has not even hinted at or suggested any resulting capacity for vertical removal of the plunger, is very persuasive that this element, instead of being "the aim and purpose of the invention," of the patentee, is rather the discovery of his expert.

456. BALL & SOCKET FASTENER CO. v. EDGARTON MFG. CO., 96 Fed. 489, 37 C. C. A. 523.

The patentee did not show the court what were the real advantages and extent of his alleged improvement, and therefore the court was unable to find infringement in anything which did not respond precisely to the form and letter of the patent.

457. CLEVELAND FOUNDRY CO. v. DETROIT VAPOR STOVE CO., 131 Fed. 853, 68 C. C. A. 233.

But if the fact that his construction does effect the results, and they are beneficial, he is none the less entitled to the benefit of his invention though he may not have correctly understood the principles of its operation.

458. STILWELL-BIERCE, ETC., CO. v. EUFAULA COTTON OIL CO., 117 Fed. 410, 54 C. C. A. 584.

An inventor is not required to describe in full all the beneficial functions to be performed by his machine. If the thing accomplished is a necessary consequence of the improvement made and described, making it obvious that the inventor intended the thing accomplished, though not specifically pointed out, he is entitled to the benefit thereof in construing his patent.

459. BALL & SOCKET FASTENER CO. v. BALL GLOVE FASTENING CO., 58 Fed. 818, 7 C. C. A. 498.

It is true that by a practice which seems to have somewhat gained favor in the courts, and which appears to be preferred by some patent solicitors, a description is held sufficient, if from it, aided by the drawings, the model, and the other parts of the application, the invention can be fully ascertained. Rob. Pat. sec. 489, note 1. In other words, the position seems to be that what can be made certain by any reasonable amount of skill is of itself certain.

While, however, it is not necessary, for the present case, to consider how far a description is sufficient which gives only the details of the article claimed, without stating the pith of what the novelty consists of, or how far the invention extends, we are compelled to repeat that the absence of this, in the case at bar, alike in the specifications and in the proofs, in connection with the complicated history of this second claim, and the entire lack of explanation of the various steps taken in perfecting it, has added to the difficulty which the court has had in arriving at its conclusions. [Bill dismissed.]

460. SEWALL v. JONES, 91 U. S. 171, 23 L. ed. 275.

The principle is this: The omission to mention in the specification something which contributes only to the degree of benefit, providing the apparatus would work beneficially and be worth adopting without it, is not fatal, while the omission of what is known to be necessary to the enjoyment of the invention is fatal.

461. CROWN v. STANDARD, 136 Fed. 841, 69 C. C. A. 200.

The brevity and simplicity of his specification and claim do not detract from the merit and validity of his patent, and are a refreshing contrast to the verbosity of the patent in suit.

462. LYONS v. RUCKER, 106 Fed. 416, 45 C. C. A. 368.

A careful study of the great mass of words with which the draughtsman of the patent seems to have sought to magnify the invention, shows how extremely slight is the improvement upon which complainant relies.

463. HEMOLIN v. HARDWAY, 138 Fed. 54, 70 C. C. A. 480.

But is is well settled that when a patent contains a sufficient disclosure of the claimed invention, it will not be invalidated either by the failure of the patentee to state the causes which produce the operation, or by a mistaken statement as to the reasons therefor. The sufficiency of the disclosure and the novelty and utility of the result are the sufficient considerations for the grant.

464. CONSOLIDATED SAFETY VALVE CO. v. CROSBY, ETC., VALVE CO., 113 U. S. 157, 28 L. ed. 939, 5 Sup. Ct. 513.

The direction given in the patent is, that the flange or lip is to be separated from the valve seat by about one sixty-fourth of an inch for an ordinary spring, with less space for a strong spring and more space for a weak spring, to regulate the escape of the steam, as required. As matter of law, this description is sufficient within the rule laid down in Wood v. Underhill, 5 How. 1, and it is not shown to be insufficient, as a matter of fact.

465. COCHRANE v. BADISCHE, ETC., FABRIK, 111 U. S. 293, 28 L. ed. 433, 4 Sup. Ct. 455.

Every patent for a product or composition of matter must identify it so that it can be recognized aside from the description of the process for making it, or else nothing can be held to infringe the patent which is not made by that process.

466. EDISON ELECTRIC LIGHT CO. v. UNITED STATES ELECTRIC, ETC., CO., 52 Fed. 300, 3 C. C. A. 83.

It is immaterial that the philosophy of electrical heating of the pumps is better understood today than it was in 1879, so long as the requirements of the patent would not be complied with by one skilled in the art unless he did in fact so heat the filaments.

467. CEREALINE MFG. CO. v. BATES, 101 Fed. 272, 41 C. C. A. 341.

The statement of a process upon the part of a patentee, to be sustainable, must not only clearly distinguish the old from the new, so that the novelty claimed is obvious, but must point out the new steps so definitely, that one wishing to use that process for the production of the desired product, will have a clear chart before his eye.

468. MATHESON v. CAMPBELL, 78 Fed. 910, 24 C. C. A. 384.

The applicants for this patent were in Europe and their solicitor here evidently knew little, if anything, about the chemistry of azo products; and there is nothing in the record to suggest that the changes which the solicitor made were due to anything except his own ignorance, or that he had any intent to mislead or to conceal. It is not doubted that an applicant is bound by the acts of his solicitor, but this contention seems to go beyond this wholesome rule when it seeks to void a patent, upon the theory of a fraudulent concealment or fraudulent misrepresentation because, through the solicitor's ignorance, the specifications, when describing the process of manufacture, contain some immaterial error or omission, which could not mislead a person skilled in the art.

469. MAURER v. DICKERSON, 113 Fed. 870, 51 C. C. A. 494.

The suggestion that the description commencing with the words "in carrying out my process practically I proceed as follows," is only one specific example of the invention, is not to be accepted. * * * Undoubtedly the specification, as a whole, evinces that the invention is limited to the para product. * * * We cannot see that Matheson v. Campbell, 78 Fed. 910, 24 C. C. A. 384, decides anything favorable to the contention of this appellant. The facts there differed radically from the facts of this case. The patent Hinsberg unlike the patent involved in Matheson v. Campbell, is distinctly limited to one individual product, fully described and unmistakably identified.

470. THOMSON-HOUSTON ELECTRIC CO. v. WESTERN ELECTRIC CO., 72 Fed. 530, 19 C. C. A. 1.

To this mode of discussion section 4888 is pertinent. It requires that an application for a patent (not the claim) shall contain a written description of the supposed invention, and of the manner of constructing and using it, "in such full, clear, con-

cise and exact terms as to enable any person skilled in the art * * * to make and use the same;" and it follows that, in determining whether the invention described in one patent differs from that described in another, evidence may be heard—and, in a difficult case, manifestly ought to be heard—concerning the construction and actual operation of each. * * *

It may be conceded, as asserted, that the differences of operation could be brought about by mechanical changes so minute that the most expert telephonist in the world, taking an instrument at random out of the line could not tell by mere inspection of it whether it would be a Reis or a Blake in operation and result; but a mere hearing would be enough. * * * By way of further illustration, it is said that "there is a cabinet in the Agassiz Museum at Cambridge, containing a row of mounted skeletons, beginning at one end with a monkey and ending at the other with a Caucasian. The difference between the extremes is wide enough, but the two half-way chaps look like brothers. But they are not brothers. By neither man nor monkey has a live one of either kind ever been mistaken for the other, and in skeletons, with all the zeal of the Darwinians to find the missing link, they remain, to the experts, easily distinguishable, and can only be said to resemble. In the light of present knowledge, the Caucasian, as an invention, is not anticipated by the Simian.

471. CROWN CORK, ETC., CO. v. ALUMINUM STOPPER CO., 108 Fed. 845, 48 C. C. A. 72.

The object of the drawings filed in the Patent Office is attained if they clearly exhibit the principles involved, and, in a case like this, rigid adherence to the dimensions thus exhibited is not required or expected, and if an intelligent mechanic would so proportion the dimensions as to secure practical results, inutility is not demonstrated by experiments with material identical in form and proportion of parts with the drawings in the patent.

472. WESTERN TELEPHONE MFG. CO. v. AMERICAN ELECTRIC TELEPHONE CO., 131 Fed. 75, 65 C. C. A. 313.

But the drawings are not required to be working plans. They must be read in connection with the description and claims, and any inferences arising from omissions or inconsistencies in the drawings must yield to a legally sufficient specification.

And see further:

473. SCHREIBER, ETC., v. GRIMM, 72 Fed. 671, 19 C. C. A. 67.

474. ELGIN, ETC., CO. v. CREAMERY, ETC., MFG. CO., 80 Fed. 293, 25 C. C. A. 426.

475. DASHIELL v. GROSVENOR, 162 U. S. 425, 40 L. ed. 1025, 16 Sup. Ct. 805.

The very fact that a machine is patented is some evidence of its operativeness, as well as of its utility,and where a model is constructed after a design shown in a patent, which is not perfectly operative, but can be made so by a slight alteration, the inference is that there was an error in working out the drawings, and not that the patentee deliberately took out a patent for an inoperative device.

476. PACKARD v. LACING-STUD CO., 70 Fed. 66, 16 C. C. A. 639.

We are even further from an ability to determine that a mechanic of ordinary skill in the art could not take the patented machine in issue, and, with the aid of the specification, overcome the minor difficulty to which the appellant refers. The law does not require more than this. Persons possessed of the most brilliant conceptions are sometimes the poorest mechanics.

477. SCOTT v. FISHER, 145 Fed. 915, 76 C. C. A. 447.

It is frequently a charactristic of generic inventions that their first embodiments work imperfectly, and where the imperfections may be remedied, as in this case, by what amounts to a mere readjustment of relative sizes, such change does not affect the character of the underlying creative conception.

478. BATES v. COE, 98 U. S. 31, 25 L. ed. 68.

Cases arise not infrequently where the actual invention described in the specification is larger than the claims of the patent; and in such cases it is undoubtedly true that the patentees in a suit for infringement must be limited to what is specified in the claims annexed to the specification, but it is equally true that the claims of the patent, like other provisions in writing must be reasonably construed, and in case of doubt or ambiguity it is proper in all cases to refer back to the descriptive portions of the specification to aid in solving the doubt or in ascertaining the true intent and meaning of the language employed in the claims; nor is it incorrect to say that due reference may be had to the specification, drawings and claims of a patent, in order to ascertain its true legal construction. * * * In construing patents it is the province of the court to determine what the subject-matter is upon the whole face of the specification and the accompanying drawings.

479. EVANS v. EATON, 7 Wheat (U. S.) 356, 5 L. ed. 472.

The specification then has two objects: one is to make known the manner of constructing the machine (if the invention is of a machine), so as to enable artisans to make and use it, and thus to give the public the full benefit of the discovery after the expiration of the patent. * * * The other object of the specification is to put the public in possession of what the party claims as his own invention, so as to ascertain if he claims anything that is in common use, or is already known, and to guard against prejudice or injury from the use of an invention, which the party may otherwise innocently suppose not to be patented. It is therefore, for the purpose of warning an innocent purchaser or other persons using a machine, of his infringement of the patent; and at the same time taking from the inventor the means for practising upon the credulity, or the fears of other persons by pretending that his invention is more than what it really is, or different from its ostensible objects.

480. HOWE MACH. CO. v. NATIONAL NEEDLE CO., 134 U. S. 388, 33 L. ed. 963, 10 Sup. Ct. 570.

The claim is a statutory requirement, prescribed for the vary purpose of making the patentee define precisely what his invention is; and it is unjust to the public, as well as an evasion of the law, to construe it in a manner different from the plain import of its terms.

481. CONTINENTAL PAPER BAG CO. v. EASTERN PAPER BAG CO., 210 U. S. 405, 51 L. ed. 1122, 28 Sup. Ct. 748.

The invention, of course, must be described, and the mode of putting it to practical use, but the claims measure the invention. They may be explained and illustrated by the description. They cannot be enlarged by it.

482. GENERAL FIRE, ETC., CO. v. MALLERS, 110 Fed. 529, 49 C. C. A. 138.

We may go to the description to amplify a claim, but we cannot, out of the mere descriptive portion of the patent, wholly create a claim.

483. CANDA v. MICHIGAN, ETC., IRON CO., 124 Fed. 486, 61 C. C. A. 194.

The claims cannot be broadened or be made to include things not therein included, but to know what is included we may resort to the specification for the purpose of interpreting the claim.

It is well settled that for such purpose, and especially when the claim refers to the specification for further description, it is proper to resort to the specification, if explanation is necessary.

484. ROBINS, ETC., BELT CO. v. AMERICAN, ETC., MACH. CO., 145 Fed. 923, 76 C. C. A. 461.

If any doubt existed as to the meaning of the claim, or if it were susceptible of two interpretations, it would be both right and proper that reference should be made to the drawings and specifications, not for the purpose of changing or altering the claim, but to ascertain its true and proper interpretation.

485. WHITE v. DUNBAR, 119 U. S. 47, 30 L. ed. 303, 7 Sup. Ct. 72.

Some persons seem to suppose that a claim in a patent is like a nose of wax, which may be turned and twisted in any direction, by merely referring to the specification so as to make it include something more than, or something different from, what its words express. The context may undoubtedly be resorted to, and often is resorted to, for the purpose of better understanding the meaning of the claim; but not for the purpose of changing it, and making it different from what it is. The claim is a statutory requirement, prescribed for the very purpose of making the patentee define precisely what his invention is; and it is unjust to the public as well as an evasion of the law, to construe it in a manner different from the plain import of its terms.

486. SOEHNER v. FAVORITE STOVE, ETC., CO., 84 Fed. 182, 28 C. C. A. 317.

These are a few of the great number of cases in which the foregoing rule has been approved and applied. Of course, if the language of a claim, in the light of the specifications, does not show that the patentee has described a practical combination, there is an end of it, and the claim is nugatory.

487. NATIONAL ENAMELING, ETC., CO. v. NEW ENGLAND ENAMELING CO., 151 Fed. 19, 80 C. C. A. 485.

The rule is fundamental, in the construction of patents, that the claim in the patent is the measure of the invention. The specification may be referred to to explain any ambiguity in the claim, but it cannot be referred to for the purpose of expanding or changing the claim.

488. DURAND v. SCHULZE, 61 Fed. 819, 10 C. C. A. 97.

In the apt words of Judge Dallas, in rendering the decree of the circuit court (60 Fed. 392), "the law prescribes that the claim must be taken as defining precisely what the invention covered by the patent is, and, hence, the true question is, not what the patentee might have claimed, but what he has claimed."

489. LEWIS v. PENNSYLVANIA STEEL CO., 59 Fed. 129, 8 C. C. A. 41.

The patentee has disclosed only one particular construction operating in a defined way, and this construction he has claimed. It is idle to speculate whether or not he might have made a broader claim. The court is powerless to relieve him from the consequences of self-imposed limitations.

490. DEY TIME REGISTER CO. v. SYRACUSE TIME RECORDER CO., 161 Fed. 111, 88 C. C. A. 275.

When a claim is explicit the courts cannot alter or enlarge it.

491. HENDY v. GOLDEN STATE, ETC., IRON WORKS, 127 U. S. 370, 32 L. ed. 207, 8 Sup. Ct. 1275.

[Claims specifically covered cylinders with chambers or depressions. Held, they could not be construed to cover plain cylinders.]

492. ASHTON VALVE CO. v. COALE, ETC., VALVE CO., 52 Fed. 314, 3 C. C. A. 98.

In insisting now that the defendant has incorporated this vital feature in its safety-valve, the complainant seems to place itself precisely within the animadversion of the Supreme Court in the case of Western Electric Mfg. Co. v. Ansonia Brass & Copper Co., 114 U. S. 447, 29 L. ed. 210, 5 Sup. Ct. 941, where it says, "It has been held by this court that the scope of letters patent should be limited to the invention covered by the claim; and, though the claim may be illustrated, it cannot be enlarged by the language of other parts of the specification."

493. ELECTRIC SMELTING, ETC., CO. v. PITTSBURG REDUCTION CO., 125 Fed. 926, 60 C. C. A. 636.

Various other limitations upon the claims are urged by which the defendant seeks to avoid infringement. They are of the same general nature and proceed upon the initial fallacy, namely, that in a generic process patent every phenomenon observed during operation and every minute detail described must be read into the claims and that the least departure from the claims

as so construed avoids infringement. Neither position is tenable. In a patent like Bradley's the claims should be as broad as the invention and, even if unnecessary and unreasonable limitations are incorporated in the claims, the court should interpret them liberally and not permit a defendant to escape who reaches the same result by analogous means, though he may employ additional elements and improve mechanical appliances.

494. SCHREIBER, ETC., MFG. CO. v. ADAMS CO., 117 Fed. 830, 54 C. C. A. 128.

It may be that Farwell's invention would have entitled him to make a broader claim, * * * but his patent makes no such broad claim. It is in this respect like the patent under consideration in Keystone Bridge Co. v. Phoenix Iron Co., 95 U. S. 274, 24 L. ed. 344.

495. HARDER v. UNITED STATES PILING CO., 160 Fed. 463, 87 C. C. A. 447.

If in truth Harder understood the now stated objections, and was the first to conceive and embody a way of overcoming them, he carefully refrained from saying so. Now a patent is to be sustained not for what an inventor may have done in fact, but only for what he "particularly points out and distinctly claims" in his open letter.

496. BRAMMER v. SCHROEDER, 106 Fed. 918, 46 C. C. A. 41.

The general rule of the patent law is that one who invents and secures a patent for a machine or combination which first performs a useful function is thereby protected against all machines and combinations which perform the same function by equivalent mechanical devices; but one who merely makes and secures a patent for a slight improvement on an old device or combination, which performs the same function before as after the improvement, is protected against those only who use the very device or improvement he describes and claims, or mere colorable evasions of it. Adams Electric Ry. Co. v. Lindell Ry. Co., 77 Fed. 432, 440, 23 C. C. A. 223, 231, 40 U. S. App. 498; Stirrat v. Manufacturing Co., 61 Fed. 980, 981, 10 C. C. A. 216, 217, 27 U. S. App. 13, 42; McCormick v. Talcott, 20 How. 402, 405, 15 L. ed. 930; Railway Co. v. Sayles 97 U. S. 554, 556, 24 L. ed. 1053.

497. GROTH v. INTERNATIONAL POSTAL SUPPLY CO., 61 Fed. 284, 9 C. C. A. 507.

It is therefore insisted that the claims of the patent should have a liberal construction, and that the special devices described

in the specification "are not necessary constituents of the claims." Morley, etc., Machine Co. v. Lancaster, 129 U. S. 263, 32 L. ed. 715, 9 Sup. Ct. 299. This just principle is one that is well recognized, but another principle is, at the present stage of the patent law, of equal force, which is that the construction of the patent must be in conformity with the self-imposed limitations which are contained in the claims.

498. DELEMATER v. HEATH, 58 Fed. 414, 7 C. C. A. 279.

A mere reference in a claim to a letter on the drawing does not of itself limit the claim to the precise geometrical shape shown in the drawing (Reed v. Chase, 25 Fed. 100) even though the description of the drawing in the specification refers to the part thus lettered by an adjective appropriate to the form shown in the drawing, unless that particular form is pointed out in the specification, or was known by the state of the art to be the particular improvement the inventor claimed.

499. UNION WATER METER CO v. DESPER, 101 U. S. 332, 25 L. ed. 1024.

That the courts of this country cannot always indulge the same latitude which is exercised by English judges in determining what parts of a machine are or are not material. Our law requires the patentee to specify particularly what he claims to be new, and if he claims a combination of certain elements or parts, we cannot declare that any one of these elements is immaterial. The patentee makes them all material by the restricted form of his claim. We can only decide whether any part omitted by an alleged infringer is supplied by some other device or instrumentality which is its equivalent.

500. JONES v. DAVIS, 138 Fed. 62, 70 C. C. A. 558.

The meaning of the claim is plain. It does not require, and therefore it is not open to, interpretation. It is so explicit that the courts cannot alter or enlarge it.

501. TAYLOR v. SAWYER SPINDLE CO., 75 Fed. 301, 22 C. C. A. 203.

A patentee is not required to claim the entire machine in each claim. Each of the claims at issue is for a complete combination of the spindle and its supporting tube and devices, and there was no necessity for expressing in terms the devices for revolving the spindle. Any appropriate means for operating it will be understood. The omission of the sleeve whirl does not affect the validity of either one of the claims, which belong

to that class where reference may be made to the specifications to supply in a claim what it is plain, to anyone skilled in the art, is a necessary incident.

502. NATIONAL ENAMELING, ETC., CO. v. NEW ENGLAND ENAMELING CO., 151 Fed. 19, 80 C. C. A. 485.

The requirement of the patent law that a patentee shall claim in his patent the exact invention is not only to enable the public to use it after the term of the patent has expired, but is also for the purpose of enabling anyone to determine what the invention is, which is protected by the patent, and what processes which are not protected by the patent may be used in the same manufacture. A person who discovers a new and useful invention does not obtain a monopoly under the patent laws unless he claims his invention in his patent. Even if he describes his invention in the specifications, and then claims as his invention something he has not invented, his patent is good for nothing.

503. CORNING v. BURDEN, 15 How. (U. S.) 252, 14 L. ed. 683.

He cannot describe a machine which will perform a certain function and then claim the function itself, and all other machines that may be invented to perform the same function.

504. LANYON ZINC CO. v. BROWN, 129 Fed. 912, 64 C. C. A. 344.

It is an elementary rule that a patentee may claim the whole or a part of what he has invented. He is entitled to limit his claims to any extent that may seem desirable, but, having done so, his right to protection is also limited, since the claim actually made by the patentee is the measure of his right to relief.

505. AMERICAN WRITING MACH. CO. v. WAGNER TYPEWRITER CO., 151 Fed. 576, 81 C. C. A. 120.

The court is not permitted to reconstruct the claims of a patent, and the patentee is bound by the claims as he has written them.

506. NATIONAL ENAMELING, ETC., CO. v. NEW ENGLAND ENAMELING CO., 151 Fed. 19, 80 C. C. A. 485.

Courts lean toward reading into the claims of a patent such limitations as will save the real invention as disclosed by the specification and the prior state of the art. But when the claims are drawn in broad and nebulous terms with the apparent purpose of enabling the patentee to monopolize an important in-

dustry, the courts should be slow in attempting to sustain their validity by narrowing them beyond the boundaries which are clearly warranted by the specification.

507. DAY v. FAIR HAVEN, ETC., R. CO., 132 U. S. 33, 33 L. ed. 265, 10 Sup. Ct. 11.

It is true that elements of a combination not mentioned in a claim may sometimes be held included, in the light of other parts of the specification, which may be applicable, but here the claim is so broad that we are not justified in importing into it an element which would not operate to so enlarge its scope as to cover an invention in no manner indicated upon its face.

508. EVANS v. ROOD, 99 Fed. 990, 40 C. C. A. 209.

The invention being, then, in no sense a pioneer in the art, no unexpressed meaning can be read with the claim, and the patent must be limited to the specific device described therein.

509. WOLLENSAK v. REIHER, 115 U. S. 87, 29 L. ed. 355, 5 Sup. Ct. 1132.

But, having reference to the state of the art at the date of the alleged invention, and the claims of the patent, the patentee must be limited to the combination.

510. SESSIONS v. ROMADKA, 145 U. S. 29, 36 L. ed. 609, 12 Sup. Ct. 799.

In view of the fact that Taylor was a pioneer in his art of making a metallic trunk fastener, and invented a principle which has gone into almost universal use in this country, we think he is entitled to a liberal construction of his claim, and that the Romadka device, containing as it does all the elements of his combination should be held an infringement, though there are superficial dissimilarities in their construction.

511. CANDA v. MICHIGAN, ETC., IRON CO., 124 Fed. 486, 61 C. C. A. 194.

If, when thus explained, the specification answers the calls of the claim, there is no difficulty. But one may not read into a claim an element not contained in it when its meaning is once settled by construction.

512. PENFIELD v. POTTS, ETC., CO., 126 Fed. 475, 61 C. C. A. 371.

Neither can a feature of construction or an element covered by one claim be read into another in which it is not mentioned.

We know of no authority for reading into a claim features which have been omitted, although shown in the specifications, and none which would justify us in suffering such an enlargement of this claim for the purpose of increasing the damages justly recoverable for the infringement of the patented portions of the infringing machine. We may, beyond doubt, look to the specifications and drawings for the purpose of understanding the claims, or that we may see whether the device is useful or operative, and sometimes for the purpose of limiting a claim to the particular device described, but we may not enlarge a claim by including therein elements which are not claimed as such.

513. TYLER v. BOSTON, 74 U. S. 327, 19 L. ed. 93.

This term "equivalent," when speaking of machines, has a certain definite meaning, but when used with regard to the chemical action of such fluids as can be discovered only by experiment, it only means equally good.

514. PITTSBURG METER CO. v. PITTSBURG SUPPLY CO., 109 Fed. 644, 48 C. C. A. 580.

The court is not at liberty by construction to expand a claim beyond the fair meaning of its terms. As we have seen, this is a claim for a combination. Its terms are explicit and clear. It needs no interpretation. It speaks for itself. The court must take the claim as it finds it.

515. SANTA CLARA, ETC., LUMBER CO. v. PRESCOTT, 102 Fed. 501, 42 C. C. A. 477.

The object of the claim in a patent is to publish to the world the precise nature of the invention which the patentee seeks to protect. He cannot demand that there shall be imported into it an element which is not there distinctly stated or necessarily implied.

516. DELAMAR v. DELAMAR MIN. CO., 117 Fed. 240, 54 C. C. A. 272.

The invention claimed being only for improvements in well-known processes, and in no sense one of a pioneer character, the patentee must be held to a strict construction of his claims.

517. CHICAGO, ETC., R. CO. v. SAYLES, 97 U. S. 554, 24 L. ed. 1053.

Courts should regard with jealousy and disfavor any attempts to enlarge the scope of an application once filed, or of a patent once granted, the effect of which would be to enable the

patentee to approriate other inventions made prior to such alteration, or to appropriate that which has, in the meantime, gone into public use.

518. WOOLLENSAK v. SARGENT, 151 U. S. 221, 38 L. ed. 137, 14 Sup. Ct. 291.

And we do not regard ourselves as justified in importing into the claims elements that would operate to so enlarge its scope as to cover an invention not indicated upon its face.

519. UNITED STATES REPAIR, ETC., CO. v. ASSYRIAN ASPHALT CO., 100 Fed. 965, 41 C. C. A. 123.

It is not within the rightful power of the courts to enlarge or restrict the scope of patents which by mistake, were issued in terms too narrow or too broad to cover the invention, however manifest the fact and extent of the mistake may have shown to have been.

520. CONSOLIDATED FASTENER CO. v. LITTAUER, 84 Fed. 164, 28 C. C. A. 133.

We know of no principle of patent construction which, in such a case (the improvement being novel) would require the court to read into the claim the particular concrete form of improvement shown in the drawings and in the description of such drawings.

521. THOMSON-HOUSTON ELECTRIC CO. v. UNION RY. CO., 86 Fed. 636, 30 C. C. A. 313.

We do not entertain any doubt that there must be incorporated into these claims, by implication, means for maintaining the contact device and the conductor in their normal working relations.

522. ADAMS ELECTRIC RY. CO. v. LINDELL RY. CO., 77 Fed. 432, 23 C. C. A. 223.

The statute requires the inventor to particularly point out, and distinctly claim, the improvement or combination which he claims as his discovery. Rev. Stat. sec. 4888. The purpose of a claim in a patent is to notify the public of the extent of the monopoly secured to the inventor, and, while it is notice of his exclusive privileges, it is no less a notice, and a legal notice, upon which everyone has a right to rely, that he disclaims and dedicates to the public, any combination or improvement, apparent on the face of his specification, not a mere evasion of

his own, which he has not there pointed out and distinctly claimed as his discovery or invention. Everyone has the right to use every machine, combination, device and improvement not claimed by the patentee, without molestation from him. It would work great injustice to permit a patentee, after a combination or device which he did not claim has gone into general use, and years after his patent was granted, to read that combination or device into one of the claims of his patent, and to recover for its infringement of everyone who has used it on the faith of his solemn declaration that he did not claim it.

523. CIMIOTTI UNHAIRING CO. v. AMERICAN FUR REF. CO., 198 U. S. 399, 49 L. ed. 1100, 25 Sup. Ct. 697.

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

524. ANDERSON, ETC., MACH. WORKS v. POTTS, 108 Fed. 379, 47 C. C. A. 409.

Clearly, however, it is not allowable, in that way [by reading in elements] to give identity to claims which in terms are intelligibly different.

525. DECECO CO. v. GILCHRIST CO., 125 Fed. 293, 60 C. C. A. 207.

While, according to strict rules of law, two distinct claims for the same substantial matter, differing only in nonessentials, cannot both be sustained, yet out of regard to the frailty of human methods of expression, and the variety of views among different legal judicial tribunals as to the construction of instruments of the character of letters patent, and conceding also, the difficulty of always correctly defining what one's invention really is, the practice has become settled to allow the same substantial invention to be stated in different ways, very much as the same cause of action, or the same offense intended to be covered by indictment, are permitted to be propounded in different counts, with a general verdict on all of them.

526. PANZL v. BATTLE ISLAND PAPER CO., 138 Fed. 48, 70 C. C. A. 474.

An inventor cannot "speculate on the equivalents of his claimed invention, and thereby oblige the public to resort to experiments in order to determine the scope of the claims of his patent."

527. MILLER v. MAWHINNEY LAST CO., 105 Fed. 523, 44 C. C. A. 581.

A fatal defect in claim 2 arises out of the words "at or near." We have seen that there is nothing in the specification to limit the indefinite nature of these words. Consequently, there is not enough in the patent to meet the requirements of the statute, pointing out the method by which a successful last can be made in accordance with the claim, and no useful last without a holder was ever made until the respondent came into the field.

528. GILL v. WELLS, 89 U. S. 1, 22 L. ed. 699.

Four propositions were decided in that case [Vance v. Campbell, 1 Black (U. S.) 427, 17 L. ed. 530] * * * (1) That a patentee, in a suit for an infringement of an invention consisting of a combination of old ingredients, cannot in his proofs abandon a part of such combination and maintain his claim to the rest, for the reason that unless the patented combination is maintained, the whole of the invention falls. (2) That the patentee in such a suit cannot be allowed to prove that any part of the combination is immaterial or useless. (3) That the combination is an entirety, and that if one of the ingredients be given up the thing claimed disappears, which is an obvious truth, as the invention in such a case consists simply in the combination. (4) That the clause which provides that the suit shall not be defeated where the patentee claims more than he has invented, in case he shall disclaim such part, applies only when the part invented can be clearly distinguished from that improperly claimed, which shows that the clause cannot apply to a patent granted for an invention consisting of a combination of old ingredients.

529. CARTER MACH. CO. v. HANES, 78 Fed. 346, 24 C. C. A. 128.

His claim is for the combination in a tobacco flavoring machine of three parts. * * * His claim, then, is for an entirety. He can not abandon a part, and claim the rest. He must stand by his claim as he has made it. If more or less than the whole of his ingredients are used by another, such party is not an infringer, because he has not used the invention or discovery patented. Shumacher v. Cornell, 96 U. S. 549, 24 L. ed. 676. When a patent is for a combination only, none of the separate elements of which the combination is composed is included in the monopoly. Rowell v. Lindsay, 113 U. S. 97, 28 L. ed. 906, 5 Sup. Ct. 507. Or, as expressed by Mr. Justice Bradley in the Corn Planter Patent (Brown v. Guild), 23 Wall. U. S. 181, 23 L. ed. 161.

"When a patentee, after describing a machine, claims as his invention a certain combination of elements, or a certain device or part of the machine, this is an implied declaration, as conclu-

sive, so far as that patent is concerned, as if it were expressed, that the specific combination or thing claimed is the only part which the patentee regards as new."

530. NATIONAL, ETC., MACH. CO. v. HEDDEN, 148 U. S. 482, 37 L. ed. 30, 13 Sup. Ct. 680.

If a person has invented a combination of three elements, all of which are necessary to the operation of his device, he cannot by making a claim for two of them forestall another who has so combined these two elements that they perform the same function as the three elements.

531. CIMIOTTI UNHAIRING CO. v. AMERICAN, ETC., MACH. CO., 115 Fed. 498, 53 C. C. A. 230.

The argument that the claim is void for lack of novelty if construed to cover a stiff sectional brush, because such brushes were old, loses sight of the distinction, which we have endeavored to point out, that it is not the brush alone which gives patentability to the claim, but the novel motion of the brush. * * * It would be better to hold the patent invalid at the outset than to destroy it by the illiberal construction for which the appellant contends. Few patents can survive if such criticisms are allowed to prevail.

532. CARLTON v. BOKEE, 84 U. S. 463, 21 L. ed. 517.

Without deciding that a repetition of substantially the same claim in different words will vitiate a patent, we hold that where a specification by ambiguity and a needless multiplication of nebulous claims is calculated to deceive and mislead the public, the patent is void.

533. HEAP v. TREMONT, ETC., MILLS, 82 Fed. 449, 27 C. C. A. 316.

While it is clear that a patentee is ordinarily entitled to all the uses and all the advantages which his invention develops so far as the new application does not involve additional invention, * * * * yet a function not known when the patent issues, and afterwards developed, cannot ordinarly be used to broaden the construction of a claim.

534. ELECTRIC, ETC., CO. v. BOSTON ELECTRIC CO., 139 U. S. 481, 35 L. ed. 250, 11 Sup. Ct. 586.

What he described in the specification of that patent and did not claim is presumed to have been old.

535. LYONS v. DRUCKER, 106 Fed. 416, 45 C. C. A. 368.

When a patentee has practically disclaimed other devices by stating in his specifications that they existed before his own was contrived, such other devices may fairly be considered to be part of the prior art, when he brings suit upon the patent issued to him, upon the representation made in such specifications.

536. FAY v. CORDESMAN, 109 U. S. 408, 27 L. ed. 979, 3 Sup. Ct. 236.

The claims of the patents sued on in this case are claims for combinations. In such a claim, if the patentee specifies any element as entering into the combination either directly by the language of the claim or by such a reference to the descriptive part of the specification as carries such element into the claim, he makes such element material to the combination and the court can not declare it to be immaterial. It is his province to make his own claim and his privilege to restrict it. If it be a claim to a combination, and be restricted to specified elements, all must be regarded as material, leaving open only the question whether an omitted part is supplied by an equivalent device or instrumentality.

537. ANDERSON, ETC., MACH. WORKS v. POTTS, 108 Fed. 379, 47 C. C. A. 409.

The very fact that the other elements mentioned in the specification, while expressly embraced in the other claims, were not mentioned in the sixth claim, demonstrates an intention to cover by that claim any and all forms of disintegrators in the construction of which that cylinder should be used.

538. KALAMAZOO, ETC., SUPPLY CO. v. DUFF MFG. CO., 113 Fed. 264, 51 C. C. A. 221.

It is manifestly just to a patient and meritorious inventor that the court should be careful not to regard with too much importance the mere mechanical resemblance in the parts of the combination, or the combination as a whole, to the neglect of the result, and the success and efficiency with which the object aimed at is accomplished.

539. HAY v. HEATH CYCLE CO., 71 Fed. 411, 18 C. C. A. 157.

When a combination is claimed, there arises an implied concession that the elements are old and not separately patentable.

540. ADAMS v. BELLAIRE STAMPING CO., 141 U. S. 539, 35 L. ed. 849, 12 Sup. Ct. 66.

The court did not, therefore, err in refusing the instruction requested, that before the patent could be held invalid by reason of a prior patent it was not sufficient to find one of the elements in one patent, a second in another, and a third in another. If the patent were for a combination of new or old elements producing a new result such instruction might have been correct, but as it was merely a new aggregation of old elements, in which each element performed its old function and no new result was produced by their combination, the instruction was not applicable and was properly refused.

541. BATES v. COE, 98 U. S. 31, 25 L. ed. 68.

Devices in one machine may be called by the same name as those contained in another, and yet they may be quite unlike in the sense of the patent law, in a case where those in one of the machines perform different functions from those in the other. In determining about similarities and differences, courts of justice are not governed merely by the names of things, but they look at the machines and their devices in the light of what they do or what office or function they perform, and how they perform it, and find that a thing is substantially the same as another, if it performs substantially the same function or office in substantially the same way to obtain substantially the same result, and that devices are substantially different when they perform different duties in a substantially different way, or produce a substantially different result.

542. CENTRAL FOUNDRY CO. v. COUGHLIN, 141 Fed. 91, 72 C. C. A. 93.

An equivalent is defined as a thing which performs the same function, and performs that function in substantially the same manner, as the thing of which it is alleged to be an equivalent. But in the application of rules on the subject we must have in view the patent alleged to be infringed. If it is for a primary invention—one which performs a function never performed by an earlier invention—the patentee will have the right to treat as infringers those who make or use machines operating on the same principles and performing the same functions by analogous means or equivalent combinations, even though the infringing machine may be an improvement of the original. But if the invention is a secondary invention, * * * that is, one which performs a function previously performed by earlier inventions, but which performs that function in a substantially different way from any which preceded it, an improvement on a known ma-

chine by a mere change of form or a new combination of parts, the patentee can not treat another as an infringer who has improved the original machine by the use of a different form or combination performing the same functions. The first inventor of improvements can not invoke the doctrine of equivalents and suppress all other improvements.

543. MACHINE CO. v. MURPHY, 97 U. S. 120, 24 L. ed. 935.

Authorities concur that the substantial equivalent of a thing, in the sense of the patent law, is the same as the thing itself, so that if two devices do the same work in substantially the same way and accomplish substantially the same result, they are the same, even though they differ in name, form or shape.

544. LOURIE IMPLEMENT CO. v. LENHART, 130 Fed. 122, 64 C. C. A. 456.

One who claims and secures a patent for a new machine thereby necessarily claims and secures a patent for every mechanical equivalent for that device, because, within the meaning of the patent law, every mechanical equivalent of a device is the same thing as the device itself. A device which is constructed on the same principle, which has the same mode of operation, and which accomplishes the same result as another by the same means, or by equivalent mechanical means, is the same device, and a claim in a patent for one such device claims and secures the other.

545. KINLOCH TEL. CO. v. WESTERN ELECTRIC CO., 113 Fed. 652, 51 C. C. A. 362.

One who claims and secures a patent for a new machine or combination, thereby necessarily claims and secures a patent for every mechanical equivalent for that device or combination, because, within the meaning of the patent law, every mechanical equivalent of a device is the same thing as the device itself. Moreover, in determining what is a mechanical equivalent of a given device, where, as in the case at bar, form is not the essence of the invention, forms and names are of little significance. The similarities and differences of machines and combinations are to be determined by the offices or functions which they perform, by the principles on which they are constructed, and by the modes which are used in their operation. A device which is constructed on the same principle, which has the same mode of operation, and which accomplishes the same result as another by the same or by equivalent mechanical means, is the same device, and a claim in a patent of one such device claims and secures the other.

546. BRYCE BROS. CO. v. NATIONAL GLASS CO., 116 Fed. 186, 53 C. C. A. 611.

The patents are not for methods, but for particular mechanisms. As such, like all machine patents, they are entitled to a fair construction, and to one that will fully secure to the inventor the monopoly of his real invention, any device or combination which accomplishes the same result, by substantially the same means, will be held an invasion of that monopoly. Care must be taken, however, in all cases, that we do not by an uncalled-for application of the doctrine of equivalents, practically give to the patentee a monopoly of the function of his mechanism. This, of course, we are not permitted to do, directly or indirectly.

547. MILWAUKEE CARVING CO. v. BRUNSWICK-BALKE-COLLENDER CO., 126 Fed. 171, 61 C. C. A. 175.

The patent is granted for the combination, as "the particular means devised by the inventor by which that result is attained," and the patentee is entitled to protection against any use of the same combination of elements, combined in the same way, so that each element performs the same function, or against substantially the same use with deviations which are merely colorable. But each of these well-known elements remains open to the use of the subsequent inventor for a different combination for like results.

548. WESTINGHOUSE AIR-BRAKE CO. v. NEW YORK AIR-BRAKE CO. 63 Fed. 962, 11 C. C. A. 528.

The question of infringement is controlled by the principle restated in Morley, etc., Mach. Co. v. Lancaster, 129 U. S. 263, 32 L. ed. 715, 9 Sup. Ct. 299, and confirmed in subsequent and recent cases (Miller v. Eagle Mfg. Co., 151 U. S. 186, 38 L. ed. 121, 14 Sup. Ct. 310) and which makes these actual differences, which would be important in a subordinate patent, unessential when a patent for a pioneer invention is under examination. If such differences should be regarded by courts as essential, when the claims do not make the specific devices essential, patents for pioneer inventions would ordinarily have but little value.

549. MURPHY MFG. CO. v. EXCELSIOR CAR-ROOF CO., 76 Fed. 965, 22 C. C. A. 658.

A patent to the original inventor of a machine or construction, which first performs a useful function, protects him against all machines and constructions that perform the same function by equivalent mechanical devices. But a patent to one who has

simply made a slight improvement on devices that perform the same function before as after the improvement is protected against those only which use the very improvement he describes and claims, or mere colorable evasions of it.

550. BUNDY MFG. CO. v. DETROIT TIME-REGISTER CO., 94 Fed. 524, 36 C. C. A. 375.

If his invention is one which has marked a decided step in the art, and has proven of value to the public, he will be entitled to the benefit of the rule of equivalents, though not in so liberal a degree as if his invention was of a primary character.

551. McSHERRY MFG. CO. v. DOWAGIAC MFG. CO., 101 Fed. 716, 41 C. C. A. 627.

The form he describes and claims is not of the essence of his invention, and the law allows a patentee any form which is the equivalent of that claim, unless he has expressly limited himself to the one claim he describes, or unless it is necessary to limit him to the specific form in order to save his patent from anticipation. Hoyt was not a pioneer. But his invention is clearly a meritorious one. In such case he is not cut off from a reasonable range of equivalents measured by the advance he has made over older machines.

552. BEACH v. HOBBS, 92 Fed. 146, 34 C. C. A. 248.

The range of equivalents depends upon the "extent and nature of the invention."

553. NATIONAL, ETC., CO. v. INTERCHANGEABLE, ETC., CO., 106 Fed. 693, 45 C. C. A. 544.

One who merely makes and secures a patent for a slight improvement on an old device or combination, which performs the same function before as after the improvement, is protected against those only who use the very device or improvement he describes or mere colorable evasions thereof. In other words, the term "mechanical equivalent," when applied to the interpretation of a pioneer patent, has a broad and generous signification, while its meaning is very narrow and limited when it conditions the construction of a patent for a slight and almost immaterial improvement.

* * *

The doctrine of mechanical equivalents conditions the construction of all these patents, and in determining questions concerning them. the breadth of the signification of the term is proportioned in each case to the character of the advance or inven-

tion evidenced by the patent under consideration, and is so interpreted by the courts as to protect the inventor against piracy and the public against unauthorized monopoly.

554. RICH v. BALDWIN, ETC., 133 Fed. 920, 66 C. C. A. 464.

As we have several times had occasion to say, and what is indeed well established in patent law, the term "equivalent" has a variable meaning, and is measured by the character of the invention to which it is applied.

555. BENBOW-BRAMMER MFG. CO. v. STRAUS, 166 Fed. 114, 92 C. C. A. 98.

We are dealing, not with a great invention, but with a meritorious one which has made a distinct advance in the art in question. We think the claims should be given an interpretation liberal enough to protect the inventor from the use of machines which differ only in non-essential changes which any skilled mechanic would know enough to make.

556. AMERICAN ROLL-PAPER CO. v. WESTON, 59 Fed. 147, 8 C. C. A. 56.

[The substitution of a weight to perform the same function as a spring, held an equivalent.]

557. McKAY, ETC., CO. v. DIZER, 61 Fed. 102, 9 C. C. A. 382.

There can be no question that a spring rocker is a perfectly familiar way of obtaining a tipping or oscillating motion, as well as a pivot or hinge, and that one is a well known equivalent for the other.

558. DIAMOND, ETC., IRON CO. v. GOLDIE, 84 Fed. 972, 28 C. C. A. 589.

The defendant's rotary machine has the same anvil die, and its cutters are arranged to operate with relation thereto in exactly the same way as on the reciprocating machine. They must be classed in the same category.

559. AMERICAN CRAYON CO. v. SEXTON, 139 Fed. 564, 71 C. C. A. 548.

We think it must be conceded that the movement of a machine irrespective of the mechanism which causes it can not be patented. * * * The claim must be restricted to the mechanism which causes the movement, subject, of course, to the rule of equivalents, which operates liberally in favor of the grantee where the patent is primary in nature, making a distinct advance in the progress of the art; and this patent, in our opinion,

is of that character. When we examine the mechanism we find in the appellant's machine described in the patent a rocking or tilting device, and in the appellee's a lifting and dropping device. The appliances are essentially different. They do different things in distinct ways. The one rocks or tilts the mold plates, the other alternately lifts and drops them. * * * But are we justified in holding that these two essentially distinct devices are equivalents, simply because the ultimate result * * * is the same? We think not, for that would be construing the claim so as to cover the movement alone and not the mechanism producing it. It would be virtually giving a patent for the result, regardless of how reached.

560. KINLOCH TEL. CO. v. WESTERN ELECTRIC CO., 113 Fed. 659, 51 C. C. A. 369.

An attempt is made to escape from this conclusion under the rule that, if the element substituted for the one withdrawn has been discovered since the date of the patent, it cannot be said to be its mechanical equivalent. Gould v. Rees, 15 Wall. (U. S.) 187, 21 L. ed. 39. * * * But it is too plain for argument or serious consideration that there was neither discovery nor invention in perceiving and applying to the device of complainant the fact that an insoluble metal secured by wax on other fusible material was the mechanical equivalent of, performed the same function and worked the same result as, the fusible plug of White, and could be effectually used as its substitute. The shot and the wax were not, therefore, newly discovered elements, but constituted a mere mechanical substitute for the element which White described and claimed.

561. LEPPER v. RANDALL, 113 Fed. 627, 51 C. C. A. 337.

The learned judge who decided the case below had no doubt "that the defendant's straps and buckles are an equivalent of the complainant's cords and hooks," and in this we agree with him; but he held that the complainants were not entitled to invoke the doctrine of equivalency, and this ruling we think was erroneous. By the changes in phraseology which were made pending the application nothing can fairly be said to have been surrendered or disallowed which the third claim as finally approved plainly included. That claim, as broadly expressed, is for "lacing devices," and it is not to be implied that either the patent office on the one side or the applicant on the other contemplated any limitation of it which would admit of its evasion by means so palpably colorable as the substitution of straps for cords and buckles for hooks. * * * In no case is a patentee to be de-

nied protection commensurate with the scope of his actual and distinctly described and claimed invention by excluding him from the benefit of the doctrine of equivalents. That doctrine therefore, should have been applied in this case, for it is plainly obvious that the departures made by the defendant from the patent in suit, are merely formal, "and of such character as to suggest that they are studied evasions of these described in the claim in issue."

562. UNITED STATES PEG-WOOD, ETC., CO. v. STURTEVANT CO., 125 Fed. 382, 60 C. C. A. 248.

Among cases which run to the other extreme, where the range of equivalents is held to be very narrow, are Masten v. Hunt, 51 Fed. 216, 55 Fed. 78, 5 C. C. A. 42; Ball & Socket Fastener Co. v. Ball Glove Fastening Co., 58 Fed. 818, 7 C. C. A. 498; Ball & Socket Fastener Co. v. C. A. Edgarton Mfg. Co., 96 Fed. 489, 37 C. C. A. 523; and Millard v. Chase, 108 Fed. 399, 47 C. C. A. 429. In some of this class the nature of the invention prohibited everything except the narrowest range of equivalents, it being a practical rule that the range is proportionate to the extent of the invention; but some are within the expressions in the Reece Case, at pages 961 and 962, to the effect that words and phrases which might have been omitted may be so introduced as to leave the courts no option except to regard them as limitations.

563. LAMBERT, ETC., ENGINE CO. v. LIDGERWOOD MFG. CO., 154 Fed. 372, 83 C. C. A. 350.

Where three separate elements, each performing an individual function, are supplanted by a single element which itself performs the functions of all three, it is quite clear that the three-fold capacity of the single element is not the equivalent of the three single elements.

564. BUNDY MFG. CO. v. DETROIT TIME-REGISTER CO., 94 Fed. 524, 36 C. C. A. 375.

Bundy prints by pressing his record strip against the type, while defendant prints by pressing the type down upon the recording strip. That the printing is done by a blow delivered by Bundy's "hammer," and by pressure only in the device of defendant, is not material. Both methods of printing were well known and one is the full equivalent of the other.

* * *

Neither was it invention to cause the printing to be done by pressing the type down upon the paper strip instead of pressing the paper strip against the type. The one was the plain

equivalent of the other. Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach. Co., 61 Fed. 958, 10 C. C. A. 194. That defendant's impression mechanism is not in the form or shape of a hammer, is of no consequence, unless the form itself is of the essence of the invention.

565. BOSTON, ETC., R. CO. v. BEMIS CAR-BOX CO., 80 Fed. 287, 25 C. C. A. 420.

If it be conceded, however, that the appellant does not use the "tapered sleeve," nor the flange projecting out from the side of the wheel, in precisely the forms described in the appellee's patent, the case becomes a question of equivalents. We have discussed this general question so fully in Long v. Manufacturing Co., 75 Fed. 835, 21 C. C. A. 533, in Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach. Co., 61 Fed. 958, 10 C. C. A. 194 (an extreme case one way), and in Ball & Socket Fastener Co. v. Ball Glove Fastening Co., 58 Fed. 818, 7 C. C. A. 498, (an extreme case the other way), that we do not deem it necessary to go over it here. The patent at bar lies between the two cases last cited; and it clearly is not shut out from the expression of the supreme court, cited by us in Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach Co., at page 962, 61 Fed., and page 198, 10 C. C. A. 194, that "the range of equivalents depends upon the extent and the nature of the invention." This invention did not relate to a matter of mere simplicity of form, or of mere convenience, or to cheapening the cost. It involved a new and useful function, although, perhaps, in view of what the record shows of the art, in a limited field of operation. It is therefore entitled to some aid from the doctrine of equivalents; and we can not conceive of any case where it could be so entitled unless it is in the present one, where the departures are only in matters of form, and of such character as to suggest that they are studied evasions of those described in the claim in issue.

566. HUBBELL v. UNITED STATES, 179 U. S. 77, 45 L. ed. 95, 21 Sup. Ct. 24.

Whether the examiners were right or wrong in so holding we are not to inquire, as the claimant did not appeal, but amended his claim and accepted a grant thereof, thereby putting himself within the range of the authorities which hold that if the claim to a combination be restricted to specified elements, all must be regarded as material, and that limitations imposed by the inventor, especially such as were introduced into an application after it had been persistently rejected, must be strictly construed against the inventor and in favor of the public, and looked upon as in the nature of disclaimers.

In order to get his patent, he was compelled to accept one with a narrower claim than that contained in his original application; and it is well settled that the claim as allowed must be read and interpreted with reference to the rejected claim and to the prior state of the art, and can not be so construed as to cover either what was rejected by the patent office or disclosed by prior devices.

567. ROEMER v. PEDDIE, 132 U. S. 313, 33 L. ed. 382, 10 Sup. Ct. 98.

This court has often held that when a patentee, on the rejection of his application, inserts in his specification, in consequence, limitations and restrictions for the purpose of obtaining his patent, he can not, after he has obtained it, claim that it shall be construed as it would have been construed if such limitations and restrictions were not contained in it.

568. AMERICAN STOVE CO. v. CLEVELAND FOUNDRY CO., 158 Fed. 978, 86 C. C. A. 182.

The applicant had a long struggle in securing his patent and was constrained to trim away, modify, and otherwise define his specifications and claims to meet the references made by the office, until they were brought within very narrow limits before his patent would be allowed. He must be deemed to have surrendered and disclaimed what he conceded, and to have imposed such definitions upon the language of the patent as he attributed to it in order to secure the grant.

569. CLOUGH v. GILBERT, ETC., MFG. CO., 106 U. S. 166, 27 L. ed. 134, 1 Sup. Ct. 188; and 106 U. S. 178, 27 L. ed. 138, 1 Sup. Ct. 198.

[In the first of these cases the invention was for an improvement in gas burners. It was held that the prior cited burner might be made to furnish a supplementary supply of gas if used in the way for which it was not designed and for which it had not been shown to have been used.]

"The structure was not designed for the same purpose as Clough's; no person looking at it or using it would understand that it was to be used in the way Clough's is used, and it is not shown to have been really used and operated in that way."

[The patent was, therefore, held valid and the second claim infringed, the court saying in applying the doctrine of equivalents:]

"But Clough was the first person who applied a valve regulation of any kind to the combination to which he applied it, and the first person who made such combination, and he is entitled, under decisions heretofore made by this court, to hold as in-

fringements all valve regulations, applied to such a combination, which perform the same office in substantially the same way as, and were known equivalents for, his form of valve regulation."

[In the second case suit was brought against Clough by the owners of the Barker patent, one of the defendants in the previous case, for an improvement in gas burners.]

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

[To the same effect amongst many cases see, for example, Shepard v. Carrigan, 116 U. S. 593, 29 L. ed. 723, 6 Sup. Ct. 493; Sutter v. Robinson, 119 U. S. 530, 30 L. ed. 492, 7 Sup. Ct. 376; Corbin, etc., Lock Co. v. Eagle Lock Co., 150 U. S. 38, 37 L. ed. 989, 14 Sup. Ct. 28; Computing Scale Co. v. Automatic Scale Co., 204 U. S. 609, 51 L. ed. 645, 27 Sup. Ct. 307; Brush Electric Co. v. Western Electric Co., 76 Fed. 761, 22 C. C. A. 543; Kelly v. Clow, 89 Fed. 297, 32 C. C. A. 205; Campbell, etc., Mfg. Co. v. Duplex Printing Press Co., 101 Fed. 282, 41 C. C. A. 351; Royer v. Coupe, 146 U. S. 524, 36 L. ed. 1073, 13 Sup. Ct. 166; Carnegie Steel Co. v. Brislin, 124 Fed. 213, 59 C. C. A. 651.]

570. IRONCLAD STEEL CO. v. DAIRYMAN'S, ETC., MFG. CO., 143 Fed. 512, 74 C. C. A. 372.

The applicant acquiesced in the rejection, and amended his claim by adding the interlocking means. Thus it was conceded, and the complainant is precluded from asserting the contrary, that, except for the interlocking means, there was no novelty in the invention claimed.

571. NATIONAL CONDUIT, ETC., CO. v. ROEVLING'S SONS CO., 158 Fed. 99, 85 C. C. A. 567.

In the case of a meritorious invention a reasonable liberality in applying the doctrine of equivalents is not unusual, and patentees are not always held closely to the precise form stated in the claim when the same functions are found in a structure of a somewhat different form. But the history of this patent during its passage through the patent office precludes any construction of the claim which will eliminate the qualifying word "spirally wound."

572. AMERICAN STOVE CO. v. CLEVELAND FOUNDRY CO., 158 Fed. 978, 86 C. C. A. 182.

It is a corollary of this proposition, that if the applicant successfully defends his position and secures the assent thereto of those in the office having charge of the application, and the patent issues notwithstanding the objection which had at one time been urged, the patent is not subject to diminution on that account.

573. UNITED STATES PEG-WOOD, ETC., CO. v. STURTEVANT CO., 125 Fed. 382, 60 C. C. A. 248.

In order that the proceedings in the patent office should positively operate as a waiver or estoppel, they must relate to the pith and marrow of the alleged improvement, and be understandingly and deliberately assented to.

574. BUNDY MFG. CO. v. DETROIT TIME-REGISTER CO., 94 Fed. 524, 36 C. C. A. 375.

To be estopped by the action of the patent office, the patentee must be shown to have surrendered something which he now claims in order to obtain that which was allowed.

575. COBURN, ETC., MFG. CO. v. CHANDLER, 97 Fed. 333, 38 C. C. A. 201.

The effect of Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach. Co., as shown at the foot of page 969 of 61 Fed. and page 205 of 10 C. C. A., is to hold that such proceedings are of no effect when no direct issue of novelty or invention was involved, or when the amendments made by the applicant came in only incidentally, or in reference to an incidental matter. The case at bar, however, is clearly not excluded by the rule thus given.

576. REGENT MFG. CO. v. PENN, ETC., MFG. CO., 121 Fed. 80, 57 C. C. A. 334.

So the applicants never acquiesced in the examiner's action; the examiner did not require the amendment as a condition precedent to the allowance of claims narrower than originally made; and the appellate tribunal allowed the claims after examining the device in the spirit that giveth life.

577. HILLBORN v. HALE MFG. CO., 69 Fed. 958, 16 C. C. A. 569.

It may well be [in view of Royer v. Coupe, 146 U. S. 524, 36 L. ed. 1073, 13 Sup. Ct. 166; Knapp v. Morss, 150 U. S. 224, 37 L. ed. 1061, 14 Sup. Ct. 81; Corbin, etc., Lock Co. v. Eagle Lock Co., 150 U. S. 38, 37 L. ed. 989, 14 Sup. Ct. 28, and Morgan Envelope Co. v. Albany, etc., Paper Co., 152 U. S. 425, 38 L. ed. 500, 14 Sup. Ct. 627, cited] that a patentee can not be permitted to hold under his patent anvthing that he has clearly renounced and excluded from his inventions during the prosecution of his application. But surely it has never been held that mere changes of phraseology to suit the views of the examiner, and to distinguish the claims made from those contained in prior applications, to which reference has been made, can be held to defeat the patent, when granted. What is forbidden is the attempt, after a patent has been procured surrendering or disavowing substantial claims or devices to recover such renounced and abandoned claims by demanding a broad construction of those allowed.

578. KINNEAR MFG. CO. v. WILSON, 142 Fed. 970, 74 C. C. A. 232.

It is quite unimportant that various claims in both applications were rejected, and the rejection acquiesced in by Kinnear, so long as the office finally granted the claim which is now in controversy. There is no question here of the construction of the claim, and no attempt to broaden it or to narrow it.

579. THOMAS v. ROCKER SPRING CO., 77 Fed. 420, 23 C. C. A. 211.

We now come to the novel question presented in this case It is argued and the circuit court held, that because the applicants after the rejection of the claims, and after inserting the required limitations in the specifications, protested that the examiner was wrong in rejecting the claims, and advised him that they proposed to insist on a constructin of claims as amended to cover the same ground as the rejected claims, the ruling of the patent office is not to be given the same effect as it would otherwise have. It seems to be contended that an applicant can qualify or minimize the effect of his acquiescence in the rejection of a

claim by stating to the patent office that it is not an acquiescence, and that he expects to insist upon his right to cover the same ground as the rejected claim covered, under other and amended claims. We are clearly of opinion that he can not thus destroy the effect of a patent office ruling.

580. JEWELL FILTER CO. v. JACKSON, 140 Fed. 340, 72 C. C. A. 304.

It is undoubtedly true that, when there are two claims in a patent for two distinct improvements invented to accomplish different results, as in the case of the invention of the rocking sole upon the brake shoe and of the separate device for the suspension of the shoe from the truck, the words "substantially as specified" mean substantially as specified relative to the subject-matter of the claim, and do not necessarily import the description or claim of either improvement into the claim for the other. Lake Shore, etc., R. Co. v. National Car-Brake Shoe Co., 110 U. S. 229, 28 L. ed. 129, 4 Sup. Ct. 33; Page Woven Wire Fence Co. v. Land (C. C.) 49 Fed. 936, 942. But these words ordinarily refer back to and point out elements in the combination claimed which have substantially the construction and operation described in the specification. Westinghouse v. Boyden Power-Brake Co., 170 U. S. 537, 42 L. ed. 1136, 18 Sup. Ct. 707; Singer Mfg. Co. v. Cramer, 192 U. S. 265, 48 L. ed. 437, 24 Sup. Ct. 291.

Cases may be found in which an element described in the specification which is essential to the operation, in the way portrayed in the specification, of a combination or device claimed, has been read into the claim from the specification. Westinghouse v. Boyden Power-Brake Co., 170 U. S. 537, 18 Sup. Ct. 707, 42 L. ed. 1136; Wellman v. Midland Steel Co. (C. C.) 106 Fed. 221, 223. The converse of this proposition, that elements or devices described in the specification which are not essential to the operation of a combination claimed in the way portrayed in the specification, may not be imported into the claim, is equally well established. Paul Boynton Co. v. Morris Chute Co., 87 Fed. 225, 30 C. C. A. 617; General Electric Co. v. International Specialty Co., 126 Fed. 755, 61 C. C. A. 329, 333; Walker on Patents, p. 171, § 182; Temple Pump Co. v. Gross Pump, etc., Mfg. Co., (C. C.) 30 Fed. 440, 442. Nor are decisions wanting which have limited the general language of a claim to an element or device, its construction, and operation as set forth in the specification. White v. Dunbar, 119 U. S. 47, 7 Sup. Ct. 72, 30 L. ed. 303; Vance v. Campbell, 1 Black (U. S.) 427, 17 L. ed. 168; Stirrat v. Excelsior Mfg. Co., 61 Fed. 980, 984, 10 C. C. A. 216; Adams Electric R. Co. v. Lindell R. Co., 77 Fed. 432, 445, 23 C. C. A. 223.

581. AMERICAN CAN CO. v. HICKMOTT, ETC., CANNING CO., 142 Fed. 141, 73 C. C. A. 359.

But those words [substantially as specified] refer to the whole claim, and import nothing into it not already there, either to narrow it, so as to escape anticipation, or to broaden it, so as to establish infringement. The words mean "substantially as specified in regard to the combination which is the subject of the claim."

582. DRAPER CO. v. AMERICAN LOOM CO., 161 Fed. 728, 88 C. C. A. 588.

These words [substantially as described] are sometimes used to limit a claim and sometimes to enlarge its operation, but seldom to practically defeat what was the real invention of the patentee.

583. BRESNAHAN v. TRIPP, ETC., CO., 72 Fed. 920, 19 C. C. A. 237.

It is rare that these words ["substantially as described"] aid the courts in construing patents, if ever they do. In view of the fact that the statutes require an inventor seeking a patent to give in his application a "written description" of his invention, the words in question are usually implied when not expressed. They can not enlarge a patent for a narrow invention, and that they cannot narrow a claim justly broad is sufficiently illustrated.

584. HOBBS v. BEACH, 180 U. S. 383, 45 L. ed. 586, 21 Sup. Ct. 409.

Without determining what particular meaning, if any, should be given to these words ["substantially as described or set forth"] we are of opinion that they are not to be construed as limiting the patentee to the exact mechanism described; but that he is still entitled to the benefit of the doctrine of equivalents.

585. WESTINGHOUSE, ETC., MFG. CO. v. STANLEY INSTRUMENT CO., 133 Fed. 167, 68 C. C. A. 523.

The words "as set forth" in the claims may grammatically refer to anything which precedes them. Therefore, in view of the just and liberal rules of construction stated in Reece Button-Hole Co. v. Globe Button-Hole Co., 61 Fed. 958, 10 C. C. A. 194, they should not be held as restrictive, or as limiting anything in the claims, so as to render ineffectual any part of the conception involved in the portion of the specification which we have quoted.

585a.

[That the words "substantially as described" and "substantially as set forth," etc., refer to the specification and tend to make the claims specific, in some cases restrict the claim to the description of the parts recited in the claim, and in some cases

serve to save a claim by limiting it; see, for example, Seymour v. Osborne, 78 U. S. 516, 20 L. ed. 33; Railroad v. DuBois, 79 U. S. 47, 20 L. ed 265; Brown v. Guild, 90 U. S. 181, 23 L. ed. 161; Brown v. Davis, 116 U. S. 237, 29 L. ed. 659, 6 Sup. Ct. 379; Pope Mfg. Co. v. Gormully, etc., Mfg. Co., 144 U. S. 248, 36 L. ed. 423, 12 Sup. Ct. 641; Fox v. Perkins, 52 Fed. 205, 3 C. C. A. 32; Westinghouse v. Edison Electric Light Co., 63 Fed. 588, 11 C. C. A. 342; Boyden Power-Brake Co. v. Westinghouse Air-Brake Co., 70 Fed. 816, 17 C. C. A. 430; Davis v. Parkman, 71 Fed. 961, 18 C. C. A. 398; Campbell v. Richardson, 76 Fed. 976, 22 C. C. A. 669; Boynton Co. v. Morris Chute Co., 87 Fed. 225, 30 C. C. A. 617; Brill v. St. Louis Car Co., 90 Fed. 666, 33 C. C. A. 213; Simonds Rolling-Mach. Co. v. Hathorn Mfg. Co., 93 Fed. 958, 36 C. C. A. 24; General Electric Co. v. International Specialty Co,. 126 Fed. 755, 61 C. C. A. 329; Boyer v. Keller Tool Co., 127 Fed. 130, 62 C. C. A. 244; Sanders v. Hancock, 128 Fed. 424, 63 C. C. A. 166; Lackawanna Iron, etc., Co. v. Davis-Colby Ore, etc., Co., 131 Fed. 68, 65 C. C. A. 306.]

586. SINGER MACH. CO. v. CRAMER, 192 U. S. 265, 48 L. ed. 437, 24 Sup.

On referring to the specification we find it there expressly declared that the invention consisted "in the construction and combination of parts hereinafter fully described and claimed, reference being had to accompanying drawings." Nowhere, either expressly or by reasonable inference, is it asserted that simply the best or a preferable construction of the whole or any part of the combination is what is described.

587. HATCH STORAGE BATTERY CO. v. ELECTRIC STORAGE BATTERY CO., 100 Fed. 975, 41 C. C. A. 133.

We are not permitted, in litigations of this character, to give any word a particular interpretation when it is fairly capable of another one which will enable the patent to cover the actual invention.

588. ANTHONY CO. v. GENNERT, 108 Fed. 396, 47 C. C. A. 426.

To ignore the express functional limitation of the claim, viz.: "whereby they are enabled to fold back into the case side by side," would be to create a new claim; not interpret the one granted.

589. IRONCLAD MFG. CO. v. DAIRYMAN'S MFG. CO., 143 Fed. 512, 74 C. C. A. 372.

The specification states that they are "preferably" of the same area, and that they are "preferably" to overlap completely,

in order to eliminate any limitation that might be implied if these terms had not been used, and thus to save the claim from being so narrowed that a can otherwise like that described would not be covered by its terms.

590. AMERICAN SULPHITE PULP CO. v. HOWLAND FALLS PULP CO., 80 Fed. 395, 25 C. C. A. 500.

The evidence demonstrates—and quite likely Russell understood—that some cement mixtures, commercially speaking, were more desirable than others; and the word "cement," used in the claims, must be understood, when considered in connection with the statutory description, as referring generally to cementitious mixtures having the qualities which he describes.

591. AMERICAN CAN CO. v. HICKMOTT, ETC., CANNING CO., 142 Fed. 141, 73 C. C. A. 359.

Of course, an inventor can not by the mere use of the word "means," in reference to the accomplishment of a designated function in a combination claim, appropriate any and all kinds of mechanism or devices which may perform the specified function, or any other mechanism or device than that which is described in the patent, or which is its equivalent. Reference must be had to the specifications to ascertain the means which are made an element of the claim and are protected by the patent.

592. UNION MATCH CO. v. DIAMOND MATCH CO., 162 Fed. 148, 89 C. C. A. 172.

While the claims of the patent specify the physical elements of the combinations, they do not specify the means whereby those elements perform their intended functions, but call for "means" generally for performing them. By this is not meant, as claimed by defendant's learned counsel, all possible means for accomplishing the result. Such comprehensiveness of claim would not be patentable. * * * The claims in question by direct terms refer to the specification for the means by which the function, purpose, or object of the invention is to be accomplished and to that we must look for them.

593. JEFFREY MFG. CO. v. INDEPENDENT ELECTRIC CO., 83 Fed. 191, 27 C. C. A. 512.

A broad construction, such as is now insisted upon, which would include all cutting devices relied upon as holders, would make his claim void for anticipation. In view of the history of devices intended to perform the same function, performed by his holder, his patent can only be saved by confining him to the specific form he has described and claimed.

594. STEARNS v. RUSSELL, 85 Fed. 218, 29 C. C. A. 121.

To imply as elements of a claim parts not named therein for the purpose of limiting its scope, so that it may be accorded novelty, is contrary to a well-settled rule of the patent law.

595. STIRRAT v. EXCELSIOR MFG. CO., 61 Fed. 980, 10 C. C. A. 216.

If therefore, the claims of this patent warranted a construction broad enough to cover the device of the appellee, we should have no hesitation in holding it void for want of novelty.

595a.

[The danger of attempting to broaden a claim by construction is pointed out in a series of cases which indicate that if the claims be so broadened the patentee must submit also to the risk of anticipation. That is, the patentees' were between two extremes. If the claims were construed to charge the defendants with infringement then the claims would be void for want of patentable novelty. If so construed as to avoid infringement then the defendants would not infringe. For example, Sutter v. Robinson, 119 U. S. 530, 30 L. ed. 492, 7 Sup. Ct. 376; Pope Mfg. Co. v. Gormully, etc., Mfg. Co., 144 U. S. 248, 36 L. ed 423, 12 Sup. Ct. 641; Gates Iron Works v. Fraser, 55 Fed. 409, 5 C. C. A. 154.]

596. MULLER v. LODGE, ETC., TOOL CO., 77 Fed. 621, 23 C. C. A. 357.

If his invention is of a broad and meritorious character, such as to work a decided advance in the art, it will require something more than the use of reference letters in his claims to limit him to the exact form of device he has described.

597. AMERICAN TOBACCO CO. v. STREAT, 83 Fed. 700, 28 C. C. A. 18.

The apron referred to in the second, third and fourth claims is the rolling apron, A, indicated by the letter "A" in the drawings accompanying the patent, and is an essential part of each claim, as well as the vital part of the patent itself.

598. M'CORMICK, ETC., MACH. CO. v. AULTMAN, ETC., CO., 69 Fed. 371, 16 C. C. A. 259.

Certainly neither of these cases establishes a hard and fast rule that where a patentee claims the combination of certain elements shown in his patent, describing them by reference letters in the drawings, he thereby deprives himself of the benefit of the liberal doctrine of equivalents applicable to pioneer patents, if otherwise he is entitled to its application.

599. ROSS-MOYER MFG. CO. v. RANDALL, 104 Fed. 355, 43 C. C. A. 578.

The use of letters in describing a patented device has been the subject of consideration in a number of cases in the Supreme Court as well as in this court. Sometimes the letters have been held to limit the inventor to the very device thus designated; in other cases the mere use of letters has not been held to deprive the inventor of a liberal application of the doctrine of mechanical equivalents. An analysis of the cases will show that the conclusion reached depends upon the character of the improvement under consideration. If the invention is of a pioneer character, highly meritorious in conception and usefulness, the mere use of letters has been held not to limit the inventor to the exact form of device shown, but he is entitled to a broader construction of his patent, in view of the advance which he has made in the art. However, if the field of invention is limited, and an improvement of a narrow character has been made, just sufficient to cross the line which divides mechanical improvement from patentable invention, the inventor will be allowed the specific description shown and no more. In other words, he will be held to have invented just what his claim shows to have been the specific subject-matter of his improvement. Without stopping to analyze the case we think the following citations establish the rule just stated.

600. STIRRATT v. EXCELSIOR MFG. CO., 61 Fed. 980, 10 C. C. A. 216.

The claims and specifications of every patent must be read and construed in the light of a full knowledge of the state of the art when the patent was issued. A patent to the original inventor of a machine which first performs a useful function protects him against all machines that perform the same function by equivalent mechanical devices, but a patent to one who has simply made a slight improvement on a device that performed the same function before as after the improvement, is protected only against those who use the very improvement he describes and claims, or mere colorable evasions of it.

600a.

[When an inventor applies for a patent he is subject to the presumption of law that he has before him all prior patents, prior uses, prior publications and prior knowledge. Duer v. Corbin, etc., Lock Co., 149 U. S. 216, 37 L. ed. 707, 13 Sup. Ct. 850.

The prior state of the art is always important as bearing upon the construction of a patent and the question of infringement even in cases where the prior art may not anticipate the invention. Deering v. Winona Harvester Works, 155 U. S. 286, 39 L.

ed. 153, 15 Sup. Ct. 118. That is to say in the average case the claim for the invention must be drawn in the light of the prior art; and the claim of a patent must be construed in the light of the prior art.]

601. THOMSON-HOUSTON ELECTRIC CO. v. HOOSICK R. CO., 82 Fed. 461, 27 C. C. A. 419.

It would be waste of time to dwell upon the verbal differences in these claims. The change in phraseology import nothing of substance into their respective combinations. They describe the same things in different language, and the draftsman seems to have expended great ingenuity in cataloguing a group of synonyms.

602. MATHESON v. CAMPBELL, 78 Fed. 910, 24 C. C. A. 284.

In other words, having himself experimented only with three or four bodies out of a group of hundreds, he proposes to set himself in the pathway of future experimenters with any or all of the other bodies, and, as the result of each new experiment is disclosed, will fire away at it, calculating to "hit it if it is a deer, and miss it if it is a cow." That this is precisely what is contended for is manifest from the statement, prominently set forth in appellee's brief.

603. CARLTON v. BOKEE, 84 U. S. 463, 21 L. ed. 517.

One void claim, however, does not vitiate the entire patent if made by mistake or inadvertence and without any wilful default or intent to defraud or mislead the public.

604. THOMSON-HOUSTON ELECTRIC CO. v. ELMIRA, ETC., R. CO., 71 Fed. 396, 18 C. C. A. 145.

While two or more inventions residing in the same combination or structure may be covered by a corresponding number of claims in a single patent, the law does not require them all to be claimed in the same patent, and the invention may, at the option of the patentee, be secured by different patents. It is quite immaterial that both inventions originate at the same time and from a single conception.

605. ANDERSON v. COLLINS, 122 Fed. 451, 58 C. C. A. 669.

Even where each of several applications which subsequently ripen into patents to the same inventor discloses all the inven-

tions claimed in all the applications, and they are all pending at the same time, no one of the applications or patents can be used to anticipate any of the claims of the others which it does not itself claim and secure.

606. IDE v. TRORLICHT, ETC., CARPET CO., 115 Fed. 137, 53 C. C. A. 341.

Where each of several applications which subsequently ripen into patents to the same inventor, describes an entire machine and the inventions claimed in all of the applications, but no one of the applications claims any invention claimed in any of the others, and they are all pending at the same time, the respective dates of the applications and of the patents, and the dates when the applications were filed are immaterial, and the applications and the patents can not be used to anticipate each other.

607. DAYTON FAN, ETC., CO. v. WESTINGHOUSE, ETC., MFG. CO., 118 Fed. 562, 55 C. C. A. 390.

We have no disposition to depart from the rules in respect to the identity of patents and the method of determining it, here adverted to, which we deem sound and reasonable; but it would be a misapplication of them, and contrary to their spirit and purpose, to say that independent inventions may not be the proper subjects of independent patents, even though they may relate to the same subject-matter, and one may dominate the other in the same field.

* * *

Since, therefore, the invention of the specific means covered by these claims for the special means and the generic invention were for independent inventions, and neither had been given to the public, it was competent for the inventor to take out a patent for each; and we do not perceive that in such case it would be material that the taking out of the one patent was prior to that of the other.

* * *

And no valid reason exists why the patentee of an invention may not enjoy the privilege of a stranger in thereafter obtaining a patent for an independent invention made by him, although it relate to the matter of his former patent, and was described but not claimed, therein, provided he has not dedicated such independent invention to the public.

608. WESTERN ELECTRIC CO. v. WILLIAMS-ABBOTT ELECTRIC CO., 108 Fed. 952, 48 C. C. A. 159.

The truth is that the kernel of the invention was taken out of this and made the subject of another application. Having dis-

claimed it, the patentee can not now claim that invention to be within the scope of the patent here in suit.

609. HILLARD v. FISHER, ETC., CO., 159 Fed. 439, 86 C. C. A. 469.

The feature which gives validity to the patent in suit was expressly carved out of No. 554,874 and reserved for patenting in No. 580,281. The specification expressly says so. * * * The patent is thus clearly within the protection of the rule followed by this court in Thomson-Houston Electric Co. v. Elmira Elec. R. Co., 71 Fed. 396, 404, 18 C. C. A. 145.

610. PALMER, ETC., TIRE CO. v. LOZIER, 90 Fed. 732, 33 C. C. A. 255.

The rule rests upon the broad and obvious ground that, if the second patent is for an invention, that was necessary to the use of the invention first patented, it cannot be sustained. * * * Undoubtedly, as pointed out in Miller v. Mfg. Co., supra, if the second patent is for a distinct and separate invention, or, to put the matter in another way, has not been made integral with another invention already patented, so as to be fairly necessary to its use, it should be sustained if the other requisite conditions exist.

* * *

One can not lawfully have two patents for one invention. When once the invention has been used, as the consideration of a grant, its value for that purpose is spent, and there is nothing in it on which a second grant can be supported. And this rule holds good though the scope of the patents may be different. One can not extract an essential element of his invention from a former patent, without which the former patent would not have been granted and make it the subject of a subesquent patent.

611. PALMER v. BROWN, 92 Fed. 925, 35 C. C. A. 86.

The conception of a mechanism capable merely of producing motion in a predetermined form, and the conception of this mechanism combined with other elements, in a machine producing work theretofore done only by hand, are distinct. Had the "movement" been in the prior art, we think that Palmer's claims to the protection by letters-patent of his quilting machine would be well founded. As he has produced not only a quilting machine, but a part of that machine which may be used in other machines, we see no reason why, by properly seeking protection for all that he has invented, he should be deprived of the protection of letters-patent for that which he regards as his chief invention.

Are the two patents for the same invention? Looking first to the letters-patent themselves, and comparing their claims we are unable to say that the combination claimed in the earlier is identical with that claimed in the later, since the later specifically claims elements not enumerated in the earlier. As the claims are not coextensive, the fact that a given element is common to both may be of little consequence. * * * The test of identity afforded by a comparison of the claims of the two patents, however, is not conclusive. We must be satisfied further that there are substantial differences, not merely varying descriptions of one invention, or descriptions of a single invention in different applications to use.

612. WESTERN ELECTRIC CO. v. WILLIAMS-ABBOTT, 108 Fed. 952, 48 C. C. A. 159.

By the general rule of patent law, a patent for the specific device would cover all known equivalents, the range of which would be more or less broad according to the scope of the invention. Such equivalents represent in legal contemplation, the same invention. One can not divide an integral invention, or have two patents for the same thing.

613. JAMES v. CAMPBELL, 104 U. S. 356, 26 L. ed. 786.

It is hardly necessary to remark that the patentee could not include in a subsequent patent any invention embraced or described in a prior patent to himself, any more than he could an invention embraced or described in a prior patent granted to a third person. Indeed, not so well, because he might get a patent for an invention before patented to a third person in this country, if he could show that he was the first and original inventor, and if he should have an interference declared.

614. OTIS ELEVATOR CO. v. PORTLAND CO., 127 Fed. 557, 62 C. C. A. 339.

The complainant relies upon the disclaimer of the earlier patent: "I do not here claim any of the features also shown and claimed in my application and serial Nos. 157,771, 158,462 and 216,962." Though reference is here made to the application for the patent in suit, it is evident that a patentee can not thus withdraw the invention which actually is embodied in the structure claimed. He can not patent the structure, and by disclaimer withdraw the invention which makes the structure patentable.

* * *

The patentee can not subsequently start afresh and say: "I have now another machine, which is exactly like the old one

in the use of the generic idea. I desire a patent upon it, but I do not claim the feature in which the machine of my new application differs from the old, but I claim what is exactly the same as is in the old. I claim that machine again, and all others containing the same invention." Yet this is substantially the case before us.

615. CROWN CORK, ETC., CO. v. STANDARD STOPPER CO., 136 Fed. 841, 69 C. C. A. 200.

Where two patents are issued on the same day by the patent office, and there is no other evidence of seniority between them than such as appears from their several numbers, the earlier in number must be regarded the senior and the earlier in publication.

* * *

If, however, the invention of the later patent is patented by the earlier one, the earlier must, of course, invalidate the later, for there can not be two valid patents for the same invention, and the later patent is therefore void.

616. THOMSON-HOUSTON ELECTRIC CO. v. WESTERN ELECTRIC CO., 158 Fed. 813, 86 C. C. A. 73.

The matter sought to be covered by the later patent is inseparably involved in the matter embraced in the earlier patent, and, therefore, the claims in controversy are void.

617. WARREN BROS. CO. v. CITY OF OWOSSO, 166 Fed. 309, 92 C. C. A. 227.

The presumption that he believed himself to be the inventor of the pavement for which he was given a patent must be our starting point in determining whether his patent is defeated by anticipation. That somebody had, in fact, made the same composition before he did, does not necessarily defeat his patent. In one sense he would not be the first inventor in such case. But in the sense of the patent statute, he is the first inventor who, by his own thought makes an article or material and first perfects and adapts his discovery to actual use, although someone may have previously made a similar article without putting it to practical use or given his discovery to the public in any way.

618. NATIONAL CASH REGISTER CO. v. AMERICAN CASH REGISTER CO., 53 Fed. 367, 3 C. C. A. 559.

The result which he achieved was a distinct and single one, which had not, by any means, been previously attained. He

entered upon a barren territory in the domain of invention, and was the first to occupy and appropriate it. He was a pioneer.

619. WESTERN ELECTRIC CO. v. ROBERTSON, 142 Fed. 471, 73 C. C. A. 587.

A primary invention is "one which performs a function never performed by any earlier invention." A secondary invention is one which performs a function previously performed, but in a substantially different way. Walker on Pat. Secs. 353, 359. This word (pioneer) although used somewhat loosely, is commonly understood to denote a patent covering a function never before performed, a wholly novel device, or one of such novelty and importance as to mark a distinct step in the progress of the art, as distinguished from a mere improvement or perfection of what had gone before.

620. WESTINGHOUSE, ETC., MFG. CO. v. STANLEY INSTRUMENT CO., 133 Fed. 167, 68 C. C. A. 523.

Where the originator has boldly struck out into a practical application, and stated it, though only in general terms, he has, for the most part, made his conception clear even though the mechanical details have not been expressed or thought out.

621. SCOTT v. FISHER, ETC., MACH. CO., 145 Fed. 915, 76 C. C. A. 447.

It may, therefore, fairly be said that he fulfilled the requirements of a generic invention, in that he devised a machine which performed the function of looping on a ribbed fabric, a function never performed thereon by any earlier machine, and thereby produced a result never before produced, namely, a ribbed fabric capable of being fleeced, and that in doing this he exercised invention of a high order.

622. SMITH v. GOODYEAR, ETC., CO., 93 U. S. 486, 23 L. ed. 952.

We do not say, the single fact that a device has gone into general use and has displaced other devices which had previously been employed for analogous uses, establishes in all cases that the later device involves a patentable invention. It may, however, always be considered; and, when the other facts in the case leave the question in doubt, it is sufficient to turn the scale.

623. TOPLIFF v. TOPLIFF, 145 U. S. 156, 36 L. ed. 658, 12 Sup. Ct. 825.

While the question of patentable novelty in this device is by no means free from doubt, we are inclined, in view of the extensive use to which these springs have been put by manufacturers of wagons, to resolve that doubt in favor of the patentees.

624. MAGOWAN v. NEW YORK, ETC., CO., 141 U. S. 332, 35 L. ed. 781, 12 Sup. Ct. 71.

It is remarked by Judge Nixon in his opinion, as a fact not to be overlooked and having much weight, that the Gately packing went at once into such extensive public use as almost to supersede all packings made under other methods; and that that fact was pregnant evidence of its novelty, value, and usefulness. (Smith v. Goodyear, etc., Co., 93 U. S. 486, 23 L. ed. 952; Loom Co. v. Higgins, 105 U. S. 580, 26 L. ed. 1177.) It may also be added, that the evidence shows that the Gately packing was put upon the market at a price from 15 to 20 percent. higher than the old packings, although it cost 10 percent. less to produce it.

625. KALAMAZOO RY. SUPPLY CO. v. DUFF MFG. CO., 113 Fed. 264, 51 C. C. A. 221.

The fact that the complainant's device was at once successful, and that, to a large extent, it practically displaced all lifting jacks in previous use, must be regarded as a circumstance of decided significance. Such circumstance clearly discloses the meritoriousness of the device or invention. And it is well settled that, when the question of patentable novelty is fairly open to doubt, the practical success of the device, with the fact that it displaced similar devices in previous use, is sufficient to turn the scale in favor of the invention.

626. WESTINGHOUSE, ETC., MFG. CO. v. UNION CARBIDE CO., 117 Fed. 495, 55 C. C. A. 230.

If there is any doubt upon the question of patentability, the practical and commercial results of the improvement must resolve such doubts in its favor.

* * *

It is at most merely the use of an old device for a new and analogous purpose, without the necessity of any adaptation in order to discharge the old function in the new device. Its confessed commercial success, therefore, cannot be accepted as evidence of invention.

627. DOWAGIAC MFG. CO. v. MINNESOTA MOLINE PLOW CO., 118 Fed. 136, 55 C. C. A. 86.

The testimony shows that the public by large purchases appreciated Hoyt's device; and while this fact is not controlling, it is entitled to consideration, when commercial success is not shown to be due to other causes.

628. BRUNSWICK-BALKE-COLLENDER CO. v. THUM, 111 Fed. 904, 50 C. C. A. 61.

Within three years after the issuance of the patent, 90 per-cent. of the existing bowling alleys have had the new style, or Reisky, returnways. In the face of this evidence, we cannot hold that this improvement is devoid of patentable invention.

629. CROWN CORK, ETC., CO. v. STANDARD STOPPER CO., 136 Fed. 841, 69 C. C. A. 200.

It is urged that the great commercial success which has attended the introduction of the patented cap is persuasive that it supplied a want long felt, and which previous inventors had not been able to meet, and is therefore evidence of its patentable novelty. Such an argument is always legitimate, but in this case has not the usual force, first, because the caps put upon the market seem to have been made according to the earlier Painter patent; * * * and, secondly, because the success is largely attributable to the machine used for fastening the caps on the bottles, and which enables it to be done with great rapidity and efficiency.

630. KENNEY v. BENT, 97 Fed. 337, 38 C. C. A. 205.

From aught that appears, it may have come from his superior construction, or the other claims of the patent, and especially from the fact that he omitted all adjusting devices.

631. GLOBE-WERNICKE v. MACEY CO., 119 Fed. 696, 56 C. C. A. 304.

The fact * * * that these bookcases have gone into extensive use is due, as we think, to the elegant workmanship employed in their manufacture, and the convenience of having the sections separable, aided by the energy with which, as the bill states, they were pressed upon the market.

632. NEW YORK BELTING, ETC., CO. v. SIERER, 158 Fed. 819, 86 C. C. A. 79.

A large part of the success of the complainant's tiles is undoubtedly due to their thickness and the secret composition of which they are made.

633. BALL & SOCKET FASTENER CO., v. EDGARTON MFG. CO., 96 Fed. 489, 37 C. C. A. 523.

The device was known for over 12 years before this bill was filed; and yet during the whole of that period it never has been put to practical use. If the case had been otherwise, the prac-

tical result might have enabled us to give the patent the support which might have come therefrom.

634. CAMPBELL, ETC., MFG. CO. v. DUPLEX PRINTING-PRESS CO., 101 Fed. 282, 41 C. C. A. 351.

The Stonemetz patent did not go into use at all. These facts would not of themselves establish that the inventions were not novel and useful, but such circumstances, unexplained, give additional ground for the belief that no very substantial improvement of the art was made.

635. IDEAL STOPPER CO. v. CROWN CORK, ETC., CO., 131 Fed. 244, 65 C. C. A. 436.

Commercial success is not an infallible standard by which to test the merit of an invention. Such success is often due to mere business ability in manufacturing, exploiting, and advertising; but given a large demand for a particular thing, a market already created, and in an invention which it is free to use, the fact that it is not used strongly demonstrates its inadequacy.

636. DRAPER CO. v. AMERICAN LOOM CO., 161 Fed. 728, 88 C. C. A. 588.

It is urged on us that the complainant made no commercial use of the patented device; but, utility and patentability being otherwise established, we are not required to investigate the excuse given by complainant for nonuser.

637. LEWIS, ETC., MACH. CO. v. PREMIUM MFG. CO., 163 Fed. 950, 90 C. C. A. 310.

It is objected that no machine, conforming to the specification of the first patent, was ever used or placed upon the market. * * * During the life of his monopoly, a patentee is under no obligation to use or place upon the market a device or machine embodying his invention.

638. OSGOOD DREDGE CO. v. METROPOLITAN DREDGING CO., 75 Fed. 670, 21 C. C. A. 491.

The complainant has pressed upon us advertisements and other public declarations of the respondent maintaining the patentability of dredgers of the general character of the one in issue. In that class of litigation in which results can affect no interests except those of the parties to it, the court may well give weight to declarations of that nature; but with reference to a patent for an invention, which is of public concern such declarations are of little consequence, and neither the inventor nor the alleged infringer can be permitted to substitute his own acts or opinions for the judgment of the court.

639. CLEVELAND FOUNDRY CO. v. KAUFFMAN, 135 Fed. 360, 68 C. C. A. 658.

The learned judge said: "The case is a close one. We have not arrived at our conclusion without hesitation, and there are grounds for strongly urging a different one." But we think that the doubt which he seems to have entertained should have been resolved in support of the patent.

640. CONSOLIDATED, ETC., TIRE CO. v. DIAMOND RUBBER CO., 162 Fed. 892, 89 C. C. A. 582.

Another volume of 500 pages has been added to the library which has accumulated during the last ten years through the efforts of many defendants who seem determined to use what they, in effect, assert to be a useless device. The indomitable persistency with which these people have fought for the right to use the Grant tire is more persuasive evidence of its merits than the opinions of experts.

641. NATIONAL, ETC., CO. v. INTERCHANGEABLE, ETC., CO., 106 Fed. 693, 45 C. C. A. 544.

The fact that his combination had not suggested itself to any mechanic skilled in the art during 12 years of diligent search and effort for improvement; the facility and rapidity with which it took the place of old devices and went into immediate and extensive use as soon as it was disclosed—all these facts converge upon the mind with compelling force to prove that the striking and effective improvement he made was the production, not of the skill of the mechanic, but of the intuitive genius of the inventor.

642. GENERAL ELECTRIC CO. v. WAGNER ELECTRIC MFG. CO., 130 Fed. 772, 66 C. C. A. 82.

We have been unable to find in the prior art any single device, or any sufficiently definite suggestions derivable from the various devices, which sustain the contention of defendants that the patented improvement is merely the result of mechanical skill. The reasons for the conclusion that the patented device involved invention sufficiently appear from a comparison of its construction, adapted to attain the objects stated in the specification and the practical results thereby secured, with the impracticability or insufficiency of the devices of the prior art. The failure of defendants to avail themselves of said earlier devices or improve them, and their bodily appropriation of the patented construction, is most persuasive upon the question of invention.

643. MOTT IRON WORKS v. STANDARD, ETC., MFG. CO., 159 Fed. 135, 86 C. C. A. 325.

Indeed its inventive character is evidenced by the alleged anticipatory uses in the respondent's works. The combined use of a pneumatic hammer with a sieve was some years before there tried and abandoned. The evidence of exact practice is not such as to establish an anticipatory use, for it is contradictory as to how the hammer was applied, but the highly significant fact is that, even with the thought of a possible combination of pneumatic hammer and sieve suggested to men skilled in that art, they were not able to mechanically place the two in successful operative relation. But Arrott did just what they failed to do. He contributed to an important industry a device, labor-saving, effective, and which, in relieving to a degree labor under fierce heat conditions, rose to the plane of the humane. And it was these results which the respondent failed to secure that made Arrott's work invention, and theirs a fruitless and abandoned experiment.

644. SCHENCK v. SINGER MFG. CO., 77 Fed. 841, 23 C. C. A. 494.

In view of the prior state of the art thus exhibited, it seems now to have been a very simple thing to do what was done by the patentees. It was only necessary for them to take the Levitt frame, change the location of the brace, perhaps enlarge the diameter of its arms, remove the metallic loop, and insert in the cross brace the short shaft shown in the patent to Brill. But the record in this case affords extrinsic evidence of a most convincing kind that what was done by the patentees was not an obvious thing, and that the change of organization was not one which the skilled mechanics of the particular art could have suggested and introduced without the exercise of inventive faculty. This evidence is supplied, not only by the many patents for improvements, which fell short of producing the simple, compact, less expensive, and more effective bearings of the patent, but by the sterility, during 20 years, of the great army of mechanics employed by the various sewing machine manufacturers. The complainant itself, from 1865 to 1879, used the overhung stud, and for several years of that period its machines contained cross-braces readily adaptable to the office of the patented brace. It employed a vast number of skilled workmen. Yet to none of them did the suggestion occur which is embodied in the new organization of the patentees. The simple change made by the patentees has proved so valuable that the complainant has adopted it in more than 9,000,000 sewing machines. The sewing machine company whose president is the defendant in this suit has also adopted it. No one can examine the bear-

ings of the patent, even cursorily, and compare them with those previously in use, without recognizing the meritorious improvements which they embody. We agree with the court below that these improvements were invention, and not merely the exercise of mechanical skill and adaptation.

645. HOBBS MFG. CO. v. GOODING, 111 Fed. 403, 49 C. C. A. 414.

It aided to make a successful machine; and the fact that Cushman failed to accomplish that result notwithstanding his ingenuity, weighs strongly in favor of the patentability of the complainant's box form, simple as it is.

646. LOOM CO. v. HIGGINS, 105 U. S. 580, 26 L. ed. 1177.

If Davis was the inventor of the wire motion applied to these looms, why did he not apply for a patent for it? He was already a patentee of a different and inferior apparatus. He knew all about the method of going about to get a patent. He belonged to a profession which is generally alive to the advantages of a patent right. On the hypothesis of his being the real inventor his conduct is inexplicable.

647. AUSTIN MFG. CO. v. AMERICAN WELLWORKS, 121 Fed. 76, 57 C. C. A. 330.

The defendant furnishes strong evidence of its utility by persistent adoption of means for like purpose.

648. SANDERS v. HANCOCK, 63 C. C. A. 166, 128 Fed. 424.

And, having regard to the presumption of validity arising from the grant, the success which it has attained, the non-existence of any anticipation, and the adoption of it by the defendant in his business, with express notice of the patent, and with a view to profit by it, we think we should hold the combination of claim 2 to be valid.

649. CLARK v. WILSON, 30 Fed. 372.

As at the time he obtained this patent he had been engaged for over 25 years in the manufacture and sale of rolling metallic shutters, and it was open to him to adopt the joint of the prior art, his adoption of the joint of the patent is quite persuasive evidence of its merit. That the changes of form were not an obvious thing, but involved invention, is shown by the fact that for a period of 40 years since the earlier invention in metallic shutters no one seems to have conceived of the practicability of the improvement.

650. HILLARD v. FISHER, ETC., CO., 159 Fed. 439, 86 C. C. A. 469.

It is difficult to imagine an instance where a patent should be defeated on this ground [want of utility] at the instigation of one who is himself persistently using the very thing which he denounces as useless.

651. CLOUGH v. GILBERT, ETC., MFG. CO., 106 U. S. 178, 27 L. ed. 138, 1 Sup. Ct. 198.

We think, from the evidence, that these modifications were new and useful, and sufficient in character to sustain a patent. The burner in the form patented by Barker appears to have superseded the burner in the form patented by Clough, and, after Barker had introduced his burner into use, Clough commenced making for market burners in the same form.

652. FARIES MFG. CO. v. BROWN, ETC., CO., 121 Fed. 547, 57 C. C. A. 609.

The advance seems simple enough. One wonders why, pending its adoption, twelve years went by. But the same wonder accompanies every step forward in the useful arts. The eye that sees a thing already embodied in mechanical form gives little credit to the eye that first saw it in imagination. But the difference is just the difference between what is common observation and what constitutes an act of creation. The one is the eye of inventive genius; the other of a looker-on after the fact. Considering the utility of the new knot, and the unavailing efforts prior to the patent in suit, to reach some correction of the existing defects, and the length of time those efforts went on, we are convinced that the patent under consideration evinces something more than mere mechanical skill. (Patent No. 328,452, for Check-Row Wire.)

653. EDISON v. AMERICAN MUTOSCOPE CO., 114 Fed. 926, 52 C. C. A. 546.

Undoubtedly Mr. Edison, by utilizing this film and perfecting the first apparatus for using it, met all the conditions necessary for commercial success. This, however, did not entitle him, under the patent laws, to a monopoly of all camera apparatus capable of utilizing a film. Nor did it entitle him to a monopoly of all apparatus employing a single camera.

654. PARK, ETC., CO. v. HARTMAN, 153 Fed. 24, 82 C. C. A. 158.

But one who makes or vends an article which is made by a secret process or private formula cannot appeal to the protection of any statute creating a monopoly in his product. * * *

The process or the formula is valuable only so long as he keeps it secret. The public is free to discover it if it can by fair and honest means, and, when discovered, anyone has the right to use it. Chadwick v. Covell, 151 Mass. 190, 23 N. E. 1068, 6 L. R. A. 839, 21 Am. St. 442; Tabor v. Hoffman, 118 N. Y. 30, 23 N. E. 12, 16 Am. St. 740; Peabody v. Norfolk, 98 Mass. 452, 96 Am. Dec. 664; Vulcan Detinning Co. v. American Can Co., 67 N. J. Eq. 243, 58 Atl. 290.

655. PROVIDENCE RUBBER CO. v. GOODYEAR, 76 U. S. 788, 19 L. ed 566.

A machine may be new, and the product or manufacture proceeding from it may be old. In that case the former would be patentable and the latter not. The machine may be substantially old, and the product new. In that event, the latter and not the former, would be patentable. Both may be new or both may be old. In the former case both would be patentable; in the latter neither. The same remarks apply to processes and their results. Patentability may exist as to either, neither or both, according to the fact of novelty, or the opposite. The patentability or the issuing of a patent as to one, in no wise affects the rights of the inventor or discoverer in respect to the other. They are wholly disconnected and independent facts. Such is the sound and necessary construction of the statute.

656. UNITED STATES EX REL. STEINMETZ v. ALLEN, 192 U. S. 543, 48 L. ed. 555, 24 Sup. Ct. 416.

Can it be said that a process and an apparatus are inevitably so independent as never to be "connected in their design and operation?" They may be completely independent. * * * But they may be related. They may approach each other so nearly that it will be difficult to distinguish the process from the function of the apparatus. In such cases the apparatus would be the dominant thing. But the dominance may be reversed and the process carry an exclusive right, no matter what apparatus may be devised to perform it.

657. HOFF v. IRONCLAD MFG. CO., 139 U. S. 326, 35 L. ed. 179, 11 Sup. Ct. 580.

It may be true that Reynolds conceived the idea of his hod from an examination of the Hoff device; but he is none the less entitled to claim that the Hoff patent had been anticipated by prior devices, especially when such prior devices appear to show a complete anticipation of his own.

658. DEERING v. WINONA HARVESTER WORKS, 155 U. S. 286, 39 L. ed. 153, 15 Sup. Ct. 118.

Oral testimony, unsupported by patents or exhibits, tending to show prior use of a device regularly patented is, in the nature of the case, open to grave suspicion.

659. CANTRELL v. WALLICK, 117 U. S. 689, 29 L. ed. 1017, 6 Sup. Ct. 970.

The burden of proof is upon the defendants to establish this defense. For the grant of letters patent is prima facie evidence that the patentee is the first inventor of the device described in the letters patent and of its novelty.

660. KIRCHBERGER v. AMERICAN, ETC., BURNER CO., 128 Fed. 599, 64 C. C. A. 107.

We conclude, however, that inasmuch as defendants' contention is based on the claim that the Buller or other devices of the prior art were capable of practical successful operation when made of lava or steatite, the burden was upon the defendants to prove this fact as part of their prima facie case.

661. McMICHAEL, ETC., MFG. CO. v. RUTH, 128 Fed. 706, 63 C. C. A. 304.

It is perhaps possible for an expert, having the patent in suit before him, to build up the structure covered by these claims, by selecting and deftly adapting appliances theretofore known, "yet it would still be true that neither the same combination in its entirety nor the same mode of operation" had previously been described or in any manner exemplified.

662. AMERICAN ROLL-PAPER CO. v. WESTON, 59 Fed. 147, 8 C. C. A. 56.

We are fully sensible of the just criticisms which were made upon this class of testimony by the supreme court in the case of Washburn & Moen Manuf'g Co. v. Beat 'Em All Barbed-Wire Co., 143 U. S. 275, 12 Sup. Ct. 443, and many times repeated by that and other courts in dealing with such cases; but it is impossible to resist this mass of testimony, coming as it does from witnesses who are unimpeached, and, possibly with one exception, wholly disinterested.

663. FARMERS' MFG. Co. v. SPRUKS MFG. CO., 127 Fed. 691, 62 C. C. A. 447.

Considering this patent as an alleged limiting or anticipating document, what would a person skilled in the art of barrel making produce from inspecting the drawings of the patent and

following it? Nothing but a tight, unventilated barrel, with a cylindrical center and cones at the ends. For nearly 30 years it had been on the public record without producing any effect on the art or trade of barrel making. It cannot be said that a patent for a device which fails to accomplish the desired end is an anticipation of one which successfully accomplishes it.

664. COLUMBUS CHAIN CO v. STANDARD CHAIN CO., 148 Fed. 622, 78 C. C. A. 394.

The burden was on appellant to establish that he invented his device prior to December 27, 1894, and that beyond a reasonable doubt. It is well settled that, if a defendant seeks to invalidate the patent in suit by showing by oral testimony, prior invention, the proof must be clear, satisfactory, and beyond reasonable doubt. [Barbed Wire Patent, 143 U. S. 275, 36 L. ed. 154, 12 Sup. Ct. 443, 450; American Roll-Paper Co. v. Weston, 59 Fed. 147, 8 C. C. A. 56.] It is also the law that, if a plaintiff seeks to maintain the patent in suit by showing by oral testimony invention prior to a patent which anticipates it and would otherwise invalidate it, the proof must be of the same character.

665. WESTINGHOUSE, ETC., MFG. CO. v. NEW ENGLAND GRANITE CO., 110 Fed. 753, 49 C. C. A. 151.

Giving to Deprez's theorem all the value to which it is entitled, its application by Tesla to the production of a new, original and most beneficial practical result by new and described means and the use of polyphase alternating currents—in brief, by the polyphase system—and the apparatus of Tesla was an invention of a very high order. The defense of non-patentability was elaborated in the record in the most painstaking manner, and with abundant reference to statements and theories of scientists who preceded Tesla, and who were trying to discover the laws of a mysterious natural force, the utilization of which is still far from complete development. Each was prospecting in a mine not thoroughly explored, and dimly lighted, and each produced something of value; but the attempt to minimize Tesla's invention of the method of successfully using electricity for very important purposes by means theretofore thought to be impracticable rested upon a very inadequate foundation.

666. EDISON v. AMERICAN MUTOSCOPE CO., 114 Fed. 926, 52 C. C. A. 546.

We are not satisfied that the apparatus is inoperative, but incline to the opinion that the alleged defects are merely in de-

tails of construction, which would be readily obviated by the skilled mechanic. The presumption arising from the grant of the United States patent must prevail in the absence of proof to overthrow it.

667. LINCOLN IRON WORKS v. McWHIRTER CO., 142 Fed. 967, 74 C. C. A. 229.

[The essential point of the patent was fastening together two tables. It was asserted that Gilmour had obtained a conception from Brown. The court held that this was not proof but that Brown had communicated to Gilmour only knowledge which was accessible to all who might have chosen to familiarize themselves with the prior art.]

668. WESTINGHOUSE AIR-BRAKE CO. v. CHRISTENSEN ENGINEERING CO., 128 Fed. 437, 63 C. C. A. 179.

It may be assumed that Boyden of 1883 and Holleman were mere paper patents not capable of successful practical operation. But this does not defeat their relevancy as limitations upon the scope of the patent in suit, provided they sufficiently embody the elements and disclose the principle of operation of said patent.

669. WESTINGHOUSE AIR-BRAKE CO. v. GREAT NORTHERN R. CO., 88 Fed. 258, 31 C. C. A. 525.

Prophetical suggestions in English patents of what can be done, when no one has ever tested by actual and hard experience and under the stress of competition the truth of these suggestions, or the practical difficulties in the way of their accomplishment, or even whether the suggestions are feasible, do not carry conviction of the truth of these frequent and vague statements, * * * and the result which was then reached is not shaken by merely a single sentence in the English patent.

670. DRAPER CO. v. AMERICAN LOOM CO., 161 Fed. 728, 88 C. C. A. 588.

Of course where mechanical improvements have moved so fast as they have in the last half century, great caution is required in investigating alleged anticipations which date back nearly the whole of that period; and, so far as they did not go into use, so there was no practical exhibition of them, it is often difficult to determine whether they disclosed such full, clear and exact terms as are necessary to anticipate.

671. DEERING v. WINONA HARVESTER WORKS, 155 U. S. 286, 39 L. ed. 153, 15 Sup. Ct. 118.

These devices, though not claimed to fully anticipate the Olin patent in suit, are important in their bearing upon the construction of this patent and upon the alleged infringement by the defendants.

672. NATIONAL, ETC., CO. v. SWIFT, 104 Fed. 87, 43 C. C. A. 421.

The contention that these prior patents must be treated as failures—as mere paper patents of no practical value—is untenable. "The very fact" of the grant of a patent for the process described "is some evidence of its operativeness, as well as of its utility," when introduced by way of anticipation.

673. VAN EPPS v. UNITED BOX, ETC., CO., 143 Fed. 869, 75 C. C. A. 77.

In these circumstances, the rule frequently invoked in the case of mere paper patents may with much greater force be applied to these machines, which, even though they may have worked imperfectly, were confessedly capable of a limited, successful, practical operation. Where such patents, or the machines constructed under them, embody the principle covered by a later patent, the mere fact that they are not capable of successful practical working because of objections as to the minor matters of detail in construction will not deprive them of their effect as defenses where they sufficiently disclose the invention claimed in the later patent.

674. SANDERS v. HANCOCK, 128 Fed. 424, 63 C. C. A. 166.

We have no doubt that Hardy had no knowledge of any of these former patents, for they had not been much extended in use or public notice; but the consequence of their existence no less affects his claim of novelty than if he had known all about them, notwithstanding their obscurity.

675. CANDA v. MICHIGAN, ETC., IRON CO., 124 Fed. 486, 61 C. C. A. 194.

Nor can we think that the existence in the Patent Office of something which might merely supply a hint, but was not specifically described or claimed as intended to be covered by a patent, ought to be held as an anticipation of an otherwise valid invention. Inventors are not precluded by the embryonic and shapeless ideas found in former patents, any more than they are by such undeveloped matter existing elsewhere.

676. KIRCHBERGER v. AMERICAN, ETC., BURNER CO., 128 Fed. 599, 64 C. C. A. 107.

Said Bullier patent does not anticipate the patent in suit because: (1) The defendants have failed to show that it is capable of successful practical operation, or that the objections thereto were such as could be obviated without the exercise of the faculty of invention. * * * (2) Because, being a foreign publication, it does not contain a substantial representation of the patent improvement in such clear and exact terms as to enable a person skilled in the art to construct and practice the invention. * * * (3) It appears that it does not operate upon the theory or in the manner covered by the invention in suit.

677. CARNEGIE STEEL CO. v. CAMBRIA IRON CO., 185 U. S. 403, 46 L. ed. 968, 22 Sup. Ct. 698.

A process patent, such as that of Jones, is not anticipated by mechanism which might, with slight alterations have been adapted to carry out that process, unless, at least, such use of it would have occurred to one whose duty it was to make practical use of the mechanism described. In other words, a process patent can only be anticipated by a similar process. A mechanical patent is anticipated by a prior device of like construction and capable of performing the same function but it is otherwise with a process patent. The mere possession of an instrument or piece of mechanism contains no suggestion whatever of all the possible processes to which it may be adapted. (New Process Fermentation Co. v. Maus, 122 U. S. 413, 30 L. ed. 1193, 7 Sup. Ct. 1304.) If the mere fact that a prior device might be made effective for the carrying on a particular process were sufficient to anticipate such process, the absurd result would follow that, if the process consisted merely of manipulation, it would be anticipated by the mere possession of a pair of hands.

* * *

Some of the expressions taken by themselves, seem to foreshadow the Jones idea; but there was nothing in any of these discussions that filled the requirement of the law (Rev. Stat. sec. 4886) of a description in a publication sufficient to anticipate the patent.

678. ELECTRIC ACCUMULATOR CO. v. BRUSH ELECTRIC CO., 52 Fed. 130, 2 C. C. A. 682.

It, therefore, serves no useful purpose to strive to show that the Brush patent was anticipated because some pre-existing scientist has described a battery which corresponds with the general phraseology of the claims, provided their language

should be so construed as to include the class of batteries which has been mentioned, a construction which is forbidden by the history of the invention and by a disinterested examination of the patent.

678a. WICKELMAN v. DICK CO., 88 Fed. 264, 31 C. C. A. 530.

The case is one for the application of the doctrine, well settled in the law of patents, that novelty is not negatived by a prior accidental production of the same thing, when the operator does not recognize the means by which the accidental result is accomplished and no knowledge of them or of the method of its employment is derived from it by any one.

678b. BROWN v. GUILD, 90 U. S. 181, 23 L. ed. 161.

If, upon the whole of the evidence, it appears that the alleged prior invention or discovery was only an experiment and was never perfected or brought into actual use, but was abandoned and never revived by the alleged inventor, the mere fact of having unsuccessfully applied for a patent therefor cannot take the case out of the category of unsuccessful experiments.

679. MILLER v. EAGLE MFG. CO., 151 U. S. 186, 38 L. ed. 121, 114 Sup. Ct. 310.

That which infringes if later, anticipates if earlier. [And many other cases.]

PART X.

AMENDING, CORRECTING, REPEALING, EXTENDING PATENTS.

Statutes and Rules of Practice—Reissue—Must Be for Same Invention Which Should Have Been Covered by Original—When Claims May Be Broader Than in Original Patent—Error Arising from Inadvertence, Accident or Mistake, and Force of Grant by Commissioner of Patents—Reinstating Cancelled or Rejected Claims—Requirement of Reasonable Diligence—"Intervening Rights"—Effect of Surrender of Original Patent—General Rules and Illustrations—Certificate of Correction—Disclaimers—Repeal by Government—Extension.

STATUTES.

(Reissue of defective patents.)

Sec. 4916. Whenever any patent is inoperative or invalid, by reason of a defective or insufficient specification, or by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new, if the error has arisen by inadvertence, accident, or mistake, and without any fraudulent of deceptive intention, the Commissioner shall, on the surrender of such patent and the payment of the duty required by law, cause a new patent for the same invention, and in accordance with the corrected specification, to be issued to the patentee, or, in case of his death or of an assignment of the whole or any undivided part of the original patent, then to his executors, administrators, or assigns, for the unexpired part of the term of the original patent. Such surrender shall take effect upon the issue of the amended patent. The Commissioner may, in his discretion, cause several patents to be issued for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for a reissue for each of such reissued letters patent. The specifications and claim in every such case shall be subject to revision and restriction in the same manner as original applications are. Every patent so reissued, together with the corrected specifications, shall have the same effect and operation in law, on the trial of all actions for causes thereafter arising, as if the same had been originally filed in such corrected form; but no new matter shall be introduced

into the specification, nor in case of a machine patent shall the model or drawings be amended, except each by the other; but when there is neither model nor drawing, amendments may be made upon proof satisfactory to the Commissioner that such new matter or amendment was a part of the original invention, and was omitted from the specification by inadvertence, accident, or mistake, as aforesaid.

(Disclaimer.)

Sec. 4917. Whenever, through inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, a patentee has claimed more than that of which he was the original or first inventor or discoverer, his patent shall be valid for all that part which is truly and justly his own, provided the same is a material or substantial part of the thing patented; and any such patentee, his heirs or assigns, whether of the whole or any sectional interest therein, on payment of the fee required by law, make disclaimer of such parts of the thing patented as he shall choose to claim or to hold by virtue of the patent or assignment, stating therein the extent of his interest in such patent. Such disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office; and it shall thereafter be considered as part of the original specification to the extent of the interest possessed by the claimant and by those claiming under him after the record thereof. But no such disclaimer shall affect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing it.

(Suit for infringement where specification is too broad.)

Sec. 4922. Whenever, through inadvertence, accident, or mistake, and without any willful default or intent to defraud or mislead the public, a patentee has, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor or discoverer, every such patentee, his executors, administrators, and assigns, whether of the whole or any sectional interest in the patent, may maintain a suit at law or in equity, for the infringement of any part thereof, which was bona fide his own, if it is a material and substantial part of the thing patented, and definitely distinguishable from the parts claimed without right, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer. But in every such case in which a judgment or decree shall be rendered for the plaintiff, no costs shall be recovered unless the proper disclaimer has been entered at the Patent Office before the commencement of the suit. But

no patentee shall be entitled to the benefits of this section if he has unreasonably neglected or delayed to enter a disclaimer. [See Secs. 973, 4917.]

(Costs not recoverable in certain suits for infringement of patent unless disclaimer entered, etc.)

Sec. 973. When judgment or decree is rendered for the plaintiff or complainant, in any suit at law or in equity, for the infringement of a part of a patent, in which it appears that the patentee, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor, no costs shall be recovered, unless the proper disclaimer, as provided by the patent laws, has been entered at the Patent Office before the suit was brought. [See §§ 4917, 4922.]

RULES OF PRACTICE.

Rule 85 practically repeats Rev. Stat. § 4915, as modified by § 4895.

(Abstract of title. Assent of assignees.)

86. The petition for a reissue must be accompanied by an order for a certified copy of the abstract of title to be placed in the file, giving the names of all assignees owning any undivided interest in the patent. In case the application be made by the inventor it must be accompanied by the written assent of such assignees.

(Prerequisites—Oath of applicant for reissue.)

87. Applicants for reissue, in addition to the requirements of Rule 46, must also file with their petitions a statement on oath as follows:

(1) That applicant verily believes the original patent to be inoperative or invalid, and the reason why.

(2) When it is claimed that such patent is so inoperative or invalid "by reason of a defective or insufficient specification," particularly specifying such defects or insufficiencies.

(3) When it is claimed that such patent is inoperative or invalid "by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new," distinctly specifying the part or parts so alleged to have been improperly claimed as new.

(4) Particularly specifying the errors which it is claimed constitute the inadvertence, accident, or mistake relied upon, and how they arose or occurred.

(5) That said errors arose "without any fraudulent or deceptive intention" on the part of the applicant.

(New matter.)

88. New matter shall not be allowed to be introduced into the reissue specification, nor in the case of a machine shall the model or drawings be amended except each by the other.

(Division of reissue of application.)

89. The Commissioner may, in his discretion, cause several patents to be issued for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for each division of such reissued letters patent. Each division of a reissue constitutes the subject of a separate specification descriptive of the part or parts of the invention claimed in such division; and the drawing may represent only such part or parts, subject to the provisions of Rule 50. Unless otherwise ordered by the Commissioner, all the divisions of a reissue will issue simultaneously; if there be any controversy as to one division, the others will be withheld from issue until the controversy is ended, unless the Commissioner shall otherwise order.

(Re-examination of reissue claims.)

90. An original claim, if reproduced in the reissue, specification, is subject to re-examination, and the entire application will be revised and restricted in the same manner as original applications.

91. The application for a reissue must be accompanied by the original patent and an offer to surrender the same, or, if the original be lost, by an affidavit to that effect, and a certified copy of the patent. If a reissue be refused, the original patent will be returned to applicant upon his request.

(Matter to be claimed only in a reissue.)

92. Matter shown and described in an unexpired patent, and which might have been lawfully claimed therein, but which was not claimed by reason of a defect or insufficiency in the specification, arising from inadvertence, accident, or mistake, and without fraud or deceptive intent, cannot be subsequently claimed by the patentee in a separate patent, but only in a reissue of the original patent.

680. MILLER v. BRIDGEPORT BRASS CO., 104 U. S. 350, 26 L. ed. 783 (1881).* * *

We think, however, that the court below was clearly right in holding that the invention specified in the second claim of the reissued patent (which is the one in question here) is not the same invention which was described and claimed in the original patent. The latter was for a double dome without a chimney, the peculiarity of the supposed invention being the use of the double dome as a means of dispensing with the chimney. The reissue is for a single dome with a chimney. It is not only obviously a different thing, but it is the very thing which the patentee professed to avoid and dispense with.

But there is another grave objection to the validity of the reissued patent in this case. It is manifest on the face of the patent, when compared with the original, that the suggestion of inadvertence and mistake in the specification was a mere pretense; or if not a pretense, the mistake was so obvious as to be instantly discernible on opening the letters-patent, and the right to have it corrected was abandoned and lost by unreasonable delay. The only mistake suggested is, that the claim was not as broad as it might have been. This mistake, if it was a mistake, was apparent upon the first inspection of the patent, and if any correction was desired, it should have been applied for immediately.

These afterthoughts, developed by the subsequent course of improvement, and intended, by an expansion of claims, to sweep into one net all the appliances necessary to monopolize a profitable manufacture, are obnoxious to grave animadversion. The pretense in this case that there was an inadvertence and oversight which had escaped the notice of the patentee for fifteen years is too bald for human credence. He simply appealed from the judgment of the office in 1860 to its judgment in 1876, from the commissioner and examiners of that date, to the commissioner and examiners of this: and upon a matter that was obvious on the first inspection of the patent. If a patentee who has no corrections to suggest in his specification except to make his claim broader and more comprehensive, uses due diligence in returning to the Patent Office, and says "I omitted this," or "my solicitor did not understand that," his application may be entertained, and, on a proper showing, correction may be made. But it must be remembered that the claim of a specific device or combination, and an omission to claim other devices or combinations apparent on the face of the patent, are, in law, a dedication to the public of that which is not claimed. It is a declaration that that which is not claimed is either not the patentee's invention, or, if his, he dedicates it to the public. This legal

effect of the patent cannot be revoked unless the patentee surrenders it and proves that the specification was framed by real inadvertence, accident, or mistake, without any fraudulent or deceptive intention on his part; and this should be done with all due diligence and speed. Any unnecessary laches or delay in a matter thus apparent on the record affects the right to alter or reissue the patent for such cause. If two years' public enjoyment of an invention with the consent and allowance of the inventor is evidence of abandonment, and a bar to an application for a patent, a public disclaimer in the patent itself should be construed equally favorable to the public. Nothing but a clear mistake, or inadvertence, and a speedy application for its correction, is admissible when it is sought merely to enlarge the claim.

The power given by the law to issue a new patent upon the surrender of the original, for the correction of errors and mistakes, has been greatly misunderstood and abused. It was first contained in the act of July 3, 1832, c. 357, and the law was adopted in view of suggestions made in several judgments of this court. But it was carefully confined to cases where the patent was invalid or inoperative by reason of a failure to comply with any of the terms and conditions prescribed by the law for giving a clear and exact description of the invention and where such failure was due to inadvertence, accident, or mistake, without any fraudulent or deceptive intention. This being shown, a new patent, with a correct specification, was authorized to be issued for the same invention. The act of July 4, 1836, c. 45, enlarged the power to grant reissues by adding an additional ground for reissue; namely, that the patentee had inadvertently claimed in his specification, as his own invention, more than he had a right to claim as new. And, with that addition, the law has continued substantially the same to the present time. The fifty-third section of the act of 1870, c. 230, which was the law on this subject when the reissue in the present case was granted, is in the following words: "Whenever any patent is inoperative or invalid by reason of a defective or insufficient specification, or by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new, if the error has arisen by inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, the commissioner shall, on the surrender of such patent, and the payment of the duty required by law, cause a new patent for the same invention, and in accordance with the corrected specification, to be issued to the patentee." It will be observed that whilst the law authorizes a reissue when the patentee has claimed too much, so as to enable him to contract his claim, it

does not, in terms, authorize a reissue to enable him to expand his claim. The great object of the law of reissues seems to have been to enable a patentee to make the description of his invention more clear, plain, and specific, so as to comply with the requirements of the law in that behalf, which were very comprehensive and exacting. The third section of the act of 1793, c. 11, required an applicant for a patent "to deliver a written description of his invention, and of the manner of using, or process of compounding the same, in such full, clear, and exact terms as to distinguish the same from all other things before known, and to enable any person skilled in the art or science of which it is a branch, or with which it is most nearly connected, to make, compound, and use the same. And in the case of any machine, he shall fully explain the principle, and the several modes in which he has contemplated the application of that principle or character, by which it may be distinguished from other inventions; and he shall accompany the whole with drawings and written references, where the nature of the case admits of drawings." This careful and elaborate requirement was substantially repeated in the sixth section of the act of 1836, with this addition: "And shall particularly specify and point out the part, improvement, or combination which he claims as his own invention or discovery." Although it had been customary to append a claim to most specifications, this was the first statutory requirement on the subject. It was introduced into the law several years subsequently to the creation of reissues; and it was in the thirteenth section of this act of 1836 that provision was made for a reissue to correct a claim which was too broad in the original. Now, in view of the fact that a reissue was authorized for the correction of mistakes in the specification before a formal claim was required to be made, and of the further fact that when such formal claim was required express power was given to grant a reissue for the purpose of making a claim more narrow than it was in the original, without any mention of a reissue for the purpose of making a claim broader than it was in the original, it is natural to conclude that the reissue of a patent for the latter purpose was not in the mind of Congress when it passed the laws in question. It was probably supposed that the patentee would never err in claiming too little. Those who have any experience in business at the Patent Office know the fact, that the constant struggle between the office and applicants for patents has reference to the claim. The patentee seeks the broadest claim he can get. The office, in behalf of the public, is obliged to resist this constant pressure. At all events, we think it clear that it was not the special purpose of the legislation on this subject to authorize the surrender of patents for the purpose

of reissuing them with broader and more comprehensive claims, although, under the general terms of the law, such a reissue may be made where it clearly appears that an actual mistake has inadvertently been made. But by a curious misapplication of the law it has come to be principally resorted to for the purpose of enlarging and expanding patent claims. And the evils which have grown from the practice have assumed large proportions. Patents have been so expanded and idealized, years after their first issue, that hundreds and thousands of mechanics and manufacturers, who had just reason to suppose that the field of action was open, have been obliged to discontinue their employments, or to pay an enormous tax for continuing them.

Now whilst, as before stated, we do not deny that a claim may be enlarged in a reissued patent, we are of opinion that this can only be done when an actual mistake has occurred; not from a mere error of judgment (for that may be rectified by appeal), but a real bona fide mistake, inadvertently committed; such as a Court of Chancery, in cases within its ordinary jurisdiction, would correct. Reissues for the enlargement of claims should be the exception and not the rule. And when, if a claim is too narrow—that is, if it does not contain all that the patentee is entitled to—the defect is apparent on the face of the patent, and can be discovered as soon as that document is taken out of its envelope and opened, there can be no valid excuse for delay in asking to have it corrected. Every independent inventor, every mechanic, every citizen, is affected by such delay, and by the issue of a new patent with a broader and more comprehensive claim. The granting of a reissue for such a purpose, after an unreasonable delay, is clearly an abuse of the power to grant reissues, and may justly be declared illegal and void. It will not do for the patentee to wait until other inventors have produced new forms of improvement, and then, with the new light thus acquired, under pretense of inadvertence and mistake, apply for such an enlargement of his claim as to make it embrace these new forms. Such a process of expansion carried on indefinitely, without regard to lapse of time, would operate most unjustly against the public, and is totally unauthorized by the law. In such a case, even he who has rights, and sleeps upon them, justly loses them.

The correction of a patent by means of a reissue, where it is invalid or inoperative for want of a full and clear description of the invention, cannot be attended with such injurious results as follow from the enlargement of the claim. And hence a reissue may be proper in such cases, though a longer period has elapsed since the issue of the original patent. But in referenece to reissues made for the purpose of enlarging the scope of the

patent, the rule of laches should be strictly applied; and no one should be relieved who has slept upon his rights, and has thus led the public to rely on the implied disclaimer involved in the terms of the original patent. And when this is a matter apparent on the face of the instrument, upon a mere comparison of the original patent with the reissue, it is competent for the courts to decide whether the delay was unreasonable, and whether the reissue was therefore contrary to law and void.

We think that the delay in this case was altogether unreasonable, and that the patent could not lawfully be reissued for the purpose of enlarging the claim and extending the scope of the patent.

Decree affirmed.

681. JAMES v. CAMPBELL, 104 U. S. 356, 26 L. ed. 786 (1881).* * *

Perhaps we have gone more minutely into the evidence relating to the progressive improvements in this instrument than was necessary to show that the claim of the patent was not more restricted than it should have been. The court ought not to be called upon to explore the entire history of an art in order to ascertain what a patentee might have included in his patent had he been so disposed. If he was the author of any other invention than that which he specifically describes and claims, though he might have asked to have it patented at the same time, and in the same patent, yet if he has not done so, and afterwards desires to secure it, he is bound to make a new and distinct application for that purpose, and make it the subject of a new and different patent. When a patent fully and clearly, without ambiguity or obscurity, describes and claims a specific invention, complete in itself, so that it cannot be said to be inoperative or invalid by reason of a defective or insufficient specification, a reissue cannot be had for the purpose of expanding and generalizing the claim so as to make it embrace an invention not described and specified in the original. It is difficult to express the law on this subject more aptly and forcibly than in the words of Mr. Justice Grier, in the case of Burr v. Duryee, 1 Wall. (U. S.) 531, where, in delivering the unanimous opinion of the court, he says: "The surrender of valid patents, and the granting of re-issued patents thereon, with expanded or equivocal claims, where the original was clearly neither 'inoperative nor invalid,' and whose specification is neither 'defective or insufficient,' is a great abuse of the privilege granted by the statute, and productive of great injury to the public. This privilege was not given to the patentee or his assignee in order that the patent may be rendered more elastic or expansive and, therefore, more 'available' for the suppression of all other inventions." Of course, if, by actual inad-

vertence, accident or mistake, innocently committed, the claim does not fully assert or define the patentee's right in the invention specified in the patent, a speedy application for its correction, before adverse rights have accrued, may be granted, as we have explained in the recent case of Miller v. Brass Co. But where it is apparent on the face of the patent, or by contemporary records, that no such inadvertence, accident or mistake, as claimed in a reissue of it, could have occurred, an expansion of the claim cannot be allowed or sustained.

By these extracts from the specification, and the summary of claims, it appears perfectly obvious that the patentee has embraced in the reissued patent several matters of supposed invention different from and additional to the invention which formed the subject of the original patent. And it is principally, if not wholly, these new and additional claims which the appellant James, as postmaster of New York, is charged with infringing.

In the first place, a new form of the canceling device is set forth and claimed, different from that described in the original patent, to-wit: a canceling type or die attached directly to the cross-bar, without any tube or pipe surrounding and holding the same. This is not contemplated or hinted at in the original patent. The latter does suggest, it is true, that "The cork, rubber or other elastic material may extend upward to the cross-bar, and there be connected to the same by a screw or pin-bolt, if desired:" but this suggestion had reference to a type inclosed, at the same time, by a surrounding cylinder, which formed the distinctive feature of the invention. The context shows that nothing more was intended by the suggestion than the extension of the type upward through the cylinder and fastening it in a particular way. The thought seems to have occurred to the patentee that it might be an advantage, under some circumstances, in addition to fastening the type in the cylinder by compression, to extend it through the cylinder and fasten it to the bar to secure it from any danger of falling out of the cylinder by becoming loose. Not a hint was given that the cylinder could be dispensed with. This was an afterthought. The cylinder was clearly and distinctly set forth as a necessary constituent of the device, and an essential element in the combination of which the blotting device consisted.

The bearing which this new feature in the reissued patent has on the case is evinced by the fact that one of the devices used for several years in the postoffice which is complained of as an infringement of the patent, was a naked blotter made of cork, directly attached to the cross-bar, without any inclosing cylinder to support it: also by the fact that the other device used in the postoffice during the defendant's term of office consisted of an iron blotter directly

attached to the side of the postmarking stamp without any inclosing cylinder.

In our judgment this addition to the patent was no part of the original invention, and could not lawfully be embraced in the reissue, and that the claim for it is, therefore, void. It is true that this particular feature is not made the subject of a distinct claim. But it is described as part of the invention, and would, probably, be included in the general and sweeping terms employed in the claims that are made. Regarded as not being a part of the original invention, those claims cannot stand if they are construed to include it; if they are construed so as not to include it, then the use of this form of device by the defendant cannot be adjudged an infringement of the patent.

Another new matter, forming no part of the original invention, but expressly disclaimed in the original patent, is the making of the blotter of cast iron, steel or other suitable material. The original specification, in various forms of expression, excludes such materials. The words "wood, cork, rubber or any similar material" have this intention, as shown by the context. A claimed advantage is that "The said cork, rubber or other elastic substance, as aforesaid, will render the said stamp capable of an easy and rapid use; for there being a yielding of the same when the blow is given, the operator will not tire as soon by a constant or continued use of the same as though it were of solid metal. The said blotter or type can be more easily repaired or replaced by a new one, at less expense than if made of solid metal." This language amounts to an express disclaimer of solid metal. The merit claimed for the invention was that the elastic materials proposed to be used for the blotter, and the use of which the patent throughout supposes possible by the support received from the surrounding cylinder were far superior to solid metal and other solid and inelastic substances. How, after this, it could be supposed that the use of solid metal as a material for the type-blotter was included in the invention, and that a claim for it was omitted through inadvertence and mistake, it is difficult to understand. Besides, as already seen, and will be again adverted to, the use of steel or other material that would answer the purpose had already been described and claimed in Norton's patent of 1862. We think that any claim in the reissued patent which can be fairly construed to embrace a blotter made of metal is void, and that the use of such a blotter by the defendant did not afford the patentee or the complainant any just ground of complaint.

In connection with this branch of the subject, it is observable that the patentee has added two new diagrams to his drawings for the purpose of exhibiting and illustrating this new ground of

claim. This fact, though not decisive, is strongly corroborative of the conclusion we have reached on the subject.

The third addition in the reissued patent to the invention described in the original is, that of the process of stamping letters with a postmark and canceling the postage-stamp, at one and the same blow or operation of the instrument, in the manner and by the means described and set forth. Leaving out of view the history of the art prior to the invention claimed by the patentee, what possible pretense can there be for contending that the general process was part of the invention which formed the subject of the original patent? Suppose it be true that Norton was the first inventor of this process, was that process the invention which he sought to secure in the original patent? A patent for a process and a patent for an implement or a machine are very different things. Powder Co. v. Powder Works, 98 U. S. 126. Where a new process produces a new substance, the invention of the process is the same as the invention of the substance, and a patent for the one may be reissued so as to include both, as was done in the case of Goodyear's vulcanized rubber patent. But a process, and a machine for applying the process, are not necessarily one and the same invention. They are generally distinct and different. The process or act of making a postmark and canceling a postage stamp by a single blow or operation, as a subject of invention, is a totally different thing in the patent law from a stamp constructed for performing that process. The claim of the process in the present case, however, is not so broad as this. It is for the process or act of stamping letters with a postmark and canceling the postage-stamp at one and the same blow or operation of the instrument, in the manner and by the means described and set forth. Perhaps this claim amounts to no more than a claim to the exclusive use of the patented instrument or device. If it is anything more, it is for a different invention from that described in the original patent. If it is not for anything more, the question is brought back to the instrument or device itself which forms the subject of the patent and which has been already considered.

The last claim, to-wit: "The employment and combination of a post marking device with a postage-stamp canceling device, both being operated by one and the same handle for the postmarking of letters, envelopes or packets, and for the cancellation of the postage-stamps thereon with indelible or other ink, in the manner substantially as herein described and set forth," may admit of two constructions. It may either amount to claim for a combination of any kind of device for stamping and blotting, or for a combination of the particular devices described in the patent. Inasmuch as these specified devices, as we have already shown, embrace new devices not described in the original patent, the

claim is too broad in either of its aspects to be advanced in a reissue of that patent, unless the patentee was really the inventor of the general combination of such devices in a double stamp, and was entitled to add a claim therefor to such reissue. We have seen that his original patent was for a specific blotting device, and for the combination of such specific device with a post-stamping device in the same instrument. Could he, in a reissue of the patent, lawfully make the broad claim of the combination of any and all devices for blotting and post-stamping at one and the same time in one and the same instrument? This would be, it is true, only adding a new claim to his patent, but greatly enlarging its scope and making it to embrace every kind of double stamp that can be conceived. Did he forget to insert this claim in his original patent? Was it admitted through accident or mistake? When we examine his original application, the change it underwent, the careful exclusions as well as inclusions which it contained, and the particularity of the specific combination which he did claim, could he, after the lapse of more than a year (if we take the date of his first application for a reissue as the time for consideration), be allowed to return to the Patent Office and pretend that he had inadvertently omitted the principal claim of the whole thing? If he was ,or pretended to be, really the inventor of the entire double stamp, did not the patent, on its face, show that the invention was not secured to him, that it contained no such claim? And was not this omission obvious on inspection? The truth is, that when he made his original application, and got his original patent, all the documents show demonstrably that he did not intend it to embrace any such broad invention. That was not the invention he sought to secure. Having obtained a patent for his specific device and combination, if he afterwards wished to claim the general combination, and had not already abandoned it by taking a narrower patent, he was bound to make a new application for that purpose. Patentees avoid doing this when they can, and seek to embrace additional matters in a reissue, in order to supersede and get possession of the rights which the public, by lapse of time or other cause, have acquired in the meantime. It is for this very reason that the law does not allow them to take a reissue for anything but the same invention described and claimed in the original patent.

But these broad claims in the reissued patent, if construed according to the latitude in which they are expressed, are void by reason of embracing inventions which had been patented both in England and in this country prior to the patentee's application for the original patent.

It is hardly necessary to remark that the patentee could not include in a subsequent patent any invention embraced or described in

a prior one granted to himself, any more than he could an invention embraced or described in a prior patent granted to a third person. Indeed, not so well; because he might get a patent for an invention before patented to a third person in this country, if he could show that he was the first and original inventor, and if he should have an interference declared.

Now, a mere inspection of the patents referred to above will show that after December, 1862, Norton could not lawfully claim to have a patent for the general process of stamping letters with a postmark and canceling stamp at the same time; nor for the general combination of a post-stamper and blotter in one instrument; nor for the combination of a post-stamper and blotter connected by a cross-bar; for all these things, in one or other specific form, were exhibited in these prior patents.

Any such claim, therefore, in the reissued patent of 1870 must be inoperative and void, as well because the thing claimed was anticipated in former patents as because it would be for a different invention from that contained and described in the original patent. We may, therefore, dismiss from consideration the third and fourth claims of the reissued patent. If they are to be construed as being broader and claiming more than the original patent, they are void; if it be construed as claiming nothing more, they are simply redundant, because the first and second claims embrace all that was in the original, and more.

The case, then, upon the patent, is narrowed down to the claim of the specific device of the blotter as described and claimed in the original patent; and the combination thereof with the postmarking device in one instrument by means of the cross-bar. This being the case, it will be pertinent next to inquire whether the defendant used that device or combination. If he did not, it is unnecessary to pursue the subject further.

As we have already seen, the canceling stamp or device, described in the patent, consisted of a cylinder, corresponding in length to the postmarking device, and containing a type of wood, cork, rubber or other elastic material slightly projecting therefrom. It does not appear that this device was ever used by the defendant. The stamp used by him until January, 1876, had a blotter of cork, it is true; but it was not the specific device described in the patent, and to which the patent was restricted. The cork was not inclosed in a cylinder as demanded by the patent. It was a naked piece of cork directly attached to the cross-bar by a common wood screw, passing through a hole in the cross-bar, and driven into the cork, firmly holding it to the bar. This device, of course, was different from that which was patented. The only other stamp used by the defendant had a steel

blotter, connecte.. with the postmarker by a solid metallic plate or mass of metal, and having no cylinder. Neither of these devices infringed the complainant's patent, construed as we consider it must be in order to have any validity at all.

The decree of the Circuit Court is reversed and the cause remanded, with directions to dismiss the bill of complaint.

682. TOPLIFF v. TOPLIFF, 145 U. S. 156, 36 L. ed. 658, 12 Sup. Ct · 825.

* * * Statement by Mr. Justice Brown.

This was a bill in equity for the infringement of three patents, namely: (1) Patent No. 108,085, issued October 11, 1870, to John B. Augur, for an improvement in gearing for wagons; (2) patent No. 123,937, issued February 20, 1872, to Cyrus W. Saladee, for an improvement in carriage springs, and mode of attachment; (3) patent No. 122,079, issued December 19, 1871, to John A. Topliff and George H. Ely, for an improvement in connecting carriage springs, reissued March 28, 1876 (No. 7,017).

The patent to Augur consisted in a mode of equalizing the pressure upon two carriage springs by "connecting together by a rigid rod the two pivoted links upon the clips employed on the hind axle, so that, when the weight is upon one spring, both springs, by reason of the connecting rod, shall be caused to work together, thus preventing the roll." The effect of this device is such that, if a heavy weight is thrown upon one spring, as, for instance, by a person getting into a buggy at one side, the pressure is borne equally by both springs. The claims alleged to be infringed were the following:

"(1) The herein-described method of equalizing the action of springs of vehicles and distributing the weight of the load.

"(2) The combination of the pivoted links with a rod connecting the same, the rod compelling both links to move in unison, as and for the purpose described."

The reissued patent to Topliff and Ely, as stated by the patentees, "relates to side half-elliptic spring vehicles, and has for its object suspending the front and rear ends of the springs directly to the rear axle and front bolster of the running gear by means of two separate connecting rods, the outer ends of which have formed upon them, as a part of the same, and at right angles with the rod, short arms, between which the ends of the springs, respectively, are secured and operated, the connecting rod receiving the rear ends of the springs, being hinged to the rear axle, while the rod receiving the front ends of the springs is, in like manner, connected to the front bolster in such manner that the vibration of the springs will impart a corresponding rotation to the connecting rods front and back, and so that the depression of either spring will, by the rotary action imparted to

the connecting rod, compel a corresponding depression of the other, and thus compel both springs to vibrate together, and move in unison one with the other, equalizing their action and the weight imposed upon them, as well as to prevent side motion to the body of the vehicle."

There were but two claims to this patent, which read as follows:

"(1) The combination of two connecting rods located at the front and rear ends of a wagon body, and arranged to turn in their bearings, with a pair of half-elliptic springs, whereby the springs are caused to yield in unison with each other, substantially as and for the purpose set forth.

"(2) The combination of the connecting rods, BB', provided with arms at their ends, with the half elliptic springs, AA', substantially as and for the purpose set forth." * * *

Mr. Justice Brown, after stating the facts in the foregoing language, delivered the opinion of the court.

As the court below failed to pass upon the Saladee patent in its decree, and as neither party has assigned this omission as error, it is unnecessary to take it into consideration upon this appeal. There are really but two questions involved in this case: (1) The validity of the Augur patent, in view of the state of the art; (2) the validity of the Topliff and Ely reissue. * * *

While it is possible that the Stringfellow and Surles patent might, by a slight modification, be made to perform the function of equalizing the springs which it was the object of the Augur patent to secure, that was evidently not in the mind of the patentees, and the patent is inoperative for that purpose. Their device evidently approached very near the idea of an equalizer; but this idea did not apparently dawn upon them, nor was there anything in their patent which would have suggested it to a mechanic of ordinary intelligence, unless he were examining it for that purpose. It is not sufficient to constitute an anticipation that the device relied upon might, by modification, be made to accomplish the function performed by the patent in question, if it were not designed by its maker, nor adapted, nor actually used, for the performance of such functions.

2. The Topliff and Ely patent is claimed to be fully anticipated by the Augur device. In their specification the patentees admit that the connecting rods, placed at right angles across the front and rear of the running gear of vehicles, and hinged to the front bolster and rear axle, are an old device. The better to illustrate the distinction between their own invention and all others pertaining to the use of connecting rods, they cite several

patents, among which is that of Augur, of which they state as follows: * * *

"The radical difference of our invention from each and all the cases above cited is—First, in the construction of the connecting rod, [which is in reality precisely the same as that employed by Augur]; and, secondly, in suspending both ends of the springs upon separate connecting rods, and thus allow both ends of the springs to act freely and in harmony with their vibrating motion, to which is added the other important advantage, viz., that arrangement of connecting rods admits of their application to side spring vehicles of the ordinary kind now in use as readily as to those built expressly for the purpose—an advantage not attained by any other previously-known combination of connecting rods with the springs or bodies of vehicles." * * *

If this patent differed from the other merely in duplicating the rod and applying it to the front bolster as well as to the rear axle, it is conceded that it would not, under the cases of Dunbar v. Myers, 94 U. S. 187, 195, and Slawson v. Railroad Co., 107 U. S. 649, 653, 2 Sup. Ct. 663, involve invention.

But there is a further distinction between the two devices which ought not to be overlooked. Under the Augur patent, the front ends of the springs are supported upon standards rising from the bolster, and the rear ends upon the links of the connecting rod, rising perpendicularly above the rear axle. In other words, the links are turned upward, instead of down. This arrangement would evidently be inoperative if the springs were hung at both ends upon links, so placed, since the body of the vehicle would fall down at once upon the axles. In the Topliff and Ely patent, to obviate this, and to enable the device to be applied at both ends of the springs, the links are turned horizontally, or somewhat dependent, so that the springs can rest upon them at both ends, and thus secure a more perfect equalization. Trifling as this deviation seems to be, it renders it possible to adapt the Augur device to any side spring wagon of ordinary construction.

While the question of patentable novelty in this device is by no means free from doubt, we are inclined, in view of the extensive use to which these springs have been put by manufacturers of wagons, to resolve that doubt in favor of the patentees, and sustain the patent.

3. With regard to the reissue of this patent, the record shows that on April 9, 1872—within four months from the date of the original patent—a reissue was granted, in which the specification was largely reframed, the drawings changed in form, though apparently not in substance, but the claim was changed only by providing that the connecting rods should be "secured

directly to the hind axle and front bolster," instead of "to the front and rear axles," as provided in the claim of the original patent. The claim of the original and first reissue are as follows:

Original.

"The arms, CCC'C', arranged upon separate rock rods, BB', secured directly to the front and rear axles, to cause both ends of each spring to yield simultaneously and in unison with each other, and also to be laterally braced by said rock rods, as described."

First Reissue.

"The arms CCC'C', arranged upon separate connecting rods, BB', secured directly to the hind axle and front bolster, to cause both ends of the side springs to yield simultaneously and in unison with each other, in the manner shown and described."

The original claim was, in the particular above mentioned, a clear mistake, since affixing the connecting rod and springs to the front axle would render it impossible to be turned, and, in addition to this, the original drawing shows it affixed to the bolster. The correction of a mistake so clear, made within so short time after the issue of the original patent, was undoubtedly within the power of the commissioner, as defined by Rev. Stat., § 4916. The lateral bracing by the rock rods mentioned in the claim of the original patent was a merely incidental function to the operation of the rock rod in securing the axle to the spring, and their omission can not be considered an enlargement of the claim.

The second reissue was applied for a little more than a month after the first was granted, although the patent was not granted upon this application until March 28, 1876—nearly four years after the application was filed. No change from the first reissue was made in the drawings or specification in this reissue, but the claim was divided and changed so as to read as follows:

"(1) The combination of two connecting rods located at the front and rear ends of a wagon body, and arranged to turn in their bearings, with a pair of half-elliptic springs, whereby the springs are caused to yield in unison with each other, substantially as and for the purpose set forth.

"(2) The combination of the connecting rods, BB', provided with arms at their ends, with the half-elliptic springs, AA', substantially as and for the purpose set forth."

The first claim of this reissue is not insisted upon in this case, so that the question of its validity need not now be considered. The second claim is to some extent a change of the claim of the first reissue. It omits the requirement that the connecting rod

shall be secured directly to the axle and bolster, so as to cause both ends of the side springs to yield simultaneously, and introduces the half-elliptic springs, AA′, as a new element of the combination. Whether this be an enlargement of the original claim or not, it is for substantially the same invention, and, in view of the fact that the reissue was applied for as soon as the mistake was discovered, and before any rights in favor of third parties could be reasonably expected to have attached, or had in fact attached, we think this reissue is not open to the objections which have proved fatal to so many since the case of Miller v. Brass. Co., 104 U. S. 350, was decided.

It is a mistake to suppose that that case was intended to settle the principle that, under no circumstances, would a reissue containing a broader claim that the original be supported. We have no desire to modify in any respect the views expressed in that and subsequent cases with regard to the validity of reissues. There is no doubt, as was said by this court in Powder Co. v. Powder Works, 98 U. S. 126, 137, 138, that a reissue can only be granted for the same invention which formed the subject for the original patent, of which it is a reissue, since, as was said by the court in that case, the express words of the act are "a new patent for the same invention." "The specification may be amended so as to make it more clear and distinct; the claim may be modified so as to make it more conformable to the exact rights of the patentee; but the invention must be the same. * * * This prohibition is general, relating to all patents; and by 'new matter' we suppose to be meant new substantive matter, such as would have the effect of changing the invention, or of introducing what might be the subject of another application for a patent. The danger to be provided against was the temptation to amend a patent so as to cover improvements which might have come into use, or might have been invented by others, after its issue."

In the case of Miller v. Brass Co., 104 U. S. 350, a reissue with expanded claims was applied for 15 years after the original patent was granted. It was held to be manifest upon the face of the patent that the suggestion of inadvertence and mistake was a mere pretense, or, if not a pretense, that the mistake was so obvious as to be instantly discernible on the opening of the patent; and the right to have it corrected was abandoned and lost by unreasonable delay. "The only mistake suggested," said Mr. Justice Bradley, "is that the claim was not as broad as it might have been. This mistake, if it was a mistake, was apparent upon the first inspection of the patent, and, if any correction was desired, it should have been applied for immediately." It was intimated in that case (page 352), although the facts did not call for

an adjudication upon the point, that, "if two years' public enjoyment of an invention with the consent and allowance of the inventor is evidence of abandonment, and a bar to an application for a patent, a public disclaimer in the patent itself should be construed equally favorable to the public. Nothing but a clear mistake or inadvertence, and a speedy application for its correction, is admissible when it is sought merely to enlarge the claim." It was further said that the section of the Revised Statutes does not in terms authorize a reissue to enable a patentee to expand his claim, and that it was natural to conclude that the reissue of a patent for such purposes was not in the mind of congress when it passed the laws in question. "At all events," said the court, (page 354) "we think it clear that it was not the special purpose of the legislation on this subject to authorize the surrender of patents for the purpose of reissuing them with broader and more comprehensive claims, although, under the general terms of the law, such a reissue may be made when it clearly appears that an actual mistake has inadvertently been made. * * * Now, whilst, as before stated, we do not deny that a claim may be enlarged in a reissued patent, we are of the opinion that this can only be done when an actual mistake has occurred; not from a mere error of judgment (for that may be rectified by appeal), but a real, bona fide mistake, inadvertently committed, such as a court of chancery, in cases within its ordinary jurisdiction, would correct. * * * The granting of a reissue for such a purpose, after an unreasonable delay, is clearly an abuse of the power to grant reissues, and may justly be declared illegal and void."

So, in the case of Johnson v. Railroad Co., 105 U. S. 539, the patent was issued in 1857, and at the expiration of the original term of 14 years an extension of 7 years was granted, and a reissue was applied for after a lapse of 15 years, and it was held, upon the authority of Miller v. Brass Co., that, if the patentee had the right to a reissue if applied for in a reasonable time, he had lost it by his unreasonable delay. Said the court, speaking by Mr. Justice Woods: "He has rested supinely until the use of the fish plate joint has become universal, and then, after a lapse of fifteen years, has attempted by a reissue to extend his patent to cover it. We think it is perfectly clear that the original patent could not be fairly construed to embrace the device used by the appellee, which appellants insist is covered by their reissue. If the reissued patent covers it, it is broader than the original, and is, therefore, void."

In the case of Mahn v. Harwood, 112 U. S. 354, 5 Sup. Ct. 174, and 6 Sup. Ct. 451, a patent reissued nearly four years after the date of the orignal patent was held to be invalid as to the

new claims, upon the ground of unreasonable delay in applying for it; the only object of the reissue being to enlarge the claims. Nothing was changed but to multiply the claims and make them broader, and this was done, not for the benefit of the original patentee, but for that of his assignee. "It was not intended then," said Mr. Justice Bradley, referring to Miller v. Brass Co., "and is not now, to question the conclusiveness, in suits for infringements of patents, of the decisions of the commissioner on questions of fact necessary to be decided before issuing such patents, except as the statute gives specific defenses in that regard." He repeated substantially what had been said in Miller v. Brass Co.—that "a patent for an invention can not lawfully be issued for the mere purpose of enlarging the claim, unless there has been a clear mistake inadvertently committed in the wording of the claim, and the application for a reissue is made within a reasonably short period after the original patent was granted. The granting of such reissues after the lapse of long periods of time is an abuse of power, and is founded on a total misconception of the law." It was held that, while lapses of time might be of small consequence where the original claim was too broad, and the patentee sought to restrict it, there were substantial reasons why the claim could not be enlarged unless the patentee used due diligence to ascertain his mistake. "The rights of the public here intervene, which are totally inconsistent with such tardy reissues; and the great opportunity and temptation to commit fraud after any considerable lapse of time, when the circumstances of the original application have passed out of mind, and the monopoly has proved to be of great value, make it imperative on the courts, as a dictate of justice and public policy, to hold the patentees strictly to the rule of reasonable diligence in making applications for this kind of reissues." It was further held that, while it was for the commissioner of patents to determine the question of inadvertence, accident, or mistake, the question of reasonable time was one which the court could determine as one of law, by comparing the patent itself with the original patent, and, if necessary, with the record of its inception.

In speaking of the case of Miller v. Brass Co., Mr. Justice Bradley observed: "We suggested that a delay of two years in applying for such correction should be construed equally favorable to the public. But this was a mere suggestion by the way, and was not intended to lay down any general rule. Nevertheless, the analogy is an apposite one, and we think that excuse for any longer delay than that should be made manifest by the special circumstances of the case."

In the large number of cases which have come up to this court since that of Mahn v. Harwood was decided, in which re-

issues have been held to be invalid, it will be found that the opinion of the court was put upon the ground either that the patentee had been guilty of inexcusable laches—usually of from 4 to 16 years—or that circumstances had occurred since the granting of the original patent which made the reissue operate harshly or unjustly to the defendant in the case.

Thus, in Mathews v. Machine Co., 105 U. S. 54, there was a delay of 14 years; in Bantz v. Frantz, 105 U. S. 160, a delay of 14 years and 6 months; in Wing v. Anthony, 106 U. S. 142, 1 Sup. Ct. 93, of over 5 years; in Moffitt v. Rogers, 106 U. S. 423, of 2 years and 7 months; in Gage v. Herring, 107 U. S. 640, 2 Sup. Ct. 819, of 14 years; in Clements v. Odorless Apparatus Co., 109 U. S. 641, 3 Sup. Ct. 525, of nearly 5 years; in McMurray v. Mallory, 111 U. S. 97, 4 Sup. Ct. 375, of 9 years; in White v. Dunbar, 119 U. S. 47, 7 Sup. Ct. 72, of 5 years. In Parker & Whipple Co. v. Yale Clock Co., 123 U. S. 87, 8 Sup. Ct. 38, there was a delay of 1 year and 8 months, but it appeared that the improvements not covered by the original patent had been brought into use by others than the patentee before the reissue was applied for. In Coon v. Wilson, 113 U. S. 268, 5 Sup. Ct. 537, a reissue was applied for only a little over three months after the original patent was granted; but the patentee waited until the defendants produced their device, and then applied for such enlarged claims as to embrace this device, which was not covered by the claim of the original patent, and it was apparent from a comparison of the two patents that the application for a reissue was made merely to enlarge the scope of the original. In Wollensak v. Reiher, 115 U. S. 96, 5 Sup. Ct. 1137, there was a delay of more than five years, Mr. Justice Matthews observing that "the settled rule of decision is that, if it appears, in cases where the claim is merely expanded, that the delay has been for two years or more, it is adjudged to invalidate the reissue, unless the delay is accounted for and excused by special circumstances, which show it to have been not unreasonable." In the very latest case decided by this court, viz., Electric Gas-Lighting Co. v. Boston Electric Co., 139 U. S. 481, 11 Sup. Ct. 586, there was a delay of 8½ years, and the sole object of the reissue was to expand the claims. In Newton v. Furst & B. Co., 119 U. S. 373, 7 Sup. Ct. 369, there was a delay of more than 13 years, and the defendant had begun in the meantime to make machines of the pattern complained of. In Ives v. Sargent, 119 U. S. 652, 7 Sup. Ct. 436, there was a delay of 3 years, and in the meantime the patent was infringed by a construction manufactured and sold without infringing the patent as originally granted. In Worden v. Searls, 121 U. S. 14, 7 Sup. Ct. 814, there was a delay of 6 years; and in Matthews v. Manufacturing Co., 124 U. S. 347, 8 Sup. Ct. 639, one of 7 years.

From this summary of the authorities it may be regarded as the settled rule of this court that the power to reissue may be exercised when the patent is inoperative by reason of the fact that the specification as originally drawn was defective or insufficient, or the claims were narrower than the actual invention of the patentee, provided the error has arisen from inadvertence or mistake, and the patentee is guilty of no fraud or deception; but that such reissues are subject to the following qualifications:

First. That it shall be for the same invention as the original patent, as such invention appears from the specification and claims of such original.

Second. That due diligence must be exercised in discovering the mistake in the original patent, and that, if it be sought for the purpose of enlarging the claim, the lapse of two years will ordinarily, though not always, be treated as evidence of an abandonment of the new matter to the public to the same extent that a failure by the inventor to apply for a patent within two years from the public use or sale of his invention is regarded by the statute as conclusive evidence of an abandonment of the patent to the public.

Third. That this court will not review the decision of the commissioner upon the question of inadvertence, accident, or mistake, unless the matter is manifest from the record; but that the question whether the application was made within a reasonable time is, in most, if not in all, such cases, a question of law for the court.

To hold that a patent can never be reissued for an enlarged claim would be not only to override the obvious intent of the statute, but would operate in many cases with great hardship upon the patentee. The specification and claims of a patent, particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to draw with accuracy; and, in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention. Under such circumstances, it would be manifestly unjust to deny him the benefit of a reissue to secure to him his actual invention, provided it is evident that there has been a mistake, and he has been guilty of no want of reasonable diligence in discovering it, and no third persons have in the meantime acquired the right to manufacture or sell what he had failed to claim. The object of the patent law is to secure to inventors a monopoly of what they

have actually invented or discovered, and it ought not to be defeated by a too strict and technical adherence to the letter of the statute, or by the application of artificial rules of interpretation. The evidence in this case shows that plaintiffs were conceded by manufacturers a monopoly of this invention; that defendant was the only one who had infringed their patents; and that he did not begin to manufacture the infringing device until 1882—six years after the second reissue was granted. In view of this and the fact that the second reissue was applied for within 5 months from the time the original patent was granted, and within 37 days after the first reissue, and that it covers no more than the actual invention of the patentee, so far as the same is an improvement upon the Augur patent, we think it should be upheld.

683. IN RE HERAULT, 29 App. Cas. D. C. 42, 127 O. G. 3217 (1907).

Shepard, J.:

This is an appeal from the decision of the Commissioner of Patents rejecting an application for the reissue of a patent.

The applicant is a citizen of the Republic of France, and a skilled metallurgist. Having invented a new electrical process for obtaining soft metals, consisting of substances which tend to combine with carbon, through the avoidance of the introduction of carbon from the electrode used therein, and a furnace to carry out said process, the applicant obtained a patent therefor in France. Being then in one of the provincial towns, the inventor instructed an attorney in Paris to secure patents for his invention in other countries. Pursuant thereto an application containing the description of the French patent was filed in the United States patent office. The patent issued in due course with the following single claim:

"5. In an electric furnace, the combination of a crucible adapted to carry a bath of molten material, two electrodes supported above it and connected in series, a conductor in position to effect contact with material contained in the crucible, and a voltmeter in shunt between one of said electrodes and said conductor, said conductor consisting of a rod passing through the refractory material of the crucible and projecting outside and inside of the same whereby the portion of the rod which is melted is replaced by molten material which fills up the space and thus insures good conductivity."

Having discovered that his process was not protected by the patent so obtained, the inventor, something more than two years after his patent issued, filed the present application for reissue, presenting five claims, the fifth one of which is the claim above set out as contained in the patent. The other four claims are the following:

"1. In the manufacture of soft metals such as chromium, manganese or iron by means of an electric furnace, the method which consists in playing two separate arcs in series through an insulating layer of slag between the metal on the one hand, and the two carbon electrodes on the other hand.

"2. In the manufacture of metals having a strong affinity for carbon, such as chromium, manganese, iron or the like, by means of an electric furnace with carbon electrodes, the method which consists in submitting the charge to the heat of electric arcs between the electrodes and the metal itself, and regulating the arcs so as to avoid contact of the electrodes with the metal.

"3. In the manufacture of metals having a strong affinity for carbon, such as chromium, manganese, iron or the like, by means of an electric furnace with carbon electrodes, the method which consists in passing the current from one electrode into and through the metal, thence through another electrode, and regulating the position of each electrode separately, so as to avoid contact thereof with the metal.

"4. In the manufacture of metals having a strong affinity for carbon, such as chromium, manganese, iron, or the like, by means of an electric furnace with carbon electrodes, the method which consists in maintaining a layer of non-conducting slag between the end of an electrode and the molten metal, so as to avoid the combining of the carbon of the electrode with the metal."

In the affidavit accompanying the application the applicant said,

"that the letters-patent are inoperative for the reason that the specification thereof is defective and insufficient, and that such defect or insufficiency consists particularly in the failure of the claim to describe applicant's real invention; and deponent further says that the error which renders such patent so inoperative arose from inadvertence, accident or mistake, and not in fraudulent or deceptive intention on the part of the deponent."

Under the French system a patent is construed to cover whatever of novelty is described in the specification. The affidavit recites that the applicant was ignorant of the difference between the French patent law and that of the United States, and believed that being the first to disclose the real invention his patent would secure to him whatever was new in the same as described. That visiting the United States and discussing his patent with his present New York attorneys, he learned for the first time of the practical inoperativeness of his patent, and was advised that he might apply for reissue to correct the insufficiency. That he was familiar with the state of the industry in the United States; and that to the best of his knowledge and belief his real invention as now claimed has not been in use therein up to the

present time. This statement in respect of his previous knowledge and belief as to the protection of his patent, and of the advice given him by his American counsel, was supported by the affidavit of one of them.

It is apparent that the patent as issued is of little or no practical value; and there is no question but that the process is both novel and valuable. This is shown in recent publications, by writers of established standing in Europe and America, to which our attention has been called. These show also that the process has been largely applied by the inventor and his licensees, or assignees. The statement of the invention in the specifications of the French and American patents contains a particular description of the process from which any one skilled in the art could utilize the invention. They also describe the apparatus of the claim of the latter patent, as used in the process. The process is first described, and then it is said: "such is the principle of the invention which is carried out," in the apparatus immediately after described.

So thoroughly was the process described that the description was copied verbatim in the reissue application. In view of the established skill and learning of the applicant, in the art, and from all the facts and circumstances disclosed, we think it apparent that he considered the process as the real or main invention, and that his failure to make specific claims therefor was due to inadvertence, accident, or mistake. It is unnecessary to discuss the facts as to diligence in applying for the reissue, as that has been conceded by the tribunals of the office. It is sufficient to say that the applicant acted without unnecessary delay; and there was no intervening claim.

The grounds of the Primary Examiner's decision are stated, as follows:

"Claims 1 to 4 inclusive are for a process of making metals in an electric furnace, in which the apparatus may differ widely from the specific structure covered by claim 5. The process of these claims was fully disclosed in the original specifications. No anticipatory references are known for these method claims, and it is generally conceded, in the art to which this application relates, that the present applicant is the inventor of the process claimed. The sole ground for rejection from which the appeal is taken is that the method of making metals is a different invention from the furnace which forms the subject-matter of the original claim, and that neither the patent nor the correspondence in the case contains a suggestion that the process of claims 1 to 4 was a part of applicant's invention."

As indicated above, we can not agree that the description of the patent contains no suggestion that the process of claims 1 to

4 was a part of applicant's invention. If, as declared, "the process of these claims was fully disclosed in the original spesification," and was novel, they would either have been allowed if set out along with the claim made, or a divsional application required under Rule 41, as then in force. Having disclosed the process, the failure to claim was either intentional, or the result of inadvertence, accident or mistake for which § 4916 Revised Statutes furnishes a remedy.

The Examiners-in-Chief in affirming that decision on appeal, did so on the ground that a reissue can only be granted for the same issue as the original patent, and say:

"The only thing claimed in the original patent was the furnace itself. While the applicant, being a foreigner, may have been mistaken as to the scope of his patent when granted, he was not acting without the advice of competent counsel. It is hardly to be believed that they applied for and took out a patent for the furnace when they intended to apply for a patent for the process."

The question is, however, was this omission to make claims covering the novel process disclosed in the application, the result of inadvertence, mistake or accident. Applicants usually act through solicitors or attorneys, and their inadvertence, accidents and mistakes, if such in fact, are remediable under the statute permitting the reissue, when it is clear that there is no fraudulent or deceptive intent, or attempt to destroy an intervening right. (In re Briede, 123 O. G., 322, 27 App. Cas. D. C. 298, 301.)

The Commissioner, who in turn affirmed the decision of the Examiners-in-Chief, stated the grounds of his decision as follows:

"These claims have been refused on the ground that they cover a different invention from that of the patent.

"It is contended by appellant that a reissue may be granted for subject-matter which was intended to be claimed in the original patent. The intention to claim the process is alleged to be shown in the present case by the fact that the process covered by claims 1, 2, 3 and 4 is described in the patent. It is stated that the applicant, being a foreigner, was of the impression that the description in a patent determined its scope, and that, therefore, the patent as granted covered the process described. Having discovered that the patent did not cover the process described, patentee now comes asking for a reissued patent with claims to the process.

"The question of whether there was an intention to claim the process in the original patent does not appear to have any material bearing on the present case. It is clear that the claim of the

patent was for a machine, and it is well established that a patent for a machine will not sustain a reissue for a process."

Assuming, then, that the invention of the process was fully described in the original application; that it was the original intention of the applicant to secure protection for his entire invention through a patent; and that the failure to do so through specific claims was the result of inadvertence, accident, or mistake; is it true that the patent limited in claim to a machine will not sustain a reissue for the process? The Commissioner's conclusion that it will not, is rested upon the cases of James v. Campbell, 21 O. G. 67, 104 U. S. 356, 26 L. ed. 786; Heald v. Rice, 21 O. G. 215, 104 U. S. 737, 26 L. ed. 910; and several others referring to them. We do not understand those decisions as establishing such an invariable rule. In James v. Campbell the patent, held void on all points involved, was a second reissue in 1870 of a patent granted in 1863. The invention was declared to be a very narrow one, and the two claims of the original patent were for specific machines. The application for the last reissue made many changes in the specifications, materially enlarging them and the apparatus claims, and adding a new claim for the process. The court expressly declared that an inspection of former patents showed that the process could not be lawfully patented because anticipated. In regard to this process it was also said:

"Leaving out of view the history of the art prior to the invention claimed by the patentee, what possible pretense can there be for contending that the general process was part of the invention which formed the subject of the original patent? Suppose it to be true that Norton was the first inventor of this process, was that process the invention which he sought to secure in the original patent? A patent for a process and a patent for an implement or a machine are very different things. (Powder Co. v. Powder Works, Vol. 15 O. G. 289, 98 U. S. 126, 25 L. ed 77.) Where a new process produces a new substance, the invention of the process is the same as the invention of the substance, and a patent for the one may be reissued so as to include both, as was done in the case of Goodyear's vulcanized-rubber patent. But a process, and a machine for applying the process are not necessarily one and the same invention. They are generally distinct and different. The process or act of making a postmark and canceling a postage-stamp by a single blow or operation, as a subject of invention, is a totally different thing in the patent law from a stamp for performing the process. The claim of the process in the present case, however, is not so broad as this. It is for the process or act of stamping letters with a postmark and cancelling the postage-stamp at one and the same blow or oper-

ation of the instrument, in the manner and by the means described and set forth. Perhaps this claim amounts to no more than a claim to the exclusive use of the patented instrument or device. If it is anything more, it is for a different instrument from that described in the original patent. If it is not for anything more, the question is brought back to the instrument or device itself which forms the subject of the patent, and which has been already considered."

In Heald v. Rice, the application for the reissued patent contained material changes in the description. These having been stated, the court said:

"It appears, then, from the reading of the two specifications, that the invention described in the first is for the return-flue boiler; while that described in the second abandoning the claim for the boiler itself, is for a particular mode of using it, with straw as a fuel, by means of an attachment to the furnace-door for that purpose. It might well be that Rice was entitled to patents for both, separately, or to one for both inventions. But it is too plain for argument that they are perfectly distinct. A patent, consequently, for one can not lawfully be surrendered as the basis for a reissue for the other. They are as essentially diverse as a patent for a process and a compound, as in the case of Powder Co. v. Powder Works, 15 O. G. 289, 98 U. S. 126, 25 L. ed. 77, where the reissue patent was avoided, although the original application claimed the invention both of the process and the compound. The case comes directly within the principle held in James v. Campbell, that a patent for a machine can not be reissued for the purpose of operating that class of machines; because if the claim for the process is anything more than for the use of the particular machine patented, it is for a different invention."

It is to be observed that in James v. Campbell the court did not say that a process, and a machine for applying the process, are always distinct and different, but "generally distinct and different."

A rule of the patent office has long provided that two or more independent inventions can not be claimed in one application; and in conformity with the doctrine thought to have been established in the foregoing cases, a specific provision was added thereto, that:

"Claims for a machine and the process in the performance of which the machine is used must be presented in separate applications."

(Rule 41 recently amended by striking out the above quoted). The question has recently been re-examined by the Supreme Court of the United States, and the power to make a hard and

fast rule of the kind denied. (Steinmetz v. Allen, 192 U. S. 543, 24 Sup. Ct. 416.) It was said that inventions may be so connected or related, as to constitute substantially one invention.

"They may be completely independent. (Cochrane v. Deener, 94 U. S. 780.) But they may be related. They may approach each other so nearly that it will be difficult to distinguish the process from the function of the apparatus. In such case the apparatus would be the dominant thing. But the dominance may be reversed and the process carry an exclusive right, no matter what apparatus may be devised to perform it. There is an illustration in the Telephone Cases, 43 O. G. 377, 126 U. S. 1."

Stating the claim in that case as referring to the art described, as well as the means of making it useful, the opinion was quoted from as follows:

"Other inventors may compete with him for the ways of giving effect to the discovery, but the new art he has found will belong to him during the life of his patent. * * * The patent for the art does not necessarily involve a patent for the particular means employed for using it. Indeed, the mention of any means, in the specification or descriptive portion of the patent, is only necessary to show that the art can be used; for it is only the useful arts—arts which may be used to an advantage—that can be made the subject of a patent."

Of James v. Campbell, the court said that—

"was a case of reissued patent, and by express provision of the statute as to reissued patents no new matter can be introduced in them. In other words, the reissue is to perfect, not to enlarge the invention. Whether the principle of the case applies to related as well as independent inventions is not clear from its language."

After quoting several passages from the opinion in that case, the following language was used:

"The case, however, indicates what embarrassment and peril of rights may be caused by a hard and fixed rule regarding the separation of related inventions."

Whatever the doctrine of those earlier cases, a more liberal rule has since prevailed in respect of the right of reissue. (Eames v. Andrews, 39 O. G. 1319, 122 U. S. 40, 59; Topliff v. Topliff, 59 O. G. 1257, 145 U. S. 156, 171, 36 L. ed. 658; Hobbs v. Beach, 94 O. G. 2357, 180 U. S. 383, 394, 45 L. ed. 586.)

In Eames v. Andrews the court said:

"If the amended specification does not enlarge the scope of the patent by extending the claim so as to cover more than was embraced in the original, and thus cause the patent to include an invention not within the original, the rights of the public are

not thereby narrowed, and the case is within the remedy intended by the statute."

Topliff v. Topliff, supra, is a leading and most instructive case on this point. After reviewing very many of the former decisions, beginning with Powder Co. v. Powder Works, 15 O. G. 289, 98 U. S. 126, it was said by Mr. Justice Brown, who delivered the opinion:

"From this summary of the authorities it may be regarded as the settled rule of this court that the power to reissue may be exercised when the patent is inoperative by reason of the fact that the specification as originally drawn was defective or insufficient, or the claims were narrower than the actual invention of the patentee, provided the error has arisen from inadvertence or mistake, and the patentee is guilty of no fraud or deception; but that such reissues are subject to the following qualifications."

After stating these to be, first, that it shall be for the same invention as the original patent, and that diligence must be exercised, and is ordinarily determined by the lapse of two years, he proceeded to say:

"To hold that a patent can never be reissued for an enlarged claim would be not only to override the obvious intent of the statute, but would operate in many cases with great hardship upon the patentee. The specification and claims of a patent, particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to draw with accuracy and in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention. Under such circumstances, it would be manifestly unjust to deny him the benefit of a reissue to secure to him his actual invention, provided it is evident that there has been a mistake and he has been guilty of no want of reasonable diligence in discovering it, and no third persons have in the meantime acquired the right to manufacture or sell what he had failed to claim. The object of the patent law is to secure to inventors a monopoly of what they have actually invented or discovered, and it ought not to be defeated by a too strict and technical adherence to the letter of the statute, or by the application of artificial rules of interpretation."

The doctrine of that case was applied by this court in the recent case of in re Briede, 123 O. G. 322, 27 App. D. C. 298, 302,

306. In this case as in that, no new matter was contained in the specification, and the applicant applied promptly for reissue. The statement of the invention in the original application, followed without change in the reissue application, shows that the process and the apparatus are connected in their design and operation, and are so related as to entitle the applicant to claims for both within the rule declared in Steinmetz v. Allen, supra. In the language of that case, the process is "the dominant thing." Consequently, as was said in the case of in re Briede, supra:

"Had the claim in controversy been submitted while the application for the original patent was pending, we can not believe that it would have been refused as not being for the same invention as that described and shown. Rather, we think, the Office approached its consideration with the idea that it was an unwarranted attempt to obtain a broadened claim by means of a reissue, and with the mistaken idea that such a reissue was not permissible. The construction placed upon the patei statutes by the courts is favorable toward inventors having meritorious inventions, and they do not put upon them harsh or technical interpretations. They do not look with favor upon the refinements of division which lead to many patents being issued for various improvements incorporated in a single device. They are inclined to resolve all doubts to as whether more than one invention is embraced in one patent in favor of the patentee."

Whatever of doubt there may be whether the reissue in this case is for the same invention described in the original patent, and under all the circumstances allowable, should, we think, following the ordinary practice of the patent office, be resolved in favor of the inventor of a meritorious invention, especially when it is now too late to file an independent application for a patent for the same. No absolute right of property is conferred by the grant of the patent. The patentee is merely put in position to assert his prima facie right in case of infringement, and have the same adjudicated in a course where extrinsic evidence, if important, may be heard; and not confined, as is this court, to a review of the decisions of the patent office upon the record as made up therein. (In re Thompson, 26 App. D. C. 426, 429; Seymour v. Osborne, 11 Wall. 516, 544; Parker & Whipple Co. v. Yale Clock Co., 41 O. G. 811, 123 U. S. 87, 98.)

Our conclusion is that there was error in refusing the reissue application, and the decision must be reversed. It is so ordered, and that this decision be certified to the Commissioner of Patents. Reversed.

684. McCORMICK HARVESTING MACH. CO. v. AULTMAN, 169 U. S. 606, 42 L. ed. 875 (1898).* * *

Mr. Justice Brown delivered the opinion of the court.

The validity of the claims in question depends upon the view taken of the action of the examiner in rejecting them when incorporated in an application for a reissue of the patent, upon the ground that the claims were wanting in patentable novelty, as evidenced by prior patents cited by him. No appeal was taken from this decision, and the matter lay in abeyance for nearly two years before the plaintiff corporation, which had in the meantime become the owner of the patent, abandoned the application for a reissue and requested and obtained from the patent office the return of the original patent.

It has been settled by repeated decisions of this court that when a patent has received the signature of the Secretary of the Interior, countersigned by the Commissioner of Patents, and has had affixed to it the seal of the patent office, it has passed beyond the control and jurisdiction of that office, and is not subject to be revoked or canceled by the president, or any other officer of the government. (United States v. Schurz, 102 U. S. 378; United States v. Am. Bell Telephone Co., 45 O. G. 1311, 128 U. S. 315, 363.) It has become the property of the patentee, and as such is entitled to the same legal protection as other property. (Seymour v. Osborne, 11 Wall. 516; Cammeyer v. Newton, 11 O. G. 287, 94 U. S. 225; United States v. Palmer, 128 U. S. 262, 271, citing James v. Campbell, 21 O. G. 337, 104 U. S. 356.)

The only authority competent to set a patent aside, or to annul it, or to correct it for any reason whatever, is vested in the courts of the United States, and not in the Department which issued the patent. (Moore v. Robbins, 96 U. S. 530, 533; United States v. Am. Bell Telephone Co., 45 O. G. 1311, 128 U. S. 315, 364; Michigan Land and Lumber Co. v. Rust, 168 U. S. 589, 593.) And in this respect a patent for an invention stands in the same position and is subject to the same limitations as a patent for a grant of lands. The power to issue either one of these patents comes from Congress and is vested in the same department. In the case of a patent for lands it has been held that when one has obtained a patent from the government he can not be called upon to answer in regard to that patent before the officers of the Land Department, and that the only way his title can be impeached is by s (United States v. Stone, 2 Wall. 525, 535; Iron Silver Min v. Campbell, 135 U. S. 286; Noble v. Union River Logging d, 147 U. S. 165.) But a suit may be maintained by t d States to set aside a patent for lands improperly issu eason of mistake, or fraud; but only in the case where the government has a direct interest, or is under

obligation respecting the relief invoked. (United States v. Mo., K. & T. R. R. Co., 141 U. S. 358.)

While a patent for a grant of lands is absolutely free from the future control of the officers of the Land Department after it has once issued, and jurisdiction over the matter can not again be obtained, this is subject to a single qualification in the case of a patent for an invention where the patentee, his legal representatives or assigns, find the original patent inoperative or invalid by reason of a defective or insufficient specification, or by reason of the patentee claiming as his invention or discovery more than he had a right to claim as new (provided the error has arisen through inadvertence, accident or mistake, and without fraudulent or deceptive intention.) In such case a reissue will be granted by the Commissioner upon the surrender of the patent, but such surrender takes effect only upon the issue of the amended patent. This provision is embodied in Revised Statutes, § 4916, which also declares that—

"the specifications and claim in every such case shall be subject to revision and restriction in the same manner as original applications, * * * but no new matter shall be introduced into the specifications."

The plain purpose of this section is to give the patentee an opportunity to make valid and operative that which was before invalid and inoperative; invalid, because it claimed as new that which had been previously invented or used by the public; inoperative, because the specification was defective or insufficient. New matter can not be introduced, nor can the scope of the invention be enlarged. All that the applicant can do is to so amend his patent as to enable him to receive some practical and beneficial result from his actual invention, of which he has been deprived by defects or omissions in the original patent. The object of a patentee applying for a reissue is not to reopen the question of the validity of the original patent but to rectify any error which may have been found to have arisen from his inadvertence or mistake. But until the amended patent shall have been issued the original stands precisely as if a reissue had never been applied for (Allen v. Culp, 79 O. G. 1523, 166 U. S. 501, 505), and must be returned to the owner upon demand. The fact that the rules of the patent office require that the original patent should be placed in its custody for the purpose of surrendering it upon the issue of an amended patent gives that department no right to the possession of it upon the rejection of the application for a reissue. If the patentee abandoned his application for a reissue, he is entitled to a return of his original patent precisely as it stood when such application was made, and the patent office has

no greater authority to mutilate it by rejecting any of its claims than it has to cancel the entire patent.

In Peck v. Collins, 19 O. G. 1137, 103 U. S. 660, an application for reissue made under the laws in force in 1866 was held to absolutely extinguish the original patent. Subsequent to that time the law of 1870, of which Revised Statutes, § 4916, forms a part, was passed. Mr. Justice Bradley, in discussing the clause in that section which declares that the surrender "shall take effect upon the issue of the amended patent," said:

"What may be the effect of this provision in cases where a reissue is refused it is not necessary now to decide. Possibly it may be to enable the applicant to have a return of his original patent if a reissue is refused on some formal or other ground which does not affect the orignal claim. But if his title to the invention is disputed and adjudged against him, it would still seem that the effect of such a decision should be as fatal to his original patent as to his right to a reissue."

This same question was considered but not decided in Eby v. King, 71 O. G. 1454, 158 U. S. 366; and in Allen v. Culp, 79 O. G. 1523, 166 U. S. 501, 505, it was held that if the original application for a reissue be rejected the original patent stands precisely as though a reissue had never been applied for; but the effect of the refusal of the reissue upon some ground equally affecting the original patent was not considered.

In neither of these cases was this court called upon to decide the question which has been certified, and the expression of opinion in Peck v. Collins, relied upon by the defendants, must be considered merely a dictum, and lacking the force of a judicial determination.

In the case under consideration the Examiner acted upon the application as if it were a new proceding, and dealt with it as the evidence before him seemed to warrant, but his action in rejecting some of the claims which had been repeated from the original patent did not affect that patent. It is true that it was within his power to reject any claims contained in the application for a reissue which he judged to be invalid, whether contained in the original patent or not. It is also true that the reasons given for the rejection of such claims might apply equally to the same claims contained in the original patent; but with respect to such claims he was functus officio. His opinion thereon was but his personal opinion, and however persuasive it might be, did not oust the jurisdiction of any court to which the owner might apply for an adjudication of his rights, and as the Examiner had no authority to affect the claims of the original patent, no appeal was necessary from his decision.

Had the original patent been procured by fraud or deception it would have been the duty of the Commissioner of Patents to have had the matter referred to the Attorney-General with the recommendation that a suit be instituted to cancel the patent; but to attempt to cancel a patent upon an application for reissue when the first patent is considered invalid by the Examiner would be to deprive the applicant of his property without due process of law, and would be in fact an invasion of the judicial branch of the government by the executive.

Our conclusion upon the whole case is that, upon the issue of the original patent, the Patent Office had no power to revoke, cancel or annul it. It had lost jurisdiction over it, and did not regain such jurisdiction by the application for a reissue. Upon application being made for such reissue the Patent Office was authorized to deal with all its claims, the originals as well as those inserted first in the application, and might declare them to be invalid, but such action would not affect the claims of the original patent, which remained in full force, if the application for a reissue were rejected or abandoned.

The validity of the claims, so far as their merits are concerned, has been sustained by the Circuit Court of Appeals, and, as the original patent must stand precisely as though a reissue had never been applied for, the question certified to this Court must be answered in the negative.

685. CHICAGO RY. EQUIPMENT CO. v. PERRY SIDE BEARING CO., 170 Fed. 968 (1909, C. C. Illinois. Reissue patent No. 11,611, affirmed on reissue question 101 C. C. A. 433, 178 Fed. 449).

Kohlsaat, J.: * * *

It will be observed that 23 months intervened the grant of letters patent in No. 533,763 and the application for a reissue thereof. The record discloses no question of intervening rights, nor of equitable estoppel, the presence of which seems to have generally been deemed a matter to be considered, especially with reference to laches, although it was held in White v. Dunbar, 119 U. S. 47, 7 Sup. Ct. 72, 30 L. ed. 303, that:

"The existence of intervening rights adds nothing to the illegality of a reissue which has been expanded to cover more than the original patent sought to cover. That is deduced from general principles of law as applied to the statutes authorizing reissues and affecting the rights of the government and the public."

It seems to have been with some reluctance that the courts have construed the reissue statute so as to permit the enlargment of claims. Rev. Stat. § 4916 (U. S. Comp. St. 1901, p. 3393), provides for a reissue of a new patent for the same in-

vention (1) whenever any patent is inoperative or invalid by reason of a defective or insufficient specification; (2) or by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new, if the error has arisen by inadvertence, accident, or mistake, and without any fraudulent or deceptive intention.

In Miller v. Brass Co., 104 U. S. 350, 26 L. ed. 783, the court, reasoning from the history of the statute, says:

"It is natural to conclude that the reissue for the latter purpose [making a claim broader] was not in the mind of Congress when it passed the law in question."

Discussing the subject further, the court says:

"But by a curious misapplication of the law it has come to be principally resorted to for the purpose of enlarging and expanding patent claims."

In Topliff v. Topliff, 145 U. S. 156, 12 Sup. Ct. 825, 36 L. ed. 658, the court reviewed Miller v. Brass Co., and said:

"It is a mistake to suppose that that case was intended to settle the principle that under no circumstances would a reissue containing a broader claim than the original be supported. We have no desire to modify in any respect the views expressed in that and subsequent cases with regard to the validity of reissues."

In Freeman v. Asmus, 145 U. S. 226, 12 Sup. Ct. 939, 36 L. ed. 685, it was sought by reissue—

"To construe the first claim so as to cover any kind of a blast furnace with a closed breast, having a slag discharge-opening cooled in any way, or to any extent, by water. There is nothing in the original specification which indicates that any such claim was intended to be made in the original patent. On the contrary, the whole purport of that specification shows that it was intended to claim only a slag discharge-piece or cinder-block constructed and attached in a specific manner."

The court held that the reissue was not for the same invention as the original patent, and that:

"There is nothing inconsistent with the foregoing views in our decision in Topliff v. Topliff."

From these and other decisions, it seems clear that the burden of showing mistake is upon the applicant in all cases involving the broadening of a claim, and must be plainly established. There is a line of cases holding that the grant of the reissue patent constitutes a prima facie presumption of its validity. Walker on Patents (4th Ed.) § 492; Clark v. Wooster, 119 U. S. 326, 7 Sup. Ct. 217, 30 L. ed. 392; Whitcomb v. Coal Co. (C. C.) 47 Fed. 655.

In Topliff v. Topliff it is said that the court will not review the decision of the Commissioner as to inadvertence, accident, or mistake, "unless the matter is manifest from the record." This language is repeated in substance in Hobbs v. Beach, 180 U. S. 395, 21 Sup. Ct. 409, 45 L. ed. 586, and may be deemed to express the final conclusion of the Supreme Court in the subject; so that, notwithstanding the burden which is cast upon the complainant to maintain his allegation of accident and mistake in this cause, the defendants must take the onus of showing that the facts of record do not sustain the presumption arising from the grant—which is no greater than that arising from any grant of a patent. * * *

It can hardly be claimed that the original patent was not a complete device. It was operative, just as completely as that of the reissue patent. For all that Wands was seeking, it was in itself a finished side-bearing arrangement. Later he thought he could just as well claim the resilient centering device and make it apply to every anti-friction side bearing which is centered by a spring. Undoubtedly he made the mistake of not claiming the larger invention, if it be such, in his first application; but this is not the mistake the statute and the courts have in mind. In Campbell v. James, 104 U. S. 356, 26 L. ed. 786:

"When a patent fully and clearly, without ambiguity or obscurity, describes and claims a specific invention, complete in itself, so that it cannot be said to be inoperative or invalid by reason of a defective or insufficient specification, a reissue cannot be had for the purpose of expanding and generalizing the claim, so as to make it embrace an invention not described and specified in the original."

Approving the language of Justice Grier in Burr v. Duryee, 1 Wall. 531, 17 L. ed. 650, in which the court says:

"The surrender of valid patents and the granting of reissued patents thereon, with expanded or equivocal claims, when the original was clearly neither inoperative nor invalid, and which specification is neither defective nor insufficient, is a great abuse of the privilege granted by the statute and productive of great injury to the public. This privilege was not given to the patentee or his assignee in order that the patent may be rendered more elastic or expansive, and therefore more available for the suppression of all other invention."

In Corbin Cabinet Lock Co. v. Eagle Lock Co., 150 U. S. 42, 14 Sup. Ct. 30, 37 L. ed. 989, it appears that the reissue was made, among other things, to cover a device containing one element, a mortise, not claimed in the original and surrendered patent. The court says this "clearly operated to broaden and

expand the original claim," and holds the reissue unwarranted. Says the court:

"It is settled by the authorities that, to warrant new and broader claims in a reissue, such claims must not be merely suggested or indicated in the original specification, drawings, or models; but it must further appear from the original patent that they constitute parts or portions of the inventions which were intended or sought to be covered or secured by such original patent."

In Hobbs v. Beach, 180 U. S. 394, 21 Sup. Ct. 414, 45 L. ed. 586, the reissue patent was attacked upon the ground that the original patent was neither inoperative nor invalid by reason of any defective or insufficient specification. The reissue had been applied for only a few weeks after the original issue, and, as the court says, "was issued merely to correct, as it would seem, an obvious error in one of the drawings." The court holds that:

"To justify a reissue it is not necessary that the patent should be wholly inoperative or invalid. It is sufficient if it fail to secure to the patentee all of that which he has invented and claimed."

In Huber v. Nelson, 148 U. S. 270, 13 Sup. Ct. 603, 37 L. ed. 447, the court held the reissue invalid because it left out one of the elements of the original claim, to wit, a flushing chamber. Says the court:

"We think that, on all the facts of this case, no one of the claims of the reissue can be construed as valid in leaving out the flushing chamber as an element of the combination, inasmuch as every claim of the original patent contained it."

It was further held in this case:

"That the failure to claim the particular combination not claimed in the original patent, but claimed in the reissue, was not due to any such inadvertence or mistake as would authorize the claiming of it in the reissue, and that the failure to claim such combination originally occurred under such circumstances and was accompanied with such full knowledge of all material facts as to amount to an abandonment of that particular combination to the public."

This was reviewed and approved in Olin v. Timken, 155 U. S. 141, 15 Sup. Ct. 49, 39 L. ed. 100.

An examination of the foregoing cases, and a large number of other cases decided by the Supreme Court, and by the various Courts of Appeal and Circuit Courts, leads plainly to the conclusion so well stated by Judge Coxe in Carpenter Straw Sewing Machine Co. v. Searle, 52 Fed. 809, 814, and approved by the Court of Appeals in 60 Fed. 82, 8 C. C. A. 476, viz.:

"That unless the court can find that the invention of the reissue is described as the invention in the original, and that the patentee intended to secure it as his invention in the original, the reissue is invalid. It is not for the same invention." * * *

It seems incredible that a man of sufficient intelligence to invent the device of the original patent could fail to discover at once that his patent did not purport to secure to him a monopoly of the combination of movable anti-friction side bearing for railway cars of every kind with centering springs. Under the circumstances, the delay of 23 months seems wholly unaccounted for.

In Ives v. Sargent, 119 U. S. 661, 7 Sup. Ct. 436, 30 L. ed. 544, Mr. Justice Matthews quotes with approval the language of the court in Wollensak v. Reiber, 115 U. S. 96, 99, 5 Sup. Ct. 1137, 1139, 29 L. ed. 350, as follows, viz.:

"It follows from this that if, at the date of the issue of the original patent, the patentee had been conscious of the nature and extent of his invention, an inspection of the patent, when issued, and an examination of its terms, made with that reasonable degree of care which is habitual to and expected of men in the management of their own interests in the ordinary affairs of life, would have immediately informed him that the patent had failed fully to cover the area of his invention; and this must be deemed to be notice to him of the fact, for the law imputes knowledge when opportunity and interest, combined with reasonable care, would necessarily impart it."

He also cites and approves the following language in Mahn v. Harwood, 112 U. S. 354, 5 Sup. Ct. 174, 28 L. ed. 665, viz.:

"If a patentee had not claimed as much as he is entitled to claim, he is bound to discover the fact in a reasonable time, or he loses all his right to a reissue; and if the Commissioner of Patents, after the lapse of such reasonable time, undertakes to grant a reissue for the purpose of correcting the supposed mistake, he exceeds his power and acts under a mistaken view of the law. The court, seeing this, has a right, and it is its duty, to declare the reissue pro tanto void in any suit founded upon it."

In the same case it is held that the time fixed by law with regard to public use, two years, might be deemed to be such a delay as to defeat the reissue. Here something less than two years had elapsed; but it is not the rule that two years must intervene. The circumstances of each case must control. Freeman v. Asmus, 145 U. S. 226, 12 Sup. Ct. 939, 36 L. ed. 685. Under the facts of this case, even though an arbitrary period of two years had not intervened, yet there was unpardonable delay. It would seem to constitute practically indisputable evidence of what otherwise appears to be the fact; i. e., that Wands had

no intention of claiming the spring broadly, with any movable anti-friction side bearing, as an invention at the time of filing his application. * * *

It is apparent that the claims of the reissue patent here in suit are broader than the specification. This latter limits the invention to movable roller anti-friction bearings. Claims 4 and 5 in terms, and claim 6 in effect, cover any movable anti-friction device. It is held in White v. Dunbar, 119 U. S. 47, 7 Sup. Ct. 72, 30 L. ed. 303, that the specification cannot be resorted to for the purpose of changing the claim and making it different from what it is. Nor can a patentee, who had claimed either more or less than was necessary, in a suit for infringement be relieved from the consequences. McClain v. Ortmayer, 141 U. S. 419, 12 Sup. Ct. 76, 35 L. ed. 800. Our own Court of Appeals, in Anderson Foundry & Machine Co. v. Potts, 108 Fed. 379, 47 C. C. A. 409, has said:

"The true rule seems to be stated in McCarty v. Railroad Co., 160 U. S. 110, 116, 16 Sup. Ct. 240, 40 L. ed. 358; * * * 'It is not permissible to read into a claim an element which is not present, for the purpose of making out a case of novelty or infringement'"

So these claims must stand the ordeal of the prior art in this proceeding just as they read, independently of the specifications and of the other claims of the patent. Wilson v. McCormick Harvester Mach. Co., 92 Fed. 167, 34 C. C. A. 280; Penfield v. Potts & Co., 126 Fed. 475, 61 C. C. A. 371. * * *

Counsel for complainant has devoted much of his argument to the contention that defendant Henry D. Laughlin is personally responsible for the acts of the Perry Side Bearing Company. This is charged in the bill and not denied by the answer. There seems to be no doubt that Laughlin owned all but a nominal amount of the stock and directed the acts of the corporation. This is established by his admissions in his answer and testimony, and his express assertions that he had personal control of the company. He makes no effort to deny that he was behind the acts of the company, and, indeed, in his letter to complainant of November 14, 1904, says that he holds himself responsible for the acts of the Perry Side Bearing Company. Although the answer contains a general denial that Laughlin acted in any way but as a corporate officer, there seems to be abundant ground for his joinder with defendant company in this suit. Saxleher v. Eisner, 147 Fed. 189, 77 C. C. A. 417; Whiting Safety Catch Co. v. Western Wheeled Scraper Co. et al. (C. C.) 148 Fed. 396.. * * *

686. SIMPLEX RAILWAY APPLIANCE CO. v. PRESSED STEEL CAR CO., 189 Fed. 71, 110 C. C. A. 634 (1911).

Before Lacombe, Coxe and Ward, Circuit Judges.

Coxe, Circuit Judge:

The patentee, Carl E. Bauer, states in his specification that his object is to improve upon and remedy the defects of the form of bolster shown in patent No. 565,481, issued to W. H. Marshall, August 11, 1896. * * * The specification contains a statement that, though the best results are obtained by keeping the tension member straight, if the construction be varied by bending the tension member and keeping the compression member straight it will still be within the spirit of the invention.

The Circuit Court, however, permitted a disclaimer to that part of the specification, so that the patent is now limited to a bolster having a straight tension member and a compression member with its end bent at a point approximately over the place of support. That the court was entirely justified in permitting a disclaimer is, we think, clearly established by the authorities. The effect of the disclaimer was not to broaden the claim, but to limit it to the construction, described and shown, of a straight tension member and a bent compression member. Until this disclaimer was allowed it was possible to contend for a construction of claim 6 broad enough to include a structure described in the language disclaimed, viz., a straight compression member and a bent tension member. That this was a proper case for a disclaimer and that the language disclaimed is no longer a part of the specification, are propositions which are sustained by the following authorities: Dunbar v. Meyers, 94 U. S. 187, 24 L. ed. 34, and cases cited in Accumulator Co. v. Julien Co. (C. C.) 38 Fed. 117, 133-136.

In Carnegie Co. v. Cambria Co., 185 U. S. 403, at page 436, 22 Sup. Ct. 698, at page 711, 46 L. ed. 968, the court say:

"Had the purpose of the disclaimer been to reform or alter the description of the invention, or convert the claim from one thing into something else, it might have been objectionable, as patents can only be amended for mistakes of this kind by a reissue. But the disclaimer in this case appears to have been made to obviate an ambiguity in the specification, and with no idea of obtaining the benefit of a reissue. If the clauses had the effect of broadening the patent the disclaimer removes the objection. If they did not, the disclaimer could do no harm, and cannot be made the subject of criticism."

The sole effect of the present disclaimer is to limit the sixth claim to a structure embodying Bauer's actual invention and strictly within its terms. The statement eliminated by the disclaimer was unnecessary and was not advisedly inserted, but

there is nothing of which to predicate a fraudulent intent. The statement is gone and to that extent the atmosphere is cleared. * * *

687. UNITED STATES v. AMERICAN BELL TEL. CO. ET AL., 167 U. S. 224, 42 L. ed. 144 (1897). * * *

Mr. Justice Brewer, after stating the facts in the foregoing language, delivered the opinion of the court.

This is a suit by the United States to set aside a patent for an invention as wrongfully issued. It is, we believe, the first case in this court in which upon proofs such an application has been presented. The right of the United States to maintain such a suit was affirmed in U. S. v. American Bell Tel. Co., 128 U. S. 315, 9 Sup. Ct. 90. The question now is whether upon the facts disclosed in this record the relief prayed for ought to be awarded. It becomes, therefore, a matter of moment to determine under what circumstances and upon what conditions the United States are entitled to have a patent, issued in due course of law, set aside and canceled.

Many cases have come to this court in which patents for lands have been sought to be set aside, and the rules controlling such suits have been frequently considered. Such decisions will naturally throw light upon the question here presented, though before adverting to them it may be well to note the difference between patents for land and patents for inventions. While the same term is used, the same grantor is in each, and, although each vests in the patentee certain rights, yet they are not in all things alike. The patent for land is a conveyance to an individual of that which is the absolute property of the government, and to which, but for the conveyance, the individual would have no right or title. It is a transfer of tangible property; of property in existence before the right is conveyed; of property which the government has the full right to dispose of as it sees fit, and may retain to itself or convey to one individual or another; and it creates a title which lasts for all time. On the other hand, the patent for an invention is not a conveyance of something which the government owns. It does not convey that which, but for the conveyance, the government could use and dispose of as it sees fit, and to which no one save the government has any right or title except for the conveyance. But for the patent the thing patented is open to the use of any one. Were it not for this patent, any one would have the right to manufacture and use the Berliner transmitter. It was not something which belonged to the government before Berliner invented it. It was open to the manufacture and use of any one, and any one who knew how could contrive, manufacture, and use the instrument. It conveyed to Berliner, so far as respects rights in the instru-

ment itself, nothing that he did not have theretofore. The only effect of it was to restrain others from manufacturing and using that which he invented. After his invention he could have kept the discovery secret to himself. He need not have disclosed it to any one. But in order to induce him to make that invention public, to give all a share in the benefits resulting from such an invention, congress, by its legislation made in pursuance of the constitution, has guaranteed to him an exclusive right to it for a limited time; and the purpose of the patent is to protect him in this monopoly, not to give him a use which, save for the patent, he did not have before, but only to separate to him an exclusive use. The government parted with nothing by the patent. It lost no property. Its possessions were not diminished. The patentee, so far as a personal use is concerned, received nothing which he did not have without the patent, and the monopoly which he did receive was only for a few years. So the government may well insist that it has higher rights in a suit to set aside a patent for land than it has in a suit to set aside a patent for an invention. There are weightier reasons why the government should not be permanently deprived of its property, through fraudulent representations or other wrongful means, than there are for questioning the validity of a temporary monopoly or depriving an individual of the exclusive use for a limited time of that whose actual use he claims to have made possible, and which, after such time, will be open and free to all. Bearing in mind this distinction, let us inquire upon what conditions the government may maintain a suit to set aside a patent for land.

These suits may be conveniently grouped in three classes: First, where the government being the only party interested, the patent is charged to have been obtained by fraud in representations or conduct; second, where the land by appropriate reservation is not subject to patent, but is, nevertheless, erroneously patented; third, where the land, though subject to patent in the ordinary administration of the land office, is patented to the wrong person either through fraud or by reason of mistake or inadvertence. In the first class are the following cases: U. S. v. Hughes, 11 How. 552; U. S. v. Throckmorton, 98 U. S. 61; U. S. v. Atherton, 102 U. S. 372; Moffat v. U. S., 112 U. S. 24, 5 Sup. Ct. 10; U. S. v. Minor, 114 U. S. 233, 5 Sup. Ct. 836; Maxwell Land-Grant Case, 121 U. S. 325, 7 Sup. Ct. 1015; Colorado Coal & Iron Co. v. U. S., 123 U. S. 307, 8 Sup. Ct. 131; U. S. v. San Jacinto Tin Co., 125 U. S. 273, 8 Sup. Ct. 850; U. S. v. Iron Silver Min. Co., 128 U. S. 673, 9 Sup. Ct. 195; U. S. v. Hancock, 133 U. S. 193, 10 Sup. Ct. 264; U. S. v. Trinidad Coal & Coking Co., 137 U. S. 160, 11 Sup. Ct. 57; U. S. v. Budd, 144 U. S. 154, 12

Sup. Ct. 575; San Pedro & Canon del Agua Co. v. U. S., 146 U. S. 120, 13 Sup. Ct. 94. In the second are these: U. S. v. Stone, 2 Wall. 525; Leavenworth, etc., R. Co. v. U. S., 92 U. S. 733; McLaughlin v. U. S., 107 U. S. 526, 2 Sup. Ct. 802; Western Pac. R. Co. v. U. S., 108 U. S. 510, 2 Sup. Ct. 802; Mullan v. U. S., 118 U. S. 271, 6 Sup. Ct. 1041. And in the third the following: Hughes v. U. S., 4 Wall. 232; U. S. v. Beebe, 127 U. S. 338, 8 Sup. Ct. 1083; U. S. v. Marshall Silver Min. Co., 129 U. S. 579, 9 Sup. Ct. 343; U. S. v. Missouri, K. & T. Ry. Co., 141 U. S. 358, 12 Sup. Ct. 13; U. S. v. Southern Pac. R. Co., 146 U. S. 570, 13 Sup. Ct. 152.

The second and third classes are not paralleled in this case, for it is not claimed that there was no invention, or that the patent issued to the wrong party. The decisions in those classes need not be considered. The first class comprises all cases in which the land, though subject to patent and therefore within the jurisdiction of the land department, was charged to have been patented in consequence of fraudulent representations or conduct on the part of the patentee. The representations may have been as to the matter of right or the matter of quantity. The patentee may have been entitled to no land, or to less, or a different tract than that patented. In any event, fraud was the basis of the relief sought, and as fraud, actual or constructive, in the issue of the patent, is the burden of this suit, we will quote from the opinions in some of these cases. In the Maxwell Land-Grant Case, Mr. Justice Miller, delivering the opinion of the court, said (page 381, 121 U. S., and page 1029, 7 Sup. Ct.):

"We take the general doctrine to be that when in a court of equity it is proposed to set aside, to annul, or to correct a written instrument for fraud or mistake in the execution of the instrument itself, the testimony on which this is done must be clear, unequivocal, and convincing, and that it cannot be done upon a bare preponderance of evidence which leaves the issue in doubt. If the proposition, as thus laid down in the cases cited, is sound in regard to the ordinary contracts of private individuals, how much more should it be observed where the attempt is to annul the grants, the patents, and other solemn evidences of title emanating from the government of the United States under its official seal. In this class of cases, the respect due to a patent, the presumption that all the preceding steps required by the law had been observed before its issue, the immense importance and necessity of the stability of titles dependent upon these official instruments, demand that the effort to set them aside, to annul them, or to correct mistakes in them should only be successful when the allegations on which this is attempted are clearly stated and fully sustained by proof. It is not to be admitted

that the titles by which so much property in this country and so many rights are held, purporting to emanate from the authoritative action of the officers of the government, and, as in this case, under the seal and signature of the president of the United States himself, shall be dependent upon the hazard of successful resistance to the whims and caprices of every person who chooses to attack them in a court of justice; but it should be well understood that only that class of evidence which commands respect, and that amount of it which produces conviction, shall make such an attempt successful."

In Colorado Coal & Iron Co. v. U. S., Mr. Justice Matthews, after quoting part of the foregoing, adds (page 317, 123 U. S., and page 135, 8 Sup. Ct.):

"It thus appears that the title of the defendants rests upon the strongest presumptions of fact, which, although they may be rebutted, nevertheless can be overthrown only by full proofs to the contrary, clear, convincing, and unambiguous. The burden of producing these proofs, and establishing the conclusion to which they are directed, rests upon the government. Neither is it relieved of this obligation by the negative nature of the proposition it is bound to establish. It is, indeed, sometimes said that a negative is incapable of proof, but this is not a maxim of the law. In the language of an eminent text writer: 'When the negative ceases to be a simple one—when it is qualified by time, place, or circumstance—much of this objection is removed; and proof of a negative may very reasonably be required when the qualifying circumstances are the direct matter in issue, or the affirmative is either probable in itself, or supported by a presumption, or peculiar means of proof are in the hands of the party asserting the negative.'"

Then, after quotations from many authorities, the learned justice closes the discussion with these words from 1 Greenl. Ev. § 80:

"So, where the negative allegation involves a charge of criminal neglect of duty, whether official or otherwise; or fraud; or the wrongful violation of actual lawful possession of property—the party making the allegation must prove it; for in these cases the presumption of law, which is always in favor of innocence and quiet possession, is in favor of the party charged."

In U. S. v. Marshall Min. Co., Mr. Justice Miller again refers to this matter, saying (page 589, 129 U. S., and page 346, 9 Sup. Ct.):

"The dignity and character of a patent from the United States is such that the holder of it cannot be called upon to prove that everything has been done that is usual in the proceedings had in the land department before its issue, nor can

he be called upon to explain every irregularity, or even impropriety, in the process by which the patent is procured."

With these declarations of the law controlling such cases, we proceed to consider that which, according to the brief of counsel for the government, is the principal matter in this case. We quote their words:

"The delay in the office is the great fact in the case. It determined the bringing of the suit, stands in the forefront of the bill, was the principal question argued in both courts below, and occupies the chief space in the decisions rendered. It is not set up as laches, nor as a ground of forfeiture under any provision of the law or rule of the patent office, but as a course of conduct in the nature of fraud on the public."

What was the delay in this case? The application by Berliner was made on June 4, 1877, he having filed a caveat on April 14, 1877. In 1878, and prior to October 23d, the telephone company purchased Berliner's invention, and on November 17, 1891, a patent was issued to the telephone company, as assignee of Berliner. The application was, therefore, pending in the department 14 years, during 13 of which the invention was the property of the telephone company. The effect of this, it is said, is to prolong for all practical purposes the telephone monopoly during the lifetime of this patent; and in this way: On March 7, 1876, patent No. 174,465 was issued to Alexander Graham Bell, in which patent, as alleged in the bill and admitted in the answer, were described and claimed "a method of and apparatus for transmitting sound by means of an undulatory current of electricity." This was the original telephone patent. And it signified that Bell invented the telephone. That patent has expired, and all the monopoly which attaches to it alone has ceased, and the right to use that invention has become public property. But while he invented the telephone, the apparatus he devised was inefficient for public uses. Berliner invented something by which, taken in connection with Edison's and Blake's inventions, Bell's undulatory current could be made practically available for carrying on conversation at long distances. In other words, the telephone, as we use it—that which has become such an important factor in the commercial and social life of today—does not embody simply the invention of Bell, but also those of Edison, Blake, and Berliner. So that while the public has today, by reason of the expiration of the Bell patent, the right to use as it pleases his invention, such right is a barren one, and the telephone monopoly is practically extended to the termination of the Berliner patent; and this extension of the time of the monopoly has been accomplished by means of the delay in the

issue of the Berliner patent—the long pendency of the application in the patent office. * * *

Certain rules of procedure have been prescribed by the commissioner of patents, and a certain routine of practice has become established in that department. Now, all these matters of statutory enactments, rules of procedure, and routine of practice are things over which an applicant has no control. When he has once filed his application, complying with the statutory requirements, then the patent office takes possession of the matter. It determines when and how it will act, and the applicant can only ask and wait.

And why should he be called upon to do more? He comes before the tribunal which the government has established and presents his application. Why should the validity of the grant which that tribunal finally makes depend in any degree upon the number of times he has repeated his application? The true rule is that if application has been made, and the applicant has once called for action, he cannot be deprived of any benefits which flow from the ultimate action of the tribunal, although that tribunal may unnecessarily, negligently, or even wantonly, if that supposition were admissible, delay its judgment. If the public is interested in prompt action, if the government, which represents the public, thinks that more speed on the part of any of its tribunals is essential, it is the government which is called upon to act, and the applicant may with propriety wait until either the tribunal has acted, or until the government, having regard for the public interest, has interfered to compel action. Accepting the statement of counsel as to the facts to be correct in all its fullness, consider what would have been the ruling of a court if an application had been made to it based upon those facts. Suppose the applicant had presented its petition for a mandamus to compel prompt action on the part of the patent officials, and said: "I have applied for and am entitled to a patent. It will be issued after a while without any judicial compulsion. I can make large profits if the patent office will be dilatory, and yet I ask a mandamus to compel its immediate action"—would not the ruling have been: "By your own showing you are entitled to no relief; you have no cause of complaint. It is the government, representing the public, which alone can complain." And if it could obtain no assistance by a suit in advance, can it be punished indirectly by being deprived of that which was finally awarded to it?

Much is said in the briefs and in the arguments about the practical continuance of the telephone monopoly. It is well to understand exactly what is meant thereby. No one questions that the Bell patent has expired, and that all of his invention is

free to the use of the public. It is not denied that Berliner's invention is something independent and distinct from the Bell invention. It is the combination of these inventions with those of Blake and Edison which make the instrument in commercial use, and because this is the most serviceable it is the one that the public insists upon having. But each invention has independent rights. It loses nothing because when united with another it results in an instrument more valuable than either alone will give. Suppose that at the expiration of this Berliner patent some new invention shall be made by which, in connection with those already free to the public, an instrument can be manufactured far surpassing in utility that used today, and the Bell Company shall purchase that invention, the public, which always insists on having the best and most serviceable, will undoubtedly take the new instrument, and in that way it may happen that what is called the "telephone monopoly" is practically still further continued. But surely that does not abridge the legal rights of any one. The inventor of the latest addition is entitled to full protection, and if the telephone company buys that invention it is entitled to all the rights which the inventor had. All that the patent law requires is that when a patent expires the invention covered by that patent shall be free to every one, and not that the public has the right to the use of any other invention, the patent for which has not expired, and which adds to the utility and advantage of the instrument made as the result of the combined inventions.

Counsel seem to argue that one who has made an invention, and thereupon applies for a patent therefor, occupies, as it were, the position of a quasi trustee for the public; that he is under a sort of moral obligation to see that the public acquires the right to the free use of that invention as soon as is conveniently possible. We dissent entirely from the thought thus urged. The inventor is one who has discovered something of value. It is his absolute property. He may withhold the knowledge of it from the public, and he may insist upon all the advantages and benefits which the statute promises to him who discloses to the public his invention. He does not make the law. He does not determine the measure of his rights. The legislative body, representing the people, has declared what the public will give for the free use of that invention. He cannot be heard in the courts to say that it is of such value that he is entitled to a larger and longer monopoly; that he is not fully compensated for the great benefit which his invention has bestowed by the pecuniary receipts during 17 years. No representative of the public is at liberty to negotiate with him for a new and independent contract as to the terms and conditions upon which he will give up his

invention. He must come under the dominion of the statute, and take that which the public has proffered its willingness to give. As the lawmaking power has prescribed what the public will give, specified the terms and conditions of purchase, indicated the time and methods of determining the right of compensation, he on his part has an absolute legal right to avail himself of all the provisions thus made. It is not, of course, doubted that the courts in construing the patent as all other statutes, must have regard to the spirit as well as the letter. That sim-

What are the evidences of wrong in this matter of delay? It may have been caused either by the negligent or wrongful action of the officers of the department, and without any connivance, assistance, or concurrence on the part of the applicant, or it may have been brought about by the applicant, either through its corruption of the public officers or through other misconduct on its part. If the fault is wholly that of the department, the applicant ought not to suffer therefor. While, on the other hand, if its conduct has been wrongful, it may and ought to suffer. There is no presumption against the applicant. If a tribunal charged with official action delays such action, whatever of presumption surrounds the delay attaches to the tribunal, and no evidence of wrong being given, the presumption would be that the delay was at the instance of the tribunal, and not caused by the applicant. The government, therefore, in order to make out its case, must affirmatively show that the delay has been caused in some way by the conduct of the applicant, and before its patent can be set aside the government must, in accordance with the rules laid down in respect to land patents, establish that fact clearly. It may not rest on mere inferences, mere suggestions, but must prove the wrong in such a manner as to satisfy the judgment before it can destroy that which its own agents have created. We reiterate what was said by Mr. Justice Miller for the court in the Maxwell Land Grant Case, that a suit between indivduals to set aside an instrument for fraud can only be sustained when the testimony in respect to the fraud is clear, unequivocal, and convincing, and cannot be done upon a bare preponderance of evidence which leaves the issue in doubt, and that, if this be the settled rule in respect to suits between individuals, it is much more so when the government attempts to set aside its solemn patent. And we may here again repeat that if this is true when the suit is to set aside a patent for land, which conveys for all time the title, a fortiori, it must be true when the suit is one to set aside a patent for an invention, which only grants a temporary right.

What evidence has the government produced? We premise by saying that there is not a scintilla of testimony as to any cor-

ruption of the officers of the department by the defendants, or any attempt at such corruption. Counsel do not put the finger on a single fact tending to show that any money was ever paid to any official of the patent office, or that any undue influence was ever attempted to be exerted upon or improper suggestion made to any one. So far as the record discloses, there never was an intimation made to a single official that he could profit in any way by a moment's delay. All thought of wrong in this respect may, therefore, be put aside. If there was no corruption on the part of the defendants, what did they do that calls for condemnation? * * *

This presents the burden of the case on the part of the government. It amounts to only this: The defendant company was not active, but passive. If millions were to be added to its profit by active effort it would have been importunate, and have secured this patent long before it did. As millions came to it by reason of its being passive, it ought to suffer for its omission to be importunate. It must keep coming before the commissioner, like the widow before the unjust judge in the parable, until it compels the declaration, "though I fear not God nor regard man, yet because this widow troubleth me, I will avenge her, lest by her continual coming she weary me." But is this the rule to measure the conduct of those who apply for official action? What is the amount of the importunity which will afford protection to the grant finally obtained? How frequent must the demand be? It is easy to say that the applications of this defendant, coming only at the interval of months and years, were, taken with the replies of the patent office, mere "perfunctory exchanges of compliments," but this does not change the fact that action was asked and repeatedly asked; that no request was made for delay; no intimation that it was desired or would be acceptable. * * *

But is the applicant to be condemned because, having once made an urgent request for action and pointed out reasons therefor, it was not continually repeating that request, because it did not see that such request was placed on the files of this particular application, or, as intimated in the words of counsel, nailed on the doors of the patent office?

It is, of course, easy to say that these applications, these suggestions and requests, meant nothing; that they were a mere blind. But something more than assertion of counsel is necessary to destroy their significance, or to establish collusion between the applicant and the officials of the department. But the case does not stand upon the fact that the formal communications from the solicitor in charge of this application were few in number. While in every one in which the matter was re-

ferred to there was a request for action, it also appears from the testimony of Messrs. Freeman, Lyons, and Kintner, who were the examiners in charge during the major portion of the time in dispute, that the representatives of the Bell Company were urgent in pushing the Berliner application. * * *

Another matter referred to by counsel is what they call the "tacit understanding." The facts are these: One Daniel Drawbaugh claimed to have invented the telephone prior to Bell. He assigned his invention to the People's Telephone Company, between whom and the defendant company a heated and protracted litigation arose. Now, it is said that there was an agreement, or, at least, a tacit understanding, between the officials of the patent office, the People's Company, and the defendant company that the proceedings in the patent office in respect to the Berliner application should wait the determination of the litigation between the two telephone companies. It is insisted that the officials had no right to enter into such an agreement; that it was unlawful in its character. Assuming that this is so, still the fact appears that the proposition therefor came from the representatives of the Drawbaugh interest, that it was deemed by the officers of the patent office to be for the best interests of all, and that it was simply assented to by the defendant. Nowhere does it appear that the defendant urged, or even suggested, the propriety of such a delay. For the present we do not consider the wisdom or the rightfulness of the course pursued. All that we desire to notice is that it was not at the instance of the defendant.

It is further said that, even if there were at first any excuse for such "tacit understanding," and the patent office properly delayed action on this application until after the litigation between Drawbaugh and Bell had ended, a judgment therein was rendered in the circuit court in 1884; and that then the office should have proceeded promptly, and that there was no excuse for waiting until the decision of the appeal by this court in 1888; and, least of all, for any delay after that final decision by this court.

Summing up their argument on this branch of the case, counsel say:

"The review of the history of the Berliner application, which we have now completed, shows that in its treatment of it the office proceeded upon two unlawful assumptions.

"The first was that an applicant, whose application is ready for issue except for a possible threatened interference, must wait until the antagonizing application is either found allowable and ready for the interference, or finally ejected from the office, no

matter how long that may be. This assumption governed the action of the examiners from 1882 to the issue of the patent. * * *

"The second assumption was that the judicial determination of the question of Drawbaugh's invention, in the suit between the owners of the applications, was not enough to warrant action by the office. Examiner Kintner took the ground, in conversation with Mr. Swan—never on the record—that the decision of the circuit court was not enough for him; that the case might be appealed, and he would act only on the decision of the supreme court. But when that came it received no more consideration than had been given to that of the circuit court."

Were it conceded that these two assumptions were "false assumptions," as counsel call them, what are they but errors of judgment on the part of the patent officials as to the course of procedure; and can it be possible that an applicant for a right who has under the statute no choice of tribunals or course of procedure, but is compelled to apply to one tribunal which has exclusive jurisdiction in the matter, and must abide by its rulings as to procedure, can be held to have forfeited his right simply because of errors of judgment by such tribunal as to the procedure? The statement of the question seems to us to carry its own answer. It is true counsel follow this declaration of the errors on the part of the office in the matter of procedure with the further statement:

"The guilty party is the Bell Company. It had a full and perfect inside view of the whole situation from the beginning. Its attorneys were wiser in these things than the commissioners or the examiners. They shrewdly availed themselves of every unauthorized usage, mistaken assumption, ignorant misconception, or supposed obstacle, by means of which the issue of the patent could be delayed without apparent responsibility on their part. In view of the duty which vested upon the company to speed the application, that was fraud, not less but more reprehensible because it was not of the common and gross kind, but so refined and acute that its garb of professed innocence has deceived even the court of appeals."

The difficulty with this charge of wrong is that it is not proved. It assumes the existence of a knowledge which no one had; of an intention which is not shown. It treats every written communication from the solicitor in charge of the application, calling for action, as a pretense, and all the oral and urgent appeals for promptness as in fact mere invitations to delay. It not only rejects the testimony which is given, both oral and written, as false, but asks that it be held to prove just the reverse.

Indeed, the case which the counsel present to us may be summed up in these words: The application for this patent was duly filed. The patent office after the filing had full jurisdiction over the procedure; the applicant had no control over its action. We have been unable to offer a syllable of testimony tending to show that the applicant ever in any way corrupted, or attempted to corrupt, any of the officials of the department. We have been unable to show that any delay or postponement was made at the instance or on the suggestion of the applicant. Every communication that it made during those years carried with it a request for action, yet because the delay has resulted in enlarged profits to the applicant, and the fact that it would so result ought to have been known to it, it must be assumed that in some way it did cause the delay, and, having so caused the delay, ought to suffer therefor. There is seldom presented a case in which there is such an absolute and total failure of proof of wrong.

The defendant company might safely have left the case here, but it has not been content to rest the controversy with the failure on the part of the government to show any wrong. It has not been content to accept the Scotch verdict of "not proven." It has called as witnesses the examiners who were in charge of this application, and taken their testimony as to what did in fact take place, and as to how and why the long delay occurred. Whatever judgment may be pronounced upon the wisdom of the course pursued by these officials, or the sufficiency of the reasons given by them therefor, there is no ground for controverting that they acted in good faith. The case is not one of arbitrary, peremptory postponements and delay.

They supposed they were acting in compliance with the rules of the patent office, and out of proper regard for the rights of conflicting interests. No just estimate can be placed upon the propriety of their conduct without taking into consideration the whole subject of telephonic inventions and litigation. As heretofore stated, and as is well known, Bell claimed to be the pioneer in this matter of telephonic communication. His claim was disputed, and out of that dispute came the most important, the most protracted, litigation which has arisen under the patent system in this country. For years this litigation was pending in the trial courts, subsequently brought to this court, and finally decided in 1888. So great was this litigation, so immense the volume of testimony, and so important the rights involved, that it is the only case in the history of this court to which an entire volume of our Reports is devoted. 126 U. S., 8 Sup. Ct. The argument was protracted through weeks, and the case was held under consideration for a year, and finally decided by a closely-divided court. Is it strange that, when the primary right was

being so vigorously contested, and was so much a matter of doubt, when (as appears from the testimony in this case) the judgment of the law department of the government was adverse to the claims of Bell, and to the validity of the patent which he had obtained—is it strange, we ask, in view of these facts, that the disposition of the apparently minor matter should be held in abeyance in the patent office until a final decision of the primary right?

Neither can any just estimate be placed upon their conduct without taking into account the volume of business, and the pressure on account thereof, in the patent office. Beyond the fact, which is a matter of common knowledge, that thousands of applications are filed and thousands of patents granted each year, the record discloses something as to the multitude of applications for patents for telephones and telephonic devices which were pending during these years. Mr. Townsend, who was an examiner up to November 15, 1880, while unable to state the number of applications, was able to say that he had examined over 120 that went to patent. This it will be remembered was in the early days of telephonic investigation and invention. It appears also from a communication made by the commissioner of patents to the secretary of the interior, on December 13, 1892, advising against this suit, that at that time a gentleman, who is called in the letter the "relator," had pending in the patent office 152 applications for patents on telephones and telephone systems. These facts may be only side lights, but they show that the examiners and other officials in the patent office had something else to do besides considering this application.

Of course, it is easy to say that the patent office could have disposed of this application more promptly than it did; that it ought to have done so; and that, in view of the termination of the great litigation favorable to the claims of Bell, its delay has resulted in large pecuniary benefits to the defendants. But a wisdom born after the event is the cheapest of all wisdom. Anybody could have discovered America after 1492. The question is not whether a better judgment on the part of the patent officials would have disposed of this application long before it was, is not, indeed, whether there was any error of judgment, but whether they acted wrongfully, and their action was induced by or at the instance of the defendants.

One thing more deserves notice. The argument of the counsel for the government proceeds all along on the assumption of the superior knowledge of the representatives of the defendant company; that they saw the end from the beginning; that they knew that their client had an invention which was patentable, and that they would ultimately obtain a patent therefor, and also

that Bell was and would finally be adjudged the primary inventor of the telephone; and that, possessed of all of this knowledge, they planned the delay in securing the Berliner patent in order that thereby they might extend to the termination of its life the telephone monopoly. But what an assumption this is, and how illy justified by the facts! The very process and termination of the Bell-Drawbaugh litigation demonstrates the doubtfulness of the question there in issue, and is absolute evidence that there was up to the close of that litigation an uncertainty as to the result. Equally uncertain was the outcome of the Berliner application. Indeed, there is an uncertainty as to every application. No one can foretell what will be the judgment of the patent office upon the questions of novelty and utility. And in respect to this Berliner application, the matters which are subsequently to be considered attest that there was more than ordinary doubt as to the outcome. On account of those matters, it is earnestly contended that there was no merit in the application, and that it ought to have been denied. Further than that, they knew that the officials of the patent office were subject to change—as in fact they were changed during the pendency of these proceedings—and, even if they had any direct intimations from the first examiner or the first commissioner, there was no certainty that a subsequent examiner and subsequent commissioner would entertain the same views. If the Bell-Drawbaugh litigation had terminated the other way, and a different opinion on the part of a single member of this court would have changed this result, or if when the time came the commissioner of the patent office had decided against the Berliner application, and his decision been sustained on appeal to the supreme court of the District of Columbia, then all this brilliant scheme of realizing millions would have vanished into thin air. If they were possessed of the wisdom which the government attributes to them, the representatives of the Bell Company must have realized that the certainty which attends a final decision and the issue of a patent was something worth striving for, and not lightly to be ignored. And if this underlying assumption has so little foundation, what shall be said of an inference and an imputation unsupported by evidence and based upon that assumption?

Our conclusions on this branch of the case are: First, That before the government is entitled to a decree canceling a patent for an invention on the ground that it has been fraudulently and wrongfully obtained, it must, as in the case of a like suit to set aside a patent for land, establish the fraud and the wrong by testimony which is clear, convincing, and satisfactory. Second, That congress has established a department, with officials selected by the government, to whom all application for patents

must be made; has prescribed the terms and conditions of such applications, and intrusted the entire management of affairs of the department to those officials; that when an applicant for a patent complies with the terms and conditions prescribed, and files his application with the officers of the department, he must abide their action, and cannot be held to suffer or lose rights by reason of any delay on the part of those officials, whether reasonable or unreasonable, unless such delay has been brought about through his corruption of the officials, or through his inducement, or at his instance. Proof that they were in fault, that they acted unwisely, unreasonably, and even that they were culpably dilatory, casts no blame on him and abridges none of his rights. Third, The evidence in this case does not in the least degree tend to show any corruption by the applicant of any of the officials of the department, or any undue or improper influence exerted or attempted to be exerted by it upon them, and, on the other hand, does affirmatively show that it urged promptness on the part of the officials of the department, and that the delay was the result of the actions of those officials. And, fourth, if the circumstances do not make it clear that this delay on the part of the officials was wholly justified, they do show that it was not wholly unwarranted, and that there were reasons for the action of such officials which at least deserve consideration and cannot be condemned as trivial.

The three remaining grounds of relief asserted by the government may be considered together. Defendants contend that as the last two, although urged in the circuit court, were not presented to the court of appeals (referring for this fact to the opinion of the latter court, and also a notice which was contained in the brief of counsel for the government), we are precluded from noticing them, citing as authority Bell v. Bruen, 1 How. 169; Alviso v. U. S., 8 Wall. 337; National Bank v. Com., 9 Wall. 353; Rogers v. Ritter, 12 Wall. 317; Klein v. Russell, 19 Wall. 433; Supervisors v. Lackawana Co., 93 U. S. 619; Wilson v. McNamee, 102 U. S. 572; Wood v. Weimar, 104 U. S. 786; Topliff v. Topliff, 145 U. S. 156, 12 Sup. Ct. 825; McGahan v. Bank, 156 U. S. 218, 15 Sup. Ct. 347; and Carr v. Fife, 156 U. S. 494, 15 Sup. Ct. 427—in which cases, with more or less particularity, the proposition is announced that this court will not consider questions not presented to and passed upon by the lower court. We deem it unnecessary to determine how far that rule is applicable in this case, for the reasons which compel us to deny relief on the first of these grounds are, when applied to the facts developed by the testimony, equally potent as to the others. That ground, as stated, is "that a patent issued November 2, 1880, upon a division of the original application, cov-

ers the same invention as that covered by the patent in suit, and exhausted the power of the commissioner as to that invention." The patent of 1880 is for a receiver; that of 1891 for a transmitter. It is claimed that the two instruments are alike in form and alike in function, save as they are operated at different ends of the telephone wire. The transmitter can be placed at the other end of the wire, and then becomes a receiver, and so vice versa. Popularly speaking, it may be said that the transmitter takes the varying sounds of the human voice, and passes them on to the telephone wire, to be borne along thereon by the undulatory electric current until they reach the receiver, which takes and passes them to the human ear. In a sense the receiver is also a transmitter, for it passes the sounds from the wire to the ear. We agree with the court of appeals that it is unnecessary to determine whether there are two separate inventions in the transmitter and the receiver, or whether the patent of 1891 is for an invention which was covered by the patent of 1880. The judgment of the patent office, the tribunal established by congress to determine such questions, was adverse to the contention of the government, and such judgment cannot be reviewed in this suit.

Suits may be maintained by the government in its own courts to set aside one of its patents, not only when it has a proprietary and pecuniary interest in the result, but also when it is necessary in order to enable it to discharge its obligations to the public, and sometimes when the purpose and effect are simply to enforce the rights of an individual. In the former cases it has all the privileges and rights of a sovereign. The statutes of limitation do not run against it. The laches of its own officials does not debar its right. Van Brocklin v. Tennessee, 117 U. S. 151, 6 Sup. Ct. 670; U. S. v. Nashville, C. & St. L. Ry. Co., 118 U. S. 120, 6 Sup. Ct. 1006; U. S. v. Insley, 130 U. S. 263, 9 Sup. Ct. 485. But when it has no proprietary or pecuniary result in the setting aside of the patent; is not seeking to discharge its obligations to the public; when it has brought the suit simply to help an individual, making itself, as it were, the instrument by which the right of that individual against the patentee can be established—then it becomes subject to the rules governing like suits between private litigants. As said in U. S. v. Beebe, 127 U. S. 338, 347, 8 Sup. Ct. 1083, 1088:

"We are of the opinion that when the government is a mere formal complainant in a suit, not for the purpose of asserting any public right or protecting any public interest, title, or property, but merely to form a conduit through which one private person can conduct litigation against another private person, a court of equity will not be restrained from administering the

equities existing between the real parties by any exemption of the government designed for the protection of the rights of the United States alone. The mere use of its name in a suit for the benefit of a private suitor cannot extend its immunity as a sovereign government to said private suitor, whereby he can avoid and escape the scrutiny of a court of equity into the matters pleaded against him by the other party, nor stop the court from examining into and deciding the case according to the principles governing courts of equity in like cases between private litigants." See, also, U. S. v. Des Moines, etc., Ry. Co., 142 U. S. 510, 12 Sup. Ct. 308; Curtner v. U. S., 149 U. S. 662, 13 Sup. Ct. 985, 1041.

Now, in the case at bar the United States has no proprietary or pecuniary interest. The result, if favorable to it, would put no money in its treasury or property in its possession. It has a standing in court either in the discharge of its obligation to protect the public against a monopoly it has wrongfully created, or simply because it owes a duty to other patentees to secure to them the full enjoyment of the rights which it has conferred by its patents to them. Perhaps both of these objects were in view. In so far as the latter was and is the purpose of this suit, it brings it within the rule laid down in U. S. v. Beebe, supra. Doubtless the removal from the public of the burden of a monopoly charged to have been wrongfully created was also one of the objects, and perhaps the principal object. U. S. v. American Bell Tel. Co., 159 U. S. 548, 16 Sup. Ct. 69. To what extent this may relieve the government as suitor from all the rules governing the suits of private individuals need not be specifically determined here.

One of the familiar rules of equity, reinforced by statute (section 723, Rev. St.), is that "suits in equity shall not be sustained in either of the courts of the United States in any case where a plain, adequate, and complete remedy may be had at law." The objection to the validity of this patent on the ground that it was already covered by the patent of 1880 is a defense which, under the statutes (section 4920, Rev. St.) is open to every individual charged by the patentee with infringement, whether the proceeding against him be an action at law or a suit in equity. The government, therefore, if seeking simply to protect the right of an individual, ought not to be permitted to maintain a suit in equity to cancel that against which the individual has a perfect legal defense available in any action brought by or aganist him. The query is pressed whether the same rule would not also apply when the government is only seeking to protect the public at large, for the public is but the aggregation of all the individuals, and, if each of them has a perfect defense to the pat-

ent, so all together have. Again, and as an illustration, perhaps, of the extent of the rule referred to, it has often been held that while one having the title to and possession of a tract of land can maintain a suit in equity to cancel a deed or other instrument which is a cloud upon the title, such suit cannot be sustained if the deed or instrument is void upon its face, its invalidity resting upon matters of record, and not affected by any lapse of time or statute of limitations In other words, the deed or instrument is not considered a cloud if it can never be used to destroy his title or disturb his possession. The objection to this patent on the ground stated is an objection resting upon matters of record—of record in the patent office—not dependent on oral testimony nor subject to change, and in no way affected by lapse of time. Within the scope of this specific application of the general rule, it would seem that equity has no jurisdiction either at the suit of the government or of an individual to formally cancel that which by record and unfailing evidence is, as claimed, absolutely void.

But, further, congress has established the patent office, and thereby created a tribunal to pass upon all questions of novelty and utility. It has given to that office exclusive jurisdiction in the first instance, and has specifically provided under what circumstances its decisions may be reviewed, either collaterally or by appeal. As said in Butterworth v. Hoe, 112 U. S. 50, 67, 5 Sup. Ct. 25, 34: "That it was intended that the commissioner of patents, in issuing or withholding patents, in reissues, interferences, and extensions, should exercise quasi judicial functions, is apparent from the nature of the examinations and decisions he is required to make, and the modes provided by law, according to which, exclusively, they may be reviewed."

§§ 4911-4914, Rev. Stat., grant appeals in certain cases to the Supreme Court of the District of Columbia. It is true those sections do not authorize appeals on behalf of the government, but the failure so to do may be evidence that congress thought the government ought not to interfere, and because it believed it had made ample provision for securing the rights of all without the intervention of the government. § 4915, Rev. Stat., authorizes a suit in equity on behalf of an applicant for a patent whose application has been refused. Morgan v. Daniels, 153 U. S. 120, 14 Sup. Ct. 772, presented a controversy under that section, and in the opinion, on page 124, 153 U. S., and page 773, 14 Sup. Ct., we said: "It is a controversy between two individuals over a question of fact which has once been settled by a special tribunal, intrusted with full power in the premises. As such it might be well argued, were it not for the terms of this statute, that the decision of the patent office was a finality upon every matter of fact."

It is true that all these sections refer to proceedings between individuals, but the government is as much bound by the laws of congress as an individual, and when congress has created a tribunal to which it has given exclusive determination in the first instance of certain questions of fact, and has specifically provided under what circumstances that determination may be reviewed by the courts, the argument is a forcible one that such determination should be held conclusive upon the government, subject to the same limitations as apply in suits between individuals.

There is nothing in U. S. v. Bell Tel. Co., 128 U. S. 315, 9 Sup. Ct. 90, and U. S. v. American Bell Tel. Co., 159 U. S. 548, 16 Sup. Ct. 69, to conflict with the views above expressed. In the former case the question presented was whether the government could maintain a bill to set aside a patent for an invention on the ground of fraud in its issue, and among the objections urged was the fact that congress had, in § 4920, Rev. Stat., made specific provision for certain defenses in suits by an infringer. It was held that the government could maintain such a bill, and that these special statutory provisions did not defeat its right, the court summing up the discussion in these words (page 373, 128 U. S., and page 99, 9 Sup. Ct.):

"The argument need not be further extended. There is nothing in these provisions expressing an intention of limiting the power of the government of the United States to get rid of a patent obtained from it by fraud and deceit. And although the legislature may have given to private individuals a more limited form of relief, by way of defense to an action by the patentee, we think the argument that this was intended to supersede the affirmative relief to which the United States is entitled, to obtain a cancellation or vacation of an instrument obtained from it by fraud, an instrument which affects the whole public, whose protection from such a fraud is eminently the duty of the United States, is not sound."

In the latter case, which is the one now before us, there was decided a motion to dismiss for want of jurisdiction in this court of an appeal from the decision of the court of appeals, and it was adjudged that this court had jurisdiction. It is true, at the close of the opinion is found this general statement as to the power to maintain such a suit (page 555, 159 U. S., and page 72, 16 Sup. Ct.):

"In U. S. v. American Bell Tel. Co., supra, it was decided that where a patent for a grant of any kind issued by the United States has been obtained by fraud, by mistake, or by accident, a suit by the United States against the patentee is the proper remedy for relief, and that in this country, where there is no kingly prerogative, but where patents for land and inventions are issued

by the authority of the government, and by officers appointed for that purpose, who may have been imposed upon by fraud or deceit, or may have erred as to their power, or made mistakes in the instrument itself, the appropriate remedy is by proceedings by the United States against the patentee."

But, while there was thus rightfully affirmed the power of the government to proceed by suit in equity against one who had wrongfully obtained a patent for land or for an invention, there was no attempt to define the character of the fraud, or deceit, or mistake, or the extent of the error as to power which must be established before a decree could be entered canceling the patent. It was not affirmed that proof of any fraud, or deceit, or the existence of any error on the part of the officers as to the extent of their power, or that any mistake in the instrument, was sufficient to justify a decree of cancellation. Least of all was it intended to be affirmed that the courts of the United States, sitting as courts of equity, could entertain jurisdiction of a suit by the United States to set aside a patent for an invention on the mere ground of error of judgment on the part of the patent officials. That would be an attempt on the part of the courts in collateral attack to exercise an appellate jurisdiction over the decisions of the patent office, although no appellate jurisdiction has been by the statutes conferred. We are of opinion, therefore, that the question, as stated, is not open for consideration in this case. We see no error in the decision of the court of appeals, and its decree, dismissing the bill, is affirmed.

Mr. Justice Harlan dissented.

Mr. Justice Gray and Mr. Justice Brown were not present at the argument, and took no part in the decision.

688. RUSSELL v. DODGE, 93 U. S. 460, 23 L. ed. 973.

A reissue could only be granted for the same invention embraced by the original patent, the specification could not be substantially changed, either by addition of new matter or the omission of important particulars, so as to enlarge the scope of the invention.

689. McMURRAY v. MALLORY, 111 U. S. 97, 28 L. ed. 365, 4 Sup. Ct. 375.

It is plain that the claims mentioned include many soldering devices not covered by the original patent. The claims are, therefore, void. Gill v. Wells, 22 Wall. 1; The Wood Paper Patent, 23 Id. 566; Powder Co. v. Powder Works, 98 U. S. 126; Ball v. Langles, 102 Id. 128; Miller v. Brass Co., 104 Id. 350; James v. Campbell, Id. 356; Heald v. Rice, Id. 737; Johnson v. R. R. Co., 105 Id 539; Bantz v. Frantz, Id. 160; Wing v. Anthony, 106 U. S., 142. [Bill dismissed.]

690. HARTSHORN v. SAGINAW BARREL CO., 119 U. S. 664, 30 L. ed. 539, 7 Sup. Ct. 421.

The alterations, it is said in argument, had the effect only of giving a more full, complete, and accurate description of the same mechanism; but, in point of fact, the alterations changed the shape of the specification in such a way as to admit the new and enlarged claim in a manner in which it could not have been made upon the original description.

691. WHITE v. DUNBAR, 119 U. S. 47, 30 L. ed. 303, 7 Sup. Ct. 72.

The original patent is not susceptible of the broad construction which the appellees would give to it, and that the reissued patent is a material expansion and enlargement of it. As such expansion appears to be the only object of the reissue, and as the application for the reissue was not made until nearly five years after the original was granted, the case comes within the ruling of Miller v. Brass Co., 104 U. S. 350.

692. FLOWER v. DETROIT, 127 U. S. 563, 32 L. ed. 175, 8 Sup. Ct. 1291.

What was suggested in the original specification, drawings, or patent office model is not to be considered as a part of the invention intended to have been covered by the original patent, unless it can be seen from a comparison of the two patents that the invention which the original patent was intended to cover embraced the things thus suggested or indicated in the original specification, drawings, or patent office model, and unless the original specification indicated that those things were embraced in the invention intended to have been secured by the original patent.

693. HUBER v. NELSON MFG. CO., 148 U. S. 270, 37 L. ed. 447, 13 Sup. Ct. 603.

We think that, on all the facts of this case, no one of the claims of the reissue can be construed as valid in leaving out the flushing chamber as an element of the combination, inasmuch as every claim of the original patent contained it. Prouty v. Ruggles, 41 U. S. 16 Pet. 336, 341; Brooks v. Fiske, 56 U. S. 15 How. 212, 219; Burr v. Duryee, 68 U. S. 1 Wall. 531; Reckendorfer v. Faber, 92 U. S. 347; Fuller v. Yentzer, 94 U. S. 288; Chicago & N. W. R. Co. v. Sayles, 97 U. S. 554; Union Water Meter Co. v. Desper, 101 U. S. 332.

* * *

Every one of the elements which is made a part of the several combinations claimed in the original patent is thereby made material to such combinations. Eames v. Godfrey, 68 U. S. 1 Wall,

78; Burr v. Duryee, 68 U. S. 1 Wall. 531; Case v. Brown, 69 U. S. 2 Wall. 320; Gould v. Rees, 82 U. S. 15 Wall. 187; Gill v. Wells, 89 U. S. 22 Wall. 1; Fuller v. Yentzer, 94 U. S. 288; Giant Powder Co. v. California Powder Works, 98 U. S. 126; Leggett v. Avery, 101 U. S. 256; James v. Campbell, 104 U. S. 356; Coon v. Wilson, 113 U. S. 268; Parker & Whipple Co. v. Yale Clock Co., 123 U. S. 87; Electric Gas Lighting Co. v. Boston Electric Co., 139 U. S. 481; Topliff v. Topliff, 145 U. S. 156.

694. HOUGHTON v. WHITIN MACH. WORKS, 153 Fed. 740, 83 C. C. A. 84.

The somewhat recent case of Topliff v. Topliff, 145 U. S. 56, 36 L. ed 658, * * * stated that the power to reissue may be exercised when the patent is inoperative, because the claims were narrower than the actual invention, provided the error arose from inadvertence or mistake. The right, however, is subject to certain limitations, and among them that the reissue shall be for the same invention, as it appears from the specification and claims, and that there must be reasonable diligence in moving. It is also stated as something to be regarded as settled by the Supreme Court that the court will not review the decision of the Commissioner of Patents upon the question of inadvertence, accident, or mistake, unless the matter is manifest from the record. * * * The application was made in a little over four months, which ordinarily would be accepted as not an unreasonable time, provided public rights had not intervened. * * * The specification of the original patent, when read in connection with the cuts, manifestly shows that the patentee intended a broader invention than that stated in his claims.

695. SEYMOUR v. OSBORNE, 78 U. S. 516, 20 L. ed. 33.

Where the commissioner accepts a surrender of an original patent and grants a new patent, his decision in the premises, in a suit for infringement, is final and conclusive, and is not re-examinable in such a suit in the circuit court, unless it is apparent upon the face of the patent that he has exceeded his authority, that there is such a repugnancy between the old and the new patent that it must be held, as matter of legal construction, that the new patent is not for the same invention as that embraced and secured in the original patent.

696. EBY v. KING, 158 U. S. 366, 39 L. ed. 1018, 15 Sup. Ct. 927.

We think it a serious question whether the commissioner of patents had any jurisdiction, under Rev. Stat., § 4916, to consider the application upon the bare statement that the patentee desired to surrender his patent and obtain a reissue. The commis-

sioner is authorized to reissue patents in certain specified cases, and if the petition makes no pretense of setting forth facts entitling the patentee to a reissue, it is exceedingly doubtful whether he obtains any jurisdiction to act at all [and see No. 708].

697. BEACH v. HOBBS, 92 Fed. 146, 34 C. C. A. 248.

If by reason of any inadvertence or mistake in the drawings or specification a patent is rendered in part inoperative, and the patentee promptly applies for a reissue, and no substantial rights are affected, or fraudulent intent charged, we think the commissioner has the right, under § 4916 of the Revised Statutes, to cause a new patent to issue, and that, under such circumstances, his decision is conclusive. We know of no authority in conflict with this proposition.

698. GOODYEAR DENTAL, ETC., CO. v. DAVIS, 102 U. S. 222, 26 L. ed. 149.

Indeed, we have heretofore expressed doubts whether reissued letters-patent can be sustained in any case where they contain claims that have once been formally disclaimed by the patentee, or rejected with his acquiescence, and he has consented to such rejection in order to obtain his letters-patent.

699. CROWN CORK, ETC., CO. v. ALUMINUM STOPPER CO., 108 Fed. 845, 48 C. C. A. 72.

In this class of cases there should not be applied a stricter rule of diligence than that applied by statute in case of public use before application for the patent, even if so strict a limitation as that is applicable.

700. MILLOY ELEC. CO. v. THOMSON-HOUSTON ELEC. CO., 148 Fed. 843, 78 C. C. A. 533.

The original patent was granted April 11, 1893. The application for the reissue was filed Sept. 28, 1900. In the meantime, as the record shows, various persons had been acting upon the supposed invalidity of the patent, * * * and on July 22, 1897, the patent was declared invalid by the Circuit Court of Appeals for the Second Circuit. * * * As early as 1895, the attention of the patentee was directly challenged to the specifications of the patent, and they were elaborately canvassed. If any error had been committed in the language employed or in claiming more than was new, it was as discoverable then as it ever became, unless, indeed, a patentee has the right to await the result which the courts may reach after prolonged litigation and examination of the subject. * * * We can not think that a patentee

may thus experiment with his patent. On the contrary we think that, when the grounds are disclosed for thinking there may be an error or mistake, he is bound in duty to the public to correct it by obtaining a reissue or to adhere to his original patent; and, if he declines to correct it, he should be deemed to be standing upon it as the measure of his right.

701. TORRENT, ETC., LUMBER CO. v. RODGERS, 112 U. S. 659, 28 L. ed. 842, 5 Sup. Ct. 501.

The reissue was not applied for until nearly five years after the date of the original patent and not until another inventor had made a substantial advance in the art to which the original patent belonged, which the assignee of the original invention, it may be fairly inferred, desired to include in the monopoly of his patent and that he sought to accomplish this by its reissue. The first claim of the reissued patent was, therefore, void. This conclusion is sustained by many decisions of this court, some of which may be found in the following cases: Gill v. Wells, 22 Wall. 1; The Wood Paper Patent, 23 Wall., 566; Powder Co. v. Powder Works, 98 U. S. 126; Ball v. Langles, 102 U. S. 128; James v. Campbell, 104 U. S. 356; Heald v. Rice, 104 U. S. 737; Miller v. Brass Co., 104 U. S. 350; Johnson v. R. R. Co., 105 U. S. 539; Bantz v. Frantz, 105 U. S. 160; Wing v. Anthony, 106 U. S. 142. Especial attention is called to three decisions of this court which are peculiarly opposite. Clements v. Odorless Excavating, etc., Co., 109 U. S. 641; McMurray v. Mallory (ante 365 [111 U. S. 97]) and Malin v. Harwood (ante 665 [112 U. S. 354]), decided at the present term.

702. WOLLENSAK v. SARGENT, 151 U. S. 221, 38 L. ed. 137, 14 Sup. Ct. 291.

It is declared to be settled that while no invariable rule can be laid down, * * * a delay of two years by analogy to the law of public use, before an application for a patent, should be construed equally favorably to the public.

703. ALLEN v. CULP, 166 U. S. 501, 41 L. ed. 1093, 17 Sup. Ct. 644.

It is true that in making his surrender the patentee declares that his patent is inoperative and invalid; but this is not necessarily so for all purposes, but for the purpose for which he desires to have it reissued. Such a patent might be inoperative and invalid as against certain persons who had pirated the underlying principle of the patent, and avoided infringing the exact language of the claims, and yet be perfectly valid as against others, who were making machines clearly covered by their language.

When a patent is thus surrendered, there can be no doubt that it continues to be a valid patent until it is reissued, when it becomes inoperative; but if a reissue be refused, it is entirely clear that the surrender never takes effect, and the patent stands as if no application had ever been made for a reissue. Whether, if the reissue be void, the patentee may fall back on his original patent, has never yet been decided by this court, although the question was raised in Eby v. King, 158 U. S. 366; but as the original patent in that case was also held to be void, it did not become necessary to express an opinion upon the question. But if the original application for a reissue be rejected, the original patent stands precisely as though a reissue had never been applied for, unless at least the reissue be refused upon some ground equally affecting the original patent.

704. McCORMICK HARVESTING MACH. CO. v. AULTMAN, 169 U. S. 606, 42 L. ed. 875, 18 Sup. Ct. 443.

The fact that the rules of the patent office require that the original patent should be placed in its custody for the purpose of surrendering it upon the issue of an amended patent gives that department no right to the possession of it upon the rejection of the application for a reissue. If the patentee abandoned his application for a reissue, he is entitled to a return of his original patent precisely as it stood when such application was made, and the patent office has no greater authority to mutilate it by rejecting any of its claims than it has to cancel the entire patent.

705. COFFIELD v. FLETCHER MFG. CO., 167 Fed. 321, 93 C. C. A. 25.

When the patentee came to ask for a reissue, he was confronted with certain conditions on which only could the reissue be permitted. One was that the specifications of his patent, as it stood, were inoperative. He was obliged to aver and prove that they were so. * * * If this was true, the patentee had been exploiting a patent which, though it might have contained the germ of an invention, was practically useless to the public, for a patent which does not disclose a way to work or use the invention does not constitute the expected consideration for the grant. Having averred in a solemn manner, and to induce the granting a reisue, that the fact was as just stated, he was estopped from claiming otherwise. * * * Moffitt v. Garr, 1 Black, 273, 17 L. ed. 207; Reedy v. Scott, 23 Wall. 352, 23 L. ed. 109; Peck v. Collins, 103 U. S. 660, 26 L. ed. 512; Gage v. Herring, 107 U. S. 640, 2 Sup. Ct. 819, 27 L. ed. 601; Coon v. Wilson, 113 U. S. 268, 5 Sup. Ct. 537, 28 L. ed. 963; Eby v. King, 158 U.

S. 366, 15 Sup. Ct. 972, 39 L. ed. 1018; Allen v. Culp, 166 U. S. 501, 17 Sup. Ct. 644, 41 L. ed. 1093; McCormick Machine Co. v. Aultman, 169 U. S. 606, 18 Sup. Ct. 443, 42 L. ed. 875.

706. DOBSON v. LEES, 137 U. S. 258, 34 L. ed. 652, 11 Sup. Ct. 71.

A reissue is an amendment, and can not be allowed unless the imperfections in the original patent arose without fraud, and from inadvertence, accident or mistake. Rev. Stat., § 4916. Hence the reissue can not be permitted to enlarge the claims of the original patent by including matter once intentionally omitted. Acquiescence in the rejection of a claim; its withdrawal by amendment, either to save the application or to escape an interference; the acceptance of a patent containing limitations imposed by the patent office, which narrow the scope of the invention as at first described and claimed, are instances of such omission. Union Metallic Cartridge Co. v. United States Cartridge Co., 112 U. S. 624; Shepard v. Carrigan, 116 U. S. 593; Roemer v. Peddie, 132 U. S. 313; Yale Lock Mfg. Co. v. Berkshire Nat. Bank, 135 U. S. 342, 379, and cases cited.

707. FREEMAN v. ASMUS, 145 U. S. 226, 36 L. ed. 685, 12 Sup. Ct. 939.

There have been numerous decisions in this court which require that the present reissue be held invalid, although it was applied for within less than a year after the granting of the original patent. Those cases are Mahn v. Harwood, 112 U. S. 354; Coon v. Wilson, 113 U. S. 268; Ives v. Sargent, 119 U. S. 652; Parker & W. Co. v. Yale Clock Co., 123 U. S. 87; Matthews v. Ironclad Mfg. Co., 124 U. S. 347; Hoskin v. Fisher, 125 U. S. 217; Flower v. Detroit, 127 U. S. 563; Yale Lock Mfg. Co. v. Berkshire Nat. Bank, 135 U. S. 342; Electric Gas Lighting Co. v. Boston Electric Co., 139 U. S. 481.

708. EBY v. KING, 158 U. S. 366, 39 L. ed. 1018, 15 Sup. Ct. 972.

Had the plaintiff, in his reissue, confined himself to the correction of an error so manifest, we should have found little difficulty in sustaining it; but in his application, which was made four years after the original patent, he makes no claim that his patent "was inoperative or invalid, by reason of a defective or insufficient specification," or by reason of his having claimed "more than he had a right to claim as new," or that any error had arisen, "by inadvertence, accident, or mistake," without which the commissioner has no right to grant a reissue but simply prays that he may be allowed to surrender his original patent, and that "letters-patent may be reissued to him for the same invention, upon the annexed amended specification." He makes

no reference at all to the obvious mistakes in his first claim, and although the point is not distinctly made in the briefs, we think it a serious question, whether the Commissioner of Patents had any jurisdiction under Rev. Stat., 4916, to consider the application upon the bare statement that the patentee desired to surrender his patent and obtain a reissue.

709. McMURRAY v. MALLORY, 111 U. S. 97, 28 L. ed. 365, 4 Sup. Ct. 375.

It is not competent for the patentee or his assignees, by merely disclaiming all the changes made in the reissued patent, to revive and restore the original patent. This could be done only, if it could be done at all, by surrender of the reissued patent and the grant of another reissue.

710. YALE LOCK MFG. CO. v. SARGENT, 117 U. S. 536, 29 L. ed. 954, 6 Sup. Ct. 934.

"That case [Gage v. Herring, 107 U. S. 640], holds that the invalidity of a new claim in a reissue does not impair the validity of a claim in it which is only a repetition and separate statement of a claim in the original patent. It also holds that a reissued patent is within the letter and spirit of the provisions of §§ 4917 and 4922; and that where a defendant has infringed such a restated valid claim of a reissue, the plaintiff, on filing a disclaimer of the new and invalid claims of the reissue, may have a decree, without costs, for the infringement of such valid claim, where there has been no unreasonable delay in entering the disclaimer."

711. ELECTRIC GAS LIGHTING CO. v. BOSTON ELECTRIC CO., 139 U. S. 481, 35 L. ed. 250, 11 Sup. Ct. 586.

Nor was the application for the reissue made because Tirrell in the original had claimed as his invention more than he had a right to claim as new, for his oath declares that the defect consists in the "omission of claims."

Moreover, the unexplained delay in applying for the reissue must be regarded as fatal to its claims. Miller v. Bridgeport Brass Co., 104 U. S. 350, 355; Clements v. Odorless E. A. Co., 109 U. S. 641, 649; Mahn v. Harwood, 112 U. S. 354, 363; Wollensak v. Reiher, 115 U. S. 96, 100; Ives v. Sargent, 119 U. S. 652, 662; Hoskin v. Fisher, 125 U. S. 217.

Nor was there any inadvertence, accident or mistake such as would authorize a reissue with new claims. Clements v. Odorless E. A. Co., 109 U. S. 641, 649; Mahn v. Harwood, 112 U. S. 354, 359; Coon v. Wilson, 113 U. S. 268, 277; Newton v. Furst & B. Co., 119 U. S. 373, 385; Worden v. Searls, 121 U. S. 14, 24; Matthews v. Ironclad Mfg. Co., 124 U. S. 347.

712. GILL v. WELLS, 89 U. S. 1, 22 L. ed. 699.

Equivalents are, doubtless, allowed to a patentee or owner of the patent to shut out infringements, but the Patent Act furnishes no support to the theory that the patentee may surrender a patent for an invention consisting of a combination of old ingredients, and amend the descriptive parts of the specification by striking out the entire description of one of the ingredients of the combination and inserting in lieu thereof a full description of several other devices without any allegation that they are the equivalents of the one whose description is stricken out, or any explanation whatever showing the reason why the change was made.

713. McNEELEY v. WILLIAMES, 96 Fed. 978, 37 C. C. A. 641.

On the assumption that it was incumbent on him to disclaim, if his omission to do so was the result of unreasonable neglect or delay, the complainants were not entitled to recover anything, while, if there was no such neglect or delay, they were entitled to recover damages but no costs. No disclaimer was necessary to the recovery either of damages or of costs unless Williames in those three claims or one or more of them included something to which he was not entitled.

714. HAILES v. ALBANY STOVE CO., 123 U. S. 582, 31 L. ed. 284, 8 Sup. Ct. 262.

A disclaimer is usually and properly employed for the surrender of a separate claim in a patent, or some other distinct and separable matter, which can be exscinded without mutilating or changing what is left standing. Perhaps it may be used to limit a claim to a particular class of objects, or even to change the form of a claim which is too broad in its terms, but certainly it can not be used to change the character of the invention. And if it required an amended specification or supplemental description to make an altered claim intelligible or relevant, whilst it may possibly present a case for a surrender and reissue, it is clearly not adapted to a disclaimer. A man can not, by merely filing a paper drawn up by his solicitor, make to himself a new patent, or one for a different invention from that which he has described in his specification.

715. LAMB KNIT GOODS CO. v. LAMB GLOVE, ETC., CO., 120 Fed. 267, 56 C. C. A. 547.

If the patent, when construed upon what stands, "within its four corners," claims more than the actual invention, the patentee must disclaim the excess in order to save that to which he is really entitled.

716. GAGE v. HERRING, 107 U. S. 640, 27 L. ed. 601, 2 Sup. Ct. 819.

Considering that the question of the validity of the new claim in the reissue is a question of law upon the face of the patent, and that its validity has been sanctioned by the Commissioner of Patents in granting the reissue, and upheld by the circuit court, there has been no unreasonable delay in entering a disclaimer; for the plaintiffs were not bound to disclaim until after a judgment of this court upon the question.

717. DUNBAR v. MEYERS, 94 U. S. 187, 24 L. ed. 34.

Matters properly disclaimed cease to be a part of the invention and it follows that the construction of the patent must be the same as it would be if such matters had never been included in the description of the invention or the claim of the specification.

718. UNITED STATES v. AMERICAN BELL TEL. CO., 167 U. S. 224, 42 L. ed. 144, 17 Sup. Ct. 809.

The government, therefore, if seeking simply to protect the right of an individual, ought not to be permitted to maintain a suit in equity to cancel that against which the individual has a perfect legal defense available in any action brought by or against him.

719.

[§§ 4924 to 4928 relating to *extension* of patents—that is, giving a new term after the expiration of the term of the grant —are now obsolete. A patent may be extended only by special act of Congress.]

PART XI.

TITLE—GRANT, INHERITANCE, ASSIGNMENT.

Legal and Equitable—By Occupancy—By Assignment, Grant or Conveyance—By Creditor's Bill—By Bankruptcy—By Succession or Inheritance.

STATUTES.

720. ASSIGNMENTS OF PATENTS.

§ 4898. Every patent or any interest therein shall be assignable in law by an instrument in writing, and the patentee or his assigns or legal representatives may in like manner grant and convey an exclusive right under his patent to the whole or any specified part of the United States. An assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the patent office within three months from the date thereof.

If any such assignment, grant or conveyance of any patent shall be acknowledged before any notary public of the several States or Territories or the District of Columbia, or any commissioner of the United States circuit court, or before any secretary of legation or consular officer authorized to administer oaths or perform notarial acts under section seventeen hundred and fifty of the Revised Statutes, the certificate of such acknowledgment, under the hand and official seal of such notary or other officer, shall be prima facie evidence of the execution of such assignment, grant, or conveyance.

721. WHAT PROPERTY VESTS IN ASSIGNEE.

§ 5046. All property conveyed by the bankrupt in fraud of his creditors; all rights in equity, choses in action, patent-rights, and copyrights; all debts due him, or any person for his use, and all liens and securities therefor; and all his rights of action for property or estate, real or personal, and for any cause of action which he had against any person arising from contract or from the unlawful taking or detention, or injury to the property of the bankrupt; and all his rights of redeeming such property or estate; together with the like right, title, power, and authority to sell, manage, dispose of, sue for, and recover or defend the

same, as the bankrupt might have had if no assignment had been made, shall, in virtue of the adjudication of bankruptcy and the appointment of his assignee, but subject to the exceptions stated in the preceding section, be at once vested is [in] such assignee.

722. ACT OF JULY 1, 1898.

§ 70. Title to Property. The trustee of the estate of a bankrupt, upon his appointment and qualification, and his successor or successors, if he shall have one or more, upon his or their appointment and qualification, shall in turn be vested by operation of law with the title of the bankrupt, as of the date he was adjudged a bankrupt, except in so far as it is to property which is exempt, to all (1) documents relating to his property, (2) interests in patents, patent rights, copyrights, and trademarks.

RULES OF PRACTICE.

723. ASSIGNABILITY OF PATENTS.

195. Every patent or any interest therein shall be assignable in law by an instrument in writing; and the patentee or his assigns or legal representatives may, in like manner, grant and convey an exclusive right under the patent to the whole or any specified part of the United States.

723a. IN WHOM MAY BE VESTED.

196. Interest in patents may be vested in assignees, in grantees of exclusive sectional rights, in mortgagees, and in licensees.

724. ASSIGNEES.

(1) An assignee is a transferee of the whole interest of the original patent or of an undivided part of such whole interest, extending to every portion of the United States. The assignment must be written or printed and duly signed.

725. GRANTEES.

(2) A grantee acquires by the granting the exclusive right, under the patent, to make, use, and vend, and to grant to others the right to make, use, and vend, the thing patented within and throughout some specified part of the United States, excluding the patentee therefrom. The grant must be written or printed and be duly signed.

726. MORTGAGES.

(3) A mortgage must be written or printed and be duly signed.

727. LICENSES.

(4) A licensee takes an interest less than or different from either of the others. A license may be oral, written, or printed, and if written or printed, must be duly signed.

728. RECORDING.

197. An assignment, grant, or conveyance of a patent will be void as against any subsequent purchaser or mortgagee for a valuable consideration without notice unless recorded in the patent office within three months from the date thereof.

729. ACKNOWLEDGMENT.

If any such assignment, grant, or conveyance of any patent shall be acknowledged before any notary public of the several States or Territories or the District of Columbia, or any commissioner of the United States circuit court, or before any secretary of legation or consular officer authorized to administer oaths or perform notarial acts under section seventeen hundred and fifty of the Revised Statutes, the certificate of such acknowledgment, under the hand and official seal of such notary or other officer, shall be prima facie evidence of the execution of such assignment, or conveyance.

730. RECORDING.

198. No instrument will be recorded which is not in the English language and which does not, in the judgment of the commissioner, amount to an assignment, grant, mortgage, lien, incumbrance, or license, or which does not affect the title of the patent or invention to which it relates. Such instrument should identify the patent by date and number; or, if the invention be unpatented, the name of the inventor, the serial number, and date of the application should be stated.

731. CONDITIONAL ASSIGNMENTS.

199. Assignments which are made conditional on the performance of certain stipulations, as the payment of money if recorded in the office, are regarded as absolute assignments until canceled with the written consent of both parties or by the decree of a competent court. The office has no means for determining whether such conditions have been fulfilled.

732. DATE OF RECORD.

200. In every case where it is desired that the patent shall issue to an assignee, the assignment must be recorded in the pat-

ent office at a date not later than the day on which the final fee is paid. (See Rule 26.) The date of the record is the date of the receipt of the assignment at the office.

733. RECEIPT, RECORDING, AND RETURN OF ASSIGNMENTS.

201. The receipt of assignments is generally acknowledged by the office. They are recorded in regular order as promptly as possible, and then transmitted to the persons entitled to them. (For form of assignment, see Appendix, Forms 38-43.)

734. GAYLER ET AL. v. WILDER, 10 Howard (U. S.) 477, 13 L. ed. 504 (1850). * * *

Three objections have been taken to the instructions given by the circuit court at the trial, and neither of them is, perhaps, entirely free from difficulty. The first question arises upon the assignment of Fitzgerald to Enos Wilder. The assignment was made and recorded in the patent office before the patent issued. It afterwards issued to Fitzgerald. And the plaintiffs in error insist that this assignment did not convey to Wilder the legal right to the monopoly subsequently conferred by the patent, and that the plaintiff, who claims under him, can not therefore maintain this action.

The inventor of a new and useful improvement certainly has no exclusive right to it, until he obtains a patent. This right is created by the patent, and no suit can be maintained by the inventor against any one for using it before the patent is issued. But the discoverer of a new and useful improvement is vested by law with an inchoate right to its exclusive use, which he may perfect and make absolute by proceeding in the manner which the law requires. Fitzgerald possessed this inchoate right at the time of the assignment. The discovery had been made, and the specification prepared to obtain a patent. And it appears by the language of the assignment, that it was intended to operate upon the perfect legal title which Fitzgerald then had a lawful right to obtain, as well as upon the imperfect and inchoate interest which he actually possessed. The assignment requests that the patent may issue to the assignee. And there would seem to be no sound reason for defeating the intention of the parties by restraining the assignment to the latter interest, and compelling them to execute another transfer, unless the act of congress makes it necessary. The court think it does not. The act of 1836 declares that every patent shall be assignable in law, and that the assignment must be in writing, and recorded within the time specified. But the thing to be assigned is not the mere parchment on which the grant is written. It is the

monopoly which the grant confers; the right of property which it creates. And when the party has acquired an inchoate right to it, and the power to make that right perfect and absolute at his pleasure, the assignment of his whole interest, whether executed before or after the patent issued, is equally within the provisions of the act of congress.

And we are the less disposed to give it a different construction, because no purpose of justice would be answered by it, and the one we now give was the received construction of the act of 1793 (1 Stats. at Large, 318) in several of the circuits; and there is no material difference in this respect between the two acts. As long ago as 1825, it was held by Mr. Justice Story, that in a case of this kind an action could not be maintained in the name of the patentee, but must be brought by the assignee. (4 Mason 115). We understand the same rule has prevailed in other circuits; and if it were now changed, it might produce much injustice to assignees who have relied on such assignments, and defeat pending suits brought upon the faith of long-established judicial practice and judicial decision. Fitzgerald sets up no claim against the assignment, and to require another to complete the transfer would be mere form. We do not think the act of congress requires it; but that, when the patent issued to him, the legal right to the monopoly and property it created was, by operation of the assignment then on record, vested in Enos Wilder.

The next question is upon the agreement between the defendant in error and Herring. Is this instrument an assignment to Herring for the State or city of New York, upon which he might have sued in his own name? If it is, then this action cannot be maintained by the defendant in error.

Now, the monopoly granted to the patentee is for one entire thing; it is the exclusive right of making, using, and vending to others to be used, the improvement he has invented, and for which the patent is granted. The monopoly did not exist at common law, and the rights, therefore, which may be exercised under it cannot be regulated by the rules of the common law. It is created by the act of congress; and no rights can be acquired in it unless authorized by statute, and in the manner the statute prescribes.

By the eleventh section of the act of 1836, the patentee may assign his whole interest, or an undivided part of it. But if he assigns a part under this section, it must be an undivided portion of his entire interest under the patent, placing the assignee upon an equal footing with himself for the part assigned. Upon such an assignment, the patentee and his assignees become joint owners of the whole interest secured by the patent,

according to the respective proportions which the assignment creates.

By the fourteenth section, the patentee may assign his exclusive right within and throughout a specified part of the United States, and upon such an assignment the assignee may sue in his own name for an infringement of his rights. But in order to enable him to sue, the assignment must undoubtedly convey to him the entire and unqualified monopoly which the patentee held in the territory specified, excluding the patentee himself, as well as others. And any assignment short of this is a mere license. For it was obviously not the intention of the legislature to permit several monopolies to be made out of one, and divided among different persons within the same limits. Such a division would inevitably lead to fraudulent impositions upon persons who desired to purchase the use of the improvement, and would subject a party who, under a mistake as to his rights, used the invention without authority, to be harassed by a multiplicity of suits instead of one, and to successive recoveries of damages by different persons holding different portions of the patent right in the same place. Unquestionably, a contract for the purchase of any portion of the patent right may be good as between the parties as a license, and enforced as such in the courts of justice. But the legal right in the monopoly remains in the patentee, and he alone can maintain an action against a third party who commits an infringement upon it. This is the view taken of the subject in the case of Blanchard v. Eldridge, 1 Wall. Jr., 337, and we think it the true one.

Applying these principles to the case before us, the action was properly brought by the plaintiff below, and could not have been maintained by Herring.

The agreement is singularly confused and complicated. It purports to grant to Herring the exclusive right to make and vend the Salamander safe in the city, county, and State of New York; and Herring agrees to pay to the defendant in error a cent a pound for every pound the safes might weigh, to be paid monthly. But at the same time it reserves to Wilder the right to set up a manufactory or works for making these safes in the State of New York, provided it is not within fifty miles of the city, and to sell them in the State of New York, paying to Herring a cent a pound on each safe so sold within the State. It is evident that this agreement is not an assignment of an undivided interest in the whole patent, nor the assignment of an exclusive right to the entire monopoly in the State or city of New York. It is therefore to be regarded as a license only, and under the act of congress does not enable Herring to main-

tain an action for an infringement of the patent right. The defendant in error continues the legal owner of the monopoly created by the patent. * * *

735. LITTLEFIELD v. PERRY, 21 Wall. (U. S.) 205, 22 L. ed. 577.

Opinion by Waite, C. J.: * * *

We are met at the outset of this case with a question of jurisdiction. All the parties, plaintiff as well as defendant, are citizens of the State of New York. The power of the Circuit Court, therefore, to entertain the cause, if it exists at all, must be found in the jurisdiction conferred by the patent laws.

The suit is in equity against a patentee by one who claims to be his assignee, to restrain him from infringing upon rights under his patent, which are alleged to have been assigned. The Circuit Court has jurisdiction of all suits arising under the patent laws, and has power, upon a bill in equity filed by a party aggrieved, to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of any right secured by patent. Every patent, or any interest therein, is by statute made assignable by an instrument in writing, and the patentee or his assignee may, in like manner, grant and convey an exclusive right under his patent throughout any specified part of the United States. All such assignments must be recorded in the Patent Office within three months from the time of their execution. This power of assignment has been so construed by the courts as to confine it to the transfer of an entire patent, an undivided part thereof, or the entire interest of the patentee or undivided part thereof within and throughout a certain specified portion of the United States. One holding such an assignment is an assignee within the meaning of the statute, and may prosecute in the Circuit Court any action that may be necessary for the protection of his rights under the patent.

The title of the complainant in this case grows out of what is termed in the answers "a grant and supplementary agreement," executed in "two parts," between Littlefield, the patentee, and Treadwell & Perry. The "grant" is one of the parts, and the "supplementary agreement" the other. The grant, taken by itself, contains, in most unmistakable language, an absolute conveyance by the patentee of his patent and inventions described, and all improvements thereon, within and throughout the States of New York and Connecticut, and an agreement by the assignees to pay a royalty on all patented articles sold, with a clause of forfeiture in case of non-payment or neglect, after due notice, to make and sell the patented articles to the extent of a reasonable demand therefor. This grant was duly recorded in the Patent Office six days after its execution.

The supplementary agreement was never recorded. It contained, among other things, a stipulation to the effect that nothing in the assignment should give to Treadwell & Perry the right to use or apply the principle of the patent to furnaces erected in cellars or basements of houses for the purpose of heating several rooms, it being the intention of the patentee to reserve that to himself. It also contained certain other stipulations between the parties intended for the protection of their respective rights and the regulation of their conduct under the assignment. The defendants now contend that by reason of this reservation, and these several stipulations, the title of Treadwell & Perry, under the grant, has been reduced from that of assignees to mere licenses.

Undoubtedly, for the purpose of ascertaining the intention of the parties in making their contract, the two instruments, executed as they were at the same time, and each referring to the other, are to be construed together. If, when so construed, they shall be found to convey to the assignees the title to the patent and inventions and grant a license back from the assignees to the patentee of the right to use the patent and its principle in the manufacture of the designated furnaces, the Circuit Court had jurisdiction of the cause.

When the "grant" was placed on record, Treadwell & Perry became the apparent owners of the entire patent and inventions throughout the specified territory. Neither the agreement to account and pay the royalty nor the clause of forfeiture for non-performance contained in that instrument reduced them to the position of licensees. The agreement to account and pay formed part of the consideration of the assignment, and was in effect an agreement to pay at a future time a sum to be determined by the number of articles made and sold. For the non-payment or other non-performance a forfetiure might be enforced as for condition broken, but until it was enforced the title granted remained in the assignees.

The supplementary agreement contained a provision that Littlefield should sue infringers "in his own name or otherwise," and also defend all suits against Treadwell & Perry for alleged infringements of other patents by the use of his, and this it is alleged is evidence of the intention of the parties to make the grant effective only as a license. It needs only a slight examination of that clause in the contract, however, to become satisfied that it was intended only as a provision for placing on Littlefield the costs and expenses of all such litigation, as well as all damages for infringements growing out of the use of the inventions by the assignees. The suits were to be prosecuted in his name, or otherwise, as circumstances should

require, and he was to be at all the costs and expense of maintaining his patents. That is the extent of the provision.

Upon the argument, the reservation of the right to use the principle of the patent and inventions in the manufacture of furnaces seemed to be relied upon with more confidence as establishing this claim on the part of the defendants. All agree that the intention of the parties, when ascertained by an examination of both the instruments, must govern in this action where only the parties themselves are interested. There are no intervening innocent third persons. Jagger, the partner of Littlefield, who is codefendant with him, is charged with full notice of the rights of Treadwell & Perry, and others claiming under them.

It is a significant fact that the agreement was executed in two parts. Ordinarily the whole of such a contract is embodied in a single instrument. Another important fact is, that only one of the parts is recorded, and that the one which, taken by itself, places the title in Treadwell & Perry. The record is intended for the benefit of the public. Bona fide purchasers look to it for their protection. The record of the grant alone, therefore, furnishes the strongest evidence of the intention of the parties to give effect to the two instruments as an assignment. It is true that in the recorded part reference is made to the other, but the manner of the reference is not such as to indicate that the unrecorded part contained anything to defeat the title granted by that which was recorded. The language is, "in consideration of one dollar, and of the agreements herein contained on the part of the parties of the second part, and of the agreements contained in a certain agreement this day executed between the parties hereto, and bearing even date herewith, hath, and by these presents doth, assign," etc. And again: "It is expressly understood and agreed between the said parties that in case said party of the first part shall well and faithfully keep and perform all the agreements herein, and in the aforesaid agreement bearing even date herewith contained, and said parties of the second part shall, etc., neglect, etc., that this assignment and transfer shall thereafter be void and of no effect," etc. This is undoubtedly sufficient to charge purchasers with notice of the execution of the supplementary agreement, and possibly of its provisions, but it falls far short of indicating an intention of the parties, by anything contained in the unrecorded instrument, to limit or defeat the assignment made in consideration of it. The most that can be inferred from such language is, that the parties had stipulated between themselves, not as to the legal effect of the recorded instrument, but as to their obligations or equitable rights under it. We think, therefore,

that Treadwell & Perry were the assignees of Littlefield within the meaning of the patent laws, and that they and those claiming under them may sue in the Circuit Courts to prevent an infringement upon their rights.

But even if they are not technically assignees, we think this action is, nevertheless, maintainable. They certainly had the exclusive right to the use of the patent for certain purposes within their territory. They thus held a right under the patent. The claim is that this right has been infringed. To determine the suit, therefore, it is necessary to inquire whether there has been an infringement, and that involves a construction of the patents. The act of Congress provides "that all actions, suits, controversies, and cases arising under any law of the United States granting or confirming to inventors the exclusive right to their inventions or discoveries shall be originally cognizable, as well in equity as at law, in the Circuit Courts," etc. An action which raises a question of infringement is an action arising "under the law," and one who has the right to sue for the infringement may sue in the Circuit Court. Such a suit may involve the construction of a contract as well as the patent, but that will not oust the court of its jurisdiction. If the patent is involved it carries with it the whole case.

A mere licensee cannot sue strangers who infringe. In such case redress is obtained through or in the name of the patentee or his assignee. Here, however, the patentee is the infringer, and as he cannot sue himself, the licensee is powerless so far as the courts of the United States are concerned, unless he can sue in his own name. A court of equity looks to substance rather than form. When it has jurisdiction of parties it grants the appropriate relief without regard to whether they come as plaintiff or defendant. In this case the person who should have protected the plaintiff against all infringements has become himself the infringer. He held the legal title to his patent in trust for his licensees. He has been faithless to his trust, and courts of equity are always open for the redress of such a wrong. This wrong is an infringement. Its redress involves a suit, therefore, arising under the patent laws, and of that suit the Circuit Court has jurisdiction.

It is next asserted that the complainant has not by his proof shown himself to be the assignee of Treadwell & Perry. They, on the 25th of March, 1862, assigned all their interest to George W. Sterling. He became dissatisfied with his purchase, and, by agreement of parties, the sale was cancelled, he giving effect to the cancellation by executing a reassignment to Treadwell & Perry, bearing date June 2d, 1862. Under date of April 7th, 1862, Treadwell & Perry executed another assignment to one

Dickey. Both the reassignment from Sterling and the assignment to Dickey were left at the Patent Office for record on the 26th June, 1862, and on the 2d July Dickey assigned to Mary J. Perry, in whose name the suit was commenced.

It is now claimed that this proof shows title in Treadwell & Perry, inasmuch as Sterling reassigned to them after they had assigned to Dickey. Mrs. Perry was the wife of John S. Perry, one of the firm, and he is now a party to the suit, having upon her death succeeded to all her rights, as trustee under her will. Treadwell, the other member of the firm, has been several times in the progress of the cause examined as a witness, and has testified that Dickey became the owner of the patents under a transfer to which he consented. It is clear, therefore, that Mrs. Perry at the commencement of the action was in equity, if not in law, the owner of whatever had been assigned by Littlefield, and that if Treadwell & Perry had the legal title, they held it in trust for her, and will be estopped by a decree in her favor from setting up as against Littlefield any beneficial interest under it. At an earlier stage of the proceedings it might have been proper to make Treadwell a party, but upon the case as it now stands no possible harm can result to the defendants from a decree against them in his absence.

This brings us to a consideration of the merits of the case.

On the 15th April, 1851, a patent was issued to Littlefield for a certain improvement in cooking-stoves, and on the 30th December, 1852, he filed in the Patent Office his application for another improvement in stoves, devised "for the purpose of economizing and burning the gases generated by the combustion of anthracite coals." On the 5th April, 1853, he executed the grant and supplementary agreement already referred to. In the grant, after reciting that he held a patent bearing date April 15th, 1851, "for a coal-burner so constructed as to produce combustion of the inflammable gases of anthracite coals," and that he had "made application to the Patent Office at Washington for letters patent securing to him a certain improvement in the invention so as aforesaid patented to him," and that such application was then pending, he proceeded to assign all the right, title, and interest which he then had, or might thereafter have, "in or to the aforesaid inventions, improvement, and patent, or the patent or patents that may be granted for said inventions or any improvement therein, and on any extension or extensions thereof within and throughout the district, etc., for and during the term for which the aforesaid letters-patent were granted, and the terms for which any patent for the aforesaid improvement or any improvement or improvements thereof may be granted," etc. The application of December 30th, 1852, was

rejected at the Patent Office, and finally withdrawn by Littlefield on the 22d day of July, 1853, he at the same time filing another application for "a new and useful improvement in stoves," so devised as "to burn the gaseous or more inflammable elements of the coal in contact with its more refractory portions, and thus secure a complete combustion of them both." Upon this application a patent was issued January 20th, 1854. All the patents outstanding, and the subject of this controversy, are admitted to be reissues of this or improvements upon it. Littlefield and his codefendant do not deny that they have used the patents issued after January, 1854, and if the title to them passed under the assignment of April, 1853, it is admitted that such use is an infringement and that the complainant is entitled to a decree. The simple question, then, presented for our consideration is as to the effect to be given to this assignment.

It is well settled that a recorded assignment of a perfected invention, made before a patent has issued, carries with it the patent when issued (Gayler v. Wilder, 10 How. 477) and that reissues are not patents for new inventions, but amendments of old patents. If a reissue is obtained with the consent of an assignee, it inures at once to his benefit; if without, he has his election to accept or reject it.

The parties have themselves agreed that the invention of 1852 is an improvement upon the patent of 1851. In the grant the patent is described as being "for a coal-burner, so constructed as to produce combustion of the inflammable gases of anthracite coal," and the application as being for an improvement upon the patent. It is true that the application is not referred to by its date. but there can be no doubt as to its identity, because the language adopted to describe the patent is not that of the claim in the patent itself, but of the application of 1852. Besides, the application is said to be then pending, and it is not pretended that Littlefield had any other on file in the Patent Office at that date. This relieves us from an examination of the specifications in the patent and application, for the purpose of ascertaining whether in point of fact the one was an improvement upon the other. Littlefield having agreed that it was, and having induced Treadwell & Perry to purchase by reason of this agreement, cannot now deny it.

It is clear, also, that the idea which Littlefield had in mind, and which he was endeavoring by his devices to make practically useful, was greater economy in the use of the inflammable gases of coal to produce combustion. It is not important in this suit that the patent, which had then been obtained, was not in fact suited for that purpose. It is sufficient that it was intended to be so. The subsequent devices, better adapted to the

end to be accomplished, may therefore properly be rgarded as improvements upon the original invention. They produce a stove doing the same thing which the first was intended to do, but doing it better. This is the proper office of an improvement.

The assignment in this case, by its express terms, covers all improvements in the original patent or the invention described in the application of 1852. It carried with it the legal title to the existing patent. If one had been issued upon the application, that, too, would have inured to the benefit of the assignee, because in that case it would have been the assignment of a perfected *invention*. Without considering whether the invention upon which the patent of 1854 issued was not, in fact, the same to all intents and purposes as that of 1852, it is sufficient for the purposes of this case that it was an improvement upon it, or perhaps more properly, that invention perfected. An assignment of an imperfect invention, with all improvements upon it that the inventor may make, is equivalent in equity to an assignment of the perfected results. The assignment in this case being such a one, the assignees became in equity the owners of the patent granted upon the perfected invention; that is to say, of the patent of 1854. Littlefield took the legal title in trust for them, and should convey. Courts of equity in proper cases consider that as done which should be. If there exists an obligation to convey at once, such courts will oftentimes proceed as if it had actually been made. * * *

736. SIMPSON v. WILSON, 4 How. (U. S.) 712, 11 L. ed. 1171.

Nelson J., delivered the opinion of the court. * * *

The questions in this case come up on the certificate of a division of opinion in the court below. The judgment of this court in the previous case of Wilson v. Rousseau et al., 4 How. 646, upon the second question certified in that case, disposes of the first question certified here, and is answered accordingly.

The second question certified involves the point, whether or not the assignment of an exclusive right to make and use, and to vend to others, planing machines, within a given territory only, authorizes the assignee to vend elsewhere, out of the said territory, the plank, boards, and other materials, the product of said machines.

The court have no doubt but that it does; and that the restriction in the assignment is to be construed as applying solely to the using of the machine. There is no restriction, as to place, of the sale of the product. * * *

737. WATERMAN v. MACKENZIE, 138 U. S. 252, 34 L. ed. 923, 11 Sup. Ct. 334 (1891).

[This case strictly falls under the next heading, but its broad definitions make it advisable to place it here.] * * *

Mr. Justice Gray, after stating the facts as above, delivered the opinion of the court.

Every patent issued under the laws of the United States for an invention or discovery contains "a grant to the patentee, his heirs and assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery throughout the United States and the territories thereof." (Rev. St. § 4884.) The monopoly thus granted is one entire thing, and cannot be divided into parts, except as authorized by those laws. The patentee or his assigns may, by instrument in writing, assign, grant, and convey, either (1) the whole patent, comprising the exclusive right to make, use, and vend the invention throughout the United States; or (2) an undivided part or share of that exclusive right; or (3) the exclusive right under the patent within and throughout a specified part of the United States. Id. § 4898. A transfer of either of these three kinds of interests is an assignment, properly speaking, and vests in the assignee a title in so much of the patent itself, with a right to sue infringers. In the second case, jointly with the assignor. In the first and third cases, in the name of the assignee alone. Any assignment or transfer, short of one of these, is a mere license, giving the licensee no title in the patent, and no right to sue at law in his own name for an infringement. Id. § 4919; Gayler v. Wilder, 10 How. 477, 494, 495; Moore v. Marsh, 7 Wall. 515. In equity, as at law, when the transfer amounts to a license only, the title remains in the owner of the patent; and suit must be brought in his name, and never in the name of the licensee alone unless that is necessary to prevent an absolute failure of justice, as where the patentee is the infringer, and cannot sue himself. Any rights of the licensee must be enforced through or in the name of the owner of the patent, and perhaps, if necessary to protect the rights of all parties, joining the licensee with him as a plaintiff. Rev. Stat., § 4921; Littlefield v. Perry, 21 Wall. 205, 223; Paper Bag Cases, 105 U. S. 766, 771; Birdsell v. Shaliol, 112 U. S. 485-487, 5 Sup. Ct. Rep. 244; and see Renard v. Livinstein, 2 Hem. & M. 628. Whether a transfer of a particular right or interest under a patent is an assignment or a license does not depend upon the name by which it calls itself, but upon the legal effect of its provisions. For instance, a grant of an exclusive right to make use, and vend two patented machines within a certain district is an assignment, and gives the grantee the right to sue in his own name for an infringement within the

district, because the right, although limited to making, using, and vending two machines, excludes all other persons, even the patentee, from making, using, or vending like machines within the district. Wilson v. Rousseau, 4 How. 646, 686. On the other hand, the grant of an exclusive right under the patent within a certain district, which does not include the right to make, and the right to use, and the right to sell, is not a grant of a title in the whole patent-right within the district, and is therefore only a license. Such, for instance, is a grant of "the full and exclusive right to make and vend" within a certain district, reserving to the grantor the right to make within the district, to be sold outside of it. Gayler v. Wilder, above cited. So is a grant of "the exclusive right to make and use," but not to sell, patented machines within a certain district. Mitchell v. Hawley, 16 Wall. 544. So is an instrument granting "the sole right and privilege of manufacturing and selling" patented articles, and not expressly authorizing their use, because, though this might carry by implication the right to use articles made under the patent by the licensee, it certainly would not authorize him to use such articles made by others. Hayward v. Andrews, 106 U. S. 672, 1 Sup. Ct. Rep. 544. See, also, Oliver v. Chemical Works, 109 U. S. 75, 3 Sup. Ct. Rep. 61. An assignment of the entire patent, or of an undivided part thereof, or of the exclusive right under the patent for a limited territory, may be either absolute or by way of mortgage, and liable to be defeated by non-performance of a condition subsequent, as clearly appears in the provision of the statute, that "an assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration without notice, unless it is recorded in the patent office within three months from the date thereof." (Rev. St. § 4898.) Before proceeding to consider the nature and effect of the various instruments given in evidence at the hearing in the circuit court, it is fit to observe that (as was assumed in the argument for the plaintiff) by the law of the state of New York, where all the instruments were made and all the parties to them resided, husband and wife are authorized to make conveyances and contracts of and concerning personal property to and with each other, *in the same manner and to the same effect as if they* were strangers. Armitage v. Mace, 96 N. Y. 538; Adams v. Adams, 91 N. Y. 381.

By the deed of assignment of February 13, 1884, the plaintiff assigned to Mrs. Waterman the entire patent right. That assignment vested in her the whole title in the patent, and the exclusive right to sue, either at law or in equity, for its subsequent infringement.

The next instrument in order of date is the "license agreement" between them of November 20, 1884, by which she granted to him "the sole and exclusive right and license to manufacture and sell fountain pen-holders containing the said patented improvement throughout the United States." This did not include the right to use such pen-holders, at least if manufactured by third persons, and was therefore a mere license, and not an assignment of any title, and did not give the licensee the right to sue alone, at law or in equity, for an infringement of the patent. Gayler v. Wilder, Paper Bag Cases, and Hayward v. Andrews, above cited. The plaintiff not having amended his bill, pursuant to the leave granted by the circuit court, by joining the licensor as a plaintiff, this point requires no further notice. Nor is it doubted that the circuit court rightly held that, if the plaintiff was entitled to recover only for infringements occurring between February 12 and November 25, 1884, his remedy was at law. Root v. Railway Co., 105 U. S. 189.

The remaining question in the case, distinctly presented by the plea, and adudged by the circuit court, is of the effect of the deed of November 25, 1884, by which Mrs. Waterman assigned to the firm of Asa L. Shipman's Sons all her right, title, and interest in the invention and the patent, with an express provision that the assignment should be null and void if she and her husband, or either of them, should pay at maturity a certain promissory note of the same date made by them, and payable to the grantees. This instrument, being a conveyance made to secure the payment of a debt, upon condition that it should be avoided by the subsequent payment of that debt at a time fixed, was a mortgage, in apt terms, and in legal effect. Conard v. Insurance Co., 1 Pet. 386, 446, 447. On the same day, the mortgagees assigned by deed to Asa L. Shipman all their title under the mortgage, and the promissory note thereby secured. Both assignments were recorded in the patent office within three months after their date, and the title thereby acquired by Shipman was outstanding in him at the time of the subsequent assignment of the patent right by Mrs. Waterman to the plaintiff, and of the filing of this bill. This last assignment was therefore subject to the mortgage, though not in terms so expressed. By a mortgage of personal property, differing in this respect from a pledge, it is not merely the possession or a special property that passes; but, both at law and in equity, the whole title is transferred to the mortgagee, as security for the debt, subject only to be defeated by performance of the condition, or by redemption on bill in equity within a reasonable time, and the right of possession, when there is no express stipulation to the contrary, goes with the right of property. Story, Bailm.

§ 287; 2 Story, Eq. Jur. §§ 1030, 1031; Conard v. Insurance Co., 1 Pet. 386, 441; Casey v. Cavaroc, 96 U. S. 467, 477; Boise v. Knox, 10 Metc. (Mass.) 40, 43; Brackett v. Bullard, 12 Metc. (Mass.) 308, 310. A mortgage of real estate has gradually partly by the adoption of rules of equity in courts of common law, and partly by express provisions of statute, come to be more and more considered as a mere security for the debt, creating a lien or incumbrance only, and leaving the title in the mortgagor, subject to alienation, levy on execution, dower, and other incidents of a legal estate; but the rules upon the subject vary in different states, and a mortgage is everywhere considered as passing the title in the land, so far as may be necessary for the protection of the mortgagee, and to give him the full benefit of his security. Stelle v. Carroll, 12 Pet. 201; Van Ness v. Hyatt, 13 Pet. 294; Hutchins v. King, 1 Wall. 53, 58; Brobst v. Brock, 10 Wall. 519, 529, 530. After the mortgagee has taken possession, the mortgagor has no power to lease, and the mortgagee is entitled to have, and is bound to account for, the accruing rents and profits, damages against trespassers, timber cut on the premises, and growing crops. Keech v. Hall, 1 Doug. 21; Turner v. Coal Co., 5 Exch. 932; Dawson v. Johnson, 1 Fost. & F. 656; Fairclough v. Marshall, 4 Exch. Div. 37, 47, 49; Scruggs v. Railroad Co., 108 U. S. 368, 375, 2 Sup. Ct. Rep. 780; Teal v. Walker, 111 U. S. 242, 4 Sup. Ct. Rep. 420; Hutchins v. King, above cited; Gore v. Jenness, 19 Me. 53; Bagnall v. Villar, 12 Ch. Div. 812. Even against a mortgagor in possession, the mortgagee may obtain an injunction or damages for such cutting of timber as tends to impair the value of the mortgage security, or as is not allowed by good husbandry or by express or implied license from the mortgagee. Robinson v. Litton, 3 Atk. 209, 210; Farrant v. Lovel, Id. 723; Hampton v. Hodges, 8 Ves. 105; Humphreys v. Harrison, 1 Jac. & W. 581; King v. Smith, 2 Hare, 239; Kountze v. Hotel Co., 107 U. S. 378, 395, 2 Sup. Ct. Rep. 911; Verner v. Betz, 46 N. J. Eq. 256, 267, 268; Page v. Robinson, 10 Cush. 99; Searle v. Sawyer, 127 Mass. 491; Waterman v. Matteson, 4 R. I. 539. A mortgagee of a leasehold or other personal property has the like right to an injunction to stay waste by the mortgagor. Farrant v. Lovel, above cited; Brown v. Stewart, 1 Md. Ch. 87; Parsons v. Hughes, 12 Md. 1. The right of action against a stranger for an injury to goods mortgaged, generally, though not always, depends upon the right of possession. When the right of possession is in the mortgagor, he is usually the proper party to sue. Sellick v. Smith, 11 Moore, C. P. 459, 475; Brierly v. Kendall, 17 Q. B. 937; Luse v. Jones, 39 N. J. Law, 707; Copp v. Williams, 135 Mass. 401. But even a mortgagee out of possession may sometimes maintain

an action for an injury to his interest. Gooding v. Shea, 103 Mass. 360; Manning v. Monaghan, 23 N. Y. 539, and 28 N. Y. 585; Woodside v. Adams, 40 N. J. Law, 417, 421, 422. And when the right of possession, as well as the general right of property, is in the mortgage, the suit must be brought by the mortgagee, and not by the mortgagor or any one claiming under a subsequent conveyance from him. Conard v. Insurance Co., 1 Pet. 386; Wood v. Weimar, 104 U. S. 786; Clapp v. Campbell, 124 Mass. 50; Watson v. Macquire, 5 C. B. 836, 844. When it is provided by statute that a mortgage of personal property shall not be valid against third persons, unless the mortgage is recorded, a recording of the mortgage is a substitute for, and (unless in case of actual fraud) equivalent to, a delivery of possession, and makes the title and the possession of the mortgagee good against all the world. Aldrich v. Aetna Co., 8 Wall. 491, 497; Robinson v. Elliott, 22 Wall. 513, 521; Bullock v. Williams, 16 Pick. 33; Coles v. Clark, 3 Cush. 399, 401. A patent right is incorporeal property, not susceptible of actual delivery or possession; and the recording of a mortgage thereof in the patent office, in accordance with the act of congress, is equivalent to a delivery of possession, and makes the title of the mortgagee complete towards all other persons, as well as against the mortgagor. The right conferred by letters patent for an invention is limited to a term of years, and a large part of its value consists in the profits derived from royalties and license fees. In analogy to the rules governing mortgages of lands and of chattels, and with even stronger reason, the assignee of a patent by a mortgage duly recorded, whose security is constantly wasting by the lapse of time, must be held (unless otherwise provided in the mortgage) entitled to grant licenses, to receive license fees and royalties, and to have an account of profits or an award of damages against infringers. There can be no doubt that he is "the party interested, either as patentee, assignee, or grantee," and as such entitled to maintain an action at law to recover damages for an infringement; and it cannot have been the intention of congress that a suit in equity against an infringer to obtain an injunction and an account of profits, in which the court is authorized to award damages, when necessary to fully compensate the plaintiff, and has the same power to treble the damages as in an action at law, should not be brought by the same person. Rev. St. §§ 4919, 4921; Root v. Railway Co., 105 U. S. 189, 212. The necessary conclusion appears to us to be that Shipman, being the present owner of the whole title in the patent under a mortgage duly executed and recorded, was the person, and the only person, entitled to maintain such a bill as this; and that the plea, therefore, was rightly adjudged good.

In the light of our legislation and decisions, no weight can be given to the case of Van Gelder v. Society, 44 Ch. Div. 374, in which, upon pleadings and facts similar to those now before us, the mortgagor of a patent was treated as a mortgagor in possession, and was allowed to maintain a suit for infringement, under the provisions of the English Judicature Act of 1873 and Patent Act of 1883. St. 36 and 37 Vict. c. 66, § 25; 46 and 47 Vict. c. 57, §§ 23, 46, 87. Whether in a suit brought by the mortgagee, the court, at the suggestion of the mortgagor, or of the mortgagee, or of the defendants, might, in its discretion, and for the purpose of preventing multiplicity of suits or miscarriage of justice, permit or order the mortgagor to be joined, either as a plaintiff or as a defendant, need not be considered, because no such question is presented by this record. Decree affirmed.

Mr. Justice Brown, not having been a member of the court when this case was argued, took no part in its decision.

738. WATERMAN v. SHIPMAN, 55 Fed. 982, 5 C. C. A. 371 (1893).

Before Wallace and Shipman, Circuit Judges.

Wallace, Circuit Judge: * * *

This is a bill in equity, alleging the infringement of two patents for fountain pens—No. 293,545, dated February 12, 1884, and No. 303,735, dated November 4, 1884—each granted to Lewis E. Waterman, as inventor. The defendants were originally Asa L. Shipman (who died before final hearing, and whose executor has been substituted) and James D. Shipman and Edward L. Shipman, his sons, who were copartners by the firm name of Asa L. Shipman's Sons. The questions which have been principally litigated are those in respect of the title to the patents; it being insisted for the defendants that the title at the time of the commencement of the suit was in Asa L. Shipman, and consequently that the complainant could not maintain the bill. The facts bearing upon this branch of the case are these: Prior to November 20, 1884, the title to the patents had been assigned by the complainant to Sarah E. Waterman, his wife, and on November 20, 1884, she granted to him an exclusive license to manufacture and sell the patented improvements throughout the United States. By the terms of the license he agreed to make full returns on the first day of every month of all fountain pens containing the patented improvements, manufactured by him, and to pay to her the sum of 25 cents as a license fee for every pen so manufactured on or before the 5th day of every month, for the pens manufactured during the preceding months. The license provided that "upon a failure of the licensee to make returns after thirty days, or to make payment of the license

fees after ninety days from the time when such returns and payments are due, then the said Sarah E. may terminate this license by serving a written notice upon the said licensee; but that will not discharge him from any liability for any license fees due when such notice was given." November 25, 1884, Mrs. Waterman executed to Asa L. Shipman's Sons a mortgage of the two patents as collateral security for the payment of a note of $6,500 made by her and the complainant, payable in three years. By this instrument, Mrs. Waterman assigned to the mortgagees all her right, title, and interest in the inventions and the patents upon the express condition that the assignment should be null and void if she and her husband, or either of them, should pay the note at maturity. It contained also a recital that the interest conveyed was free from all incumbrances except a license to this complainant to manufacture and sell pens under both patents. The mortgage was duly recorded in the patent office December 29, 1884; and from the time of its execution until November 25, 1887, the complainant continued to manufacture and sell the patented improvements, making returns to Mrs. Waterman, and paying royalties to her, under his license, until the 16th day of April, 1886, when she executed to him an assignment of all her right, title, and interest in the patents. The note given to secure the mortgage became due November 28, 1887, and was not paid, and shortly thereafter Asa L. Shipman granted to the firm of Asa L. Shipman's Sons an exclusive license to manufacture and sell the patented pens. He also brought suit upon the note in the supreme court of the state of New York, and on the 22d day of December, 1887, duly obtained judgment thereon against the complainant and Mrs. Waterman for the full amount, with interest. After the execution of the license to the firm of Asa L. Shipman's Sons, and about April 1, 1888, they began to manufacture and sell as the patented pens an article identical with those which the complainant had made and sold under his license. They were manufacturing these pens when the present bill was filed, and continued to do so until May 10, 1888. The judgment obtained against the complainant and his wife not having been paid, supplementary proceedings, pursuant to the Code of Civil Procedure of the state of New York, were instituted, which resulted in the appointment of a receiver, who on the 10th day of April, 1888, duly qualified, and became vested, under the provisions of the Code, with all the property, legal and equitable, belonging to the complainant. On January 9, 1888, Asa L. Shipman sent the complainant a letter giving him notice "that the license given you by Mrs. Waterman is revoked, and suit will be brought against you for infringement of said patents." On April 26, 1888, he sent the com-

plainant another letter, stating "that, in addition to the notice already handed to you, the license agreement executed by Sarah E. Waterman to you, dated November 18th, 1884, is hereby revoked, on account of your failure to make due returns thereunder on the first day of January, 1888, and also on February 1st, 1888, and also for your failure to pay the royalties under said agreement which became due to me on December 5th, 1887; also, on January 5th, 1888."

On April 27, 1888, the complainant made a tender to the attorney of Asa L. Shipman of the full amount of the judgment obtained upon the note, together with the costs of the suit; but this tender did not include anything for the fees of the receiver in the supplementary proceedings. On the 5th day of May the present suit was brought. The circuit court dismissed the bill, without a written opinion, apparently upon the ground that the legal title to the patent was in Asa L. Shipman at the time of the commencement of the suit.

It is entirely clear, upon the authority of Waterman v. Mackenzie, 138 U. S. 252, 11 Sup. Ct. Rep. 334, that by virtue of the mortgage the whole title to the patents at the time of the execution of the instrument became vested in the mortgagees, subject only to be defeated by performance of the condition or by redemption of the bill in equity within a reasonable time, and that the right of possession to the incorporeal property was in legal effect delivered to the mortgagees at the time of the recording of the mortgage in the patent office. We do not consider it necessary to determine whether a tender of the mortgage debt, made after the day of payment, entitled the complainant, as the assignee of the mortgagor, to a reconveyance of the patents. Nor do we deem it necessary to determine whether the tender made by him April 27th was a sufficient one, or whether it should have included a sum sufficient to cover the fees of the receiver in the supplementary proceedings. We regard it as entirely immaterial, for the purposes of the present suit, whether the legal title to the patents was or was not in the complainant at the time of the commencement of the suit. The mortgage of Asa L. Shipman was subject to the license which had previously been granted to the complainant, and could in no manner operate to restrict or curtail the exclusive right of the complainant to make and sell the patented improvements, so long as the license should remain unrevoked. The recital in the mortgage of the existence of this license was notice of all its terms and conditions. It is familiar doctrine that a purchaser will have constructive notice of everything appearing in any part of the deed or instrument constituting the title purchased, which is of such a nature that, if brought directly to his

knowledge, it would amount to actual notice; for the right of a purchaser can in no case go beyond his own title, and whatever appears on the face of the title papers forms an integral part of the title itself. Such notice, therefore, is of the most conclusive nature, and is insusceptible of being explained away or rebutted.

The bill of complaint alleges that the license granted to the complainant was in full force at the time of the commencement of the suit. This averment is not denied by the answer; and the answer makes no issue setting up the invalidity of the license, or any revocation by reason of failure to make returns, or pay royalties, or for any other reason. There is evidence in the record, however, which has been referred to, of letters sent by Asa L. Shipman to the complainant—one of the date of January 9, 1887, and one of the date of April 26, 1888—giving notice of the revocation of the license. Under the issues made by the pleadings, we ought not to notice this evidence. It is proper, however, to say that the letter of January 9th did not assign any reasons for revoking the license, and the letter of April 26, 1888, assigned grounds for revoking it which do not appear to have been correct in fact. The complainant was not in default for failure to make returns on the 1st day of January, 1888, or on the 1st day of February, 1888, or for not paying royalties on the 5th of December, 1887, or on January 5, 1888. He did not manufacture at all in the months of December or January, and, if any royalties became due on December 5th or on January 5th, the fact does not appear.

Even if it were open to the defendants, under their answer, to assert that at the time when the suit was commenced the complainant's interest in the patent had vested in the receiver in supplementary proceedings, the contention would be untenable. The license was not assignable. No license is assignable by the licensee to another unless it contains words which show that it was intended to be assigned. Factory v. Corning, 14 How. 193; Rubber Co. v. Goodyear, 9 Wall, 788; Adams v. Howard, 23 Blatchf. 27, 22 Red. Rep. 656; Baldwin v. Sibley, 1 Cliff. 150. The present license contained no such words, and was purely a personal license to the complainant. Consequently the receiver could not acquire it.

If the owner of the legal title to the patent had not been made a party to the suit, undoubtedly the bill by the complainant could not be sustained against the other defendants. A mere licensee cannot sue strangers who infringe. In such a case redress is obtained through or in the name of the owner of the patent. But there is no reason or authority for the proposition that a licensee who has the exclusive right to manufacture and

sell a patented article cannot maintain a suit in equity against the owner of the patent, if the latter is guilty of an infringement by making or selling himself, to redress the wrong occasioned thereby, or that such a suit does not arise under the patent laws of the United States. The case of Littlefield v. Perry, 21 Wall. 205, 223, is a direct authority in favor of the right of the licensee to maintain such an action. In that case the supreme court said:

"A court of equity looks to substance, rather than form. When it has jurisdiction of the parties, it grants the appropriate relief, without regard to whether they come as plaintiff or defendant. In this case the person who should have protected the defendant against all infringements has become himself the infringer. He held the legal title to the patent in trust for his licensees. He has been faithless to his trust, and courts of equity are always open for the redress of such a wrong. This wrong is an infringement. Its redress involves a suit, therefore, arising under the patent laws; and of that suit the circuit court has jurisdiction."

If the licensees' rights have been infringed by the owner, and third persons confederating with the owner, there is no reason why all the infringers should not be joined as defendants. Perry v. Littlefield, 17 Blatchf. 272, 285. In such a case it is quite immaterial to the other defendants whether the owner, when made a party to the suit, is a complainant or a defendant. It suffices, so far as they are concerned, that all the parties are present who have any interest in the controversy, and that decree will definitely determine their rights as between themselves and the owner of the patent, as well as between themselves and the complainant.

The bill in this case alleges a combination between the defendants to deprive the complainant of the benefits and advantages of his license; and the evidence shows that the license granted by Asa L. Shipman to his sons, the other defendants, was granted by him, and procured by them, for the paramount purpose of preventing the complainant from enjoying the monopoly conferred by his license. The defendants, therefore, are joint infringers. We conclude that there is no impediment, arising from the fact that the complainant is merely a licensee, to preclude him from obtaining the relief sought by his bill.

The proof of infringement of the patents is very meager, and we find no evidence in the record that the pens made by the defendants infringe any of the claims of either patent, except the first claim of patent No. 307,735. Undoubtedly the defendants, in manufacturing their pens, intended to copy the pens made by the complainant; but the record does not show whether the

pens made by the complainant embodied any of the inventions of the other claims.

To sustain the defense of want of novelty the defendants have set up in their answer, and offered in evidence, a large number of patents prior in date to those of the complainant. In the absence of any expert testimony to explain these patents, or indicate what they contain tending to negative the novelty of the complainant's patents, we do not feel called upon to examine them. There may be cases in which the character of the invention has so little complexity that such expert testimony is not necessary to aid the court in understanding whether one patent, or several patents considered together, describe the devices or combination of devises which are the subject-matter of a subsequent patent; but this is not one of them.

The defendants also introduced in evidence a pamphlet entitled "An Exposé of the Assumptions and Business Methods of a Dealer and Reputed Inventor," consisting of some 25 printed pages, published in 1886. This pamphlet was prepared and published by a rival pen manufacturer apparently for the purpose of discrediting the inventions of the complainant, and his personal character and business methods. The author was called as a witness for the defendants, and asked this question: "Does this pamphlet, so far as it refers to the patents which you have studied, correctly express your views respecting the same?" The witness answered: "In so far as it goes, I suppose it does. It was so intended." The pamphlet was then offered in evidence, and made an exhibit in the cause, against the objections of the complainant. The statements contained in this pamphlet are relied upon by the defendants as evidence upon the issue of novelty. We decline to consider anything contained in it as competent evidence upon this issue. The counsel for the complainant was justified in refusing, as he did, to cross-examine the witness in regard to its contents. The greater part of it was scandalous matter, entirely irrelevant to the present controversy; and he was under no obligation to undertake to read and analyze its contents to see whether it contained anything bearing upon the issue worthy of a cross-examination.

As to the defense resting upon the prior invention of Fisher, it suffices to say that no such defense is set up in the answer; and, if all that is asserted in respect to the defense is true, only the third claim of patent No. 307,735 would be defeated by it.

We conclude that the complainant is entitled to a decree for an accounting and an injunction. The decree of the circuit court is reversed, with costs, and the cause remanded to that court with directions to enter a decree for the complainant in conformity with this opinion.

739. CITY OF NEW YORK v. AMERICAN CABLE RY. CO., 60 Fed. 1016, 9 C. C. A. 336 (1894).

Before Wallace, Lacombe and Shipman, Circuit Judges.

Wallace, Circuit Judge: * * *

The complainant's title to the letters patent in suit depends upon the authenticity of the mesne assignments under which it claims. No evidence was introduced tending to prove the execution of the assignments from the patentee to Horton, from Horton to the Cable Railway Construction Company, and from the Cable Railway Construction Company to the complainant, except duly-certified copies of the patent office record of three instruments which purport to be such assignments. The objection that the instruments were not sufficiently proved was taken in due season, and was insisted upon at the hearing in the circuit court. We are of opinion that the objection was valid, and consequently that the complainant was not entitled to a decree.

The assignment of a patent is not a public document, but is merely a private writing. There is no statutory provision requiring it to be recorded in the patent office. Section 4898 of the Revised Statutes permits this to be done for the protection of the assignee against a subsequent bona fide purchaser or mortgagee. The section does not make the recorded instrument evidence, does not require the assignment to be executed in the presence of any public officer, or to be acknowledged or authenticated in any way before recording, and does not provide or contemplate that it shall remain subsequently in the custody of the office. It devolves upon the patent office merely the clerical duty of recording any instrument which purports to be the assignment of a patent. We are aware of no principle which gives to such a record the effect of primary evidence, or of prima facie proof of the execution or the genuineness of the original document. To give it such effect would enable parties to manufacture evidence for themselves.

Section 892 of the Revised Statutes does not touch the point. That section provides that written or printed copies of any records, books, papers, or drawings belonging to the patent office shall be in evidence in all cases wherein the originals could be evidence. The original assignment does not belong to the patent office. The section makes a copy evidence of the same class as the original record, but has no application when the original record is not competent. The early cases of Brooks v. Jenkins, 3 McLean, 432, Fed. Cas. No. 1,953, and Parker v. Haworth, 4 McLean 370, Fed. Cas. No. 10,738, in which it was held that a certified copy of the patent office record of an assignment of a patent is prima facie evidence of the genuineness of the

instrument, were decided at first instance, and apparently without much consideration. The rule of these cases has been accepted without discussion in the later cases of Lee v. Blandy, 1 Bond 361, Fed. Cas. No. 8,182; Dederick v. Agricultural Co., 26 Fed. 763; National Folding Box & Paper Co. v. American Paper Pail & Box Co., 55 Fed. 488. It is not improbable that these decisions were influenced by the technical nature of the objection in the particular cases. But the rule opens the door to fraud, as any stranger can put an assignment upon record; and it imposes upon a defendant who honestly doubts whether a party who claims title to a patent is the owner, the burden which ought to rest upon his adversary. Our conclusions are supported by the opinion of the circuit court of appeals in Paine v. Trask, 5 C. C. A. 497, 56 Fed. 233, where the question was considered with care, although its decision was unnecessary to the judgment.

We have not considered the point argued by the appellants that the bill should have been dismissed because no proof was given of the complainant's incorporation. The assignment of errors does not present the question. Although, upon the proofs in the circuit court, the complainant was not entitled to a decree, it would have been a proper exercise of discretion on the part of the court, in view of the reliance which the complainant had doubtless placed upon the adjudications which have been referred to, to permit the complainant to reopen the proofs, and the cause to be reheard. In reversing the decree and directing the dismissal of the complainant's bill, we do so without prejudice to the granting by the circuit court of such an application, if seasonably made by the complainant.

The decree is reversed, with instructions to the circuit court to proceed in conformity with this opinion.

740. STANDARD ELEVATOR CO. v. CRANE ELEVATOR CO., 76 Fed. 767, 22 C. C. A. 549 (1896).

Before Woods, Showalter and Bunn, Judges.

Showalter, J.: * * *

The third error alleged by appellants concerns the title of appellees to the patent numbered 328,614. The title comes to them by divers assignments. Copies of the record in the Patent Office of such assignments were put in evidence, and no other proof of the original instruments or the signatures thereto was made. It is the want of such additional proof, rather than the incompetency, for any purpose, of the copies from the record in the Patent Office, which appellants insist on. Section 4898 of the Revised Statutes of the United States is in words following:

"Sec. 4898. Every patent or any interest therein shall be

assignable in law, by an instrument in writing; and the patentee or his assigns or legal representatives may, in like manner, grant and convey an exclusive right under his patent to the whole or any specified part of the United States. An assignment, grant, or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, and without notice, unless it is recorded in the Patent Office within three months from the date thereof."

Section 892 is in words following:

"Sec. 892. Written or printed copies of any records, books, papers, or drawings belonging to the Patent Office, and of letters patent authenticated by the seal and certified by the Commissioner or Acting Commissioner thereof, shall be evidence in all cases wherein the originals could be evidence; and any person making application therefor, and paying the fee required by law, shall have certified copies thereof."

Section 4898 does not require that any instrument in the chain of title to a patent shall be recorded; but all such assignments may be recorded. The sense, the essential significance and intent of this section, is that the record or official copy of any assignment shall give to any person interested the prima facie assurance that an original assignment was made in terms as shown in the record; that such instrument was subscribed as shown; that it was delivered; that the signature thereto is the genuine signature of the assignor, and that such assignor had an assignable interest according to the purport of the instrument. These are the inferences, the prima facie inferences, which any person interested is authorized, and authorized by law—that is to say, by the section itself—to draw. The laws of thought are not suspended when the inquiry arises in a court of justice. The self-same inferences spring up prima facie when a litigant in a patent case, being called on to prove that A assigned to B, produces a writing purporting to show on its face an assignment from A to B, which is proven to be a copy of a record in the Patent Office. The record of assignments in the Patent Office is a record "belonging to the Patent Office" within the literal terms of section 892; but in the absence of that section and on the general principles of evidence a paper purporting to be a copy of a record in the Patent Office could be proven to be such copy by the sworn testimony of the person who made it or of a person who had compared it with the original record in the Patent Office. The view here stated as to the prima facie probative force of a copy from the record of an assignment in the Patent Office has been substantially taken in many reported decisions. (Brooks et al. v. Jenkins et al., 3 McLean 432; Parker v. Haworth, 4 McLean 370; Lee v. Blandy, 1 Bond 361; Died-

rich v. Agricultural Company, 26 Fed. 763; National Folding Box & Paper Co. v. American Paper Pail & Box Co., 55 Fed. 488.)

The same theory as to the probative force of records made by authority of law in the case of alienations of other property is recognized with more or less definiteness in the following cases: Sudlow v. Warshing, 108 New York 522; Chamberlin v. Bradley, 101 Mass. 188; Ward v. Fuller, 15 Pickering 185; Lane v. Bommelmann, 17 Ill. 95; Seeley v. Wells, 53 Ill. 120; People v. Lee, 112 Ill. 113; Sucker v. The People, 117 Ill. App. 136; Sampson v. Noble, 14 La. An. 347; Evanston v. Gunn, 99 U. S. 660; Merchants' Navigation Company v. Amsden, 25 Ill. App. 307.

Said the Supreme Court of Massachusetts, speaking of the probative force of a copy of a deed from the public registry of deeds, in Chamberlin v. Bradley, supra:

"Between natural persons the production of a copy is evidence of the execution of the deed by the person whose deed it purports to be; of its delivery; of its due acknowledgment; and, interest assigned on the face of the instrument or that the grantor This involves the presumption or inference of fact, first, that the seal was the seal of the grantor; second, that it was affixed by him or by his authority; third, that he signed his name or authorized it to be signed by him or in his presence; fourth, that it was the grantor who made the acknowledgment; fifth, that the certificate of the magistrate is genuine; and sixth, that the grantor was seized of the land which the deed purports to convey."

It is not here meant that a plaintiff in ejectment could make out a prima facie case by putting in evidence a copy from the record of the last deed in his chain of title. The presumption that the assignor of a patent, for instance, was vested with the interest assigned on the face of the intrument or that the grantor in a land conveyance was seized of the estate transferred on the face of the deed, in the absence of other proof tracing prima facie the title of such assignor to the original source or to a source which was common to the contending litigants, would, doubtless, be sufficiently rebutted, in the case of a patent by the adverse user, in the case of land by the adverse possession.

In Merchants' Navigation Co. v. Amsden, 25 Ill. App. 307, and in Sampson v. Noble, 14 La. An. 347, records in the collector's office were used as prima facie proof to show the ownership of a vessel. In a case where the litigant against whom the copy is offered was himself the assignee in the assignment to be proved, and may, for that reason, be assumed to have the custody of the original, an objection that no notice was given to him to produce the original will be good, but such objection

must specify the want of notice as its ground. On the other hand, if a litigant should offer a copy from the Patent Office to prove an assignment wherein he himself is assignee and presumptively in possession of the original an objection specifically on the ground that he should produce or show the loss of or account for the original would likewise be good. (Draper v. Hatfield, 124 Mass. 53; Stockwell v. Siloway, 105 Mass. 517; Samuels v. Borrowscale, 104 Mass. 207; Blanchard v. Young, 11 Cush. 345; Palmer v. Stevens, 11 Cush. 147; McNichols v. Wilson, 42 Iowa 385.)

The record in the case at bar shows the following note of the objection made when the copy from the Patent Office of the first in the chain of assignments was introduced in evidence before the Commissioner:

"Counsel for defendants objects to the introduction of the said paper as an exhibit for its admission in evidence, on the ground that the original of which it is certified to be a copy, so far as the purposes of the suits which defendants' counsel represents, is immaterial, indefinite, incompetent, and not proven."

This objection in terms is that the record in the Patent Office is "immaterial, indefinite, incompetent, and not proven." "The original of which" the paper put in evidence was "certified to be a copy" is the record in the Patent Office, not the original writing of assignment. The meaning of the objection is that the record in the Patent Office is "immaterial," etc. This objection was repeated, or, rather, referred to in connection with each succeeding assignment in the chain of title, as the copy from the Patent Office was put in evidence. There was no call for any original writing of assignment; nor was any objection made on the ground that any original writing of assignment was not produced or its loss accounted for. The matter was not brought in any way to the attention of the circuit judge; nor is it asserted as error that any copy from the Patent Office was admitted over the objection that the original writing was not produced or its loss accounted for. The only question presented by the record is the prima facie probative force of the Patent Office record of an assignment.

In Mayor of New York et al. v. The American Cable Railway Co., 60 Fed. 16, the Federal Court of Appeals at New York, following an obiter dictum by the Federal Court of Appeals at Boston in Paine v. Trask, 65 O. G. 298, 56 Fed. 233, decided that under the sections above quoted from the Revised Statutes of the United States a certified copy from the records in the Patent Office would not prima facie prove the assignment without a further showing as to the execution of the original instrument. It is argued by the learned writer of the opinion that the statute

does not require an assignment to be recorded, that the original is not left in the custody of the Patent Office, and that no certificate of acknowledgment or proof of execution is required by the statute to be made in connection with such instrument; but the line of reasoning upon which the courts have developed the rule already stated does not involve any one of the conditions named.

The statute makes it the duty of the Commissioner of Patents to record assignments, meaning assignments that are genuine. He has no authority to record a spurious instrument. A spurious assignment recorded in the Patent Office would not be in law a record of that office. The record of an assignment is in law tantamount to a finding or certificate by the Commissioner that the original is genuine. It matters not that the Commissioner may act on the mere assumption that whatever paper of this kind is presented for record is genuine. He is a public officer charged by law with the duty of recording only such as are genuine. The law attaches to his act in making the record the prima facie presumption that the instrument copied upon his record-book is entitled to record—that is to say, is genuine. The argument that a spurious assignment may be mistakenly put upon the record might be urged against the policy of the statute, but not against the obvious sense of it. Such an argument might also be urged against the ordinary statutes for recording deeds, for it would be no more difficult to secure the recording of an instrument with a spurious certificate of acknowledgment than an instrument with no acknowledgment at all, but with a spurious signature. All such enactments proceed upon the assumed integrity of men on the average, as civil institutions in general in this country assume a fair degree of integrity and intelligence in the average man. This court cannot accede to the view announced in Mayor of New York et al. v. American Cable Railway Company, supra. The rule as understood and acted upon prior to that decision is considered by this court to be law. For fifty-two years (Brooks et al. v. Jenkins et al., supra, was decided in 1844) that rule has prevailed. As pointed out by Judge Coxe in National Folding Box & Paper Co. v. American Paper Pail & Box Co., supra, a holding that the Patent Office record of an assignment shall have no force as prima facie proof of the original writing would often entail great and useless expense, if not an entire defeat of the rights of the complainant, in a patent case. A spurious or counterfeit assignment put of record in the Patent Office would be easily and certainly detected by any person interested in the inquiry, especially in the case of any patent of real value. The possible gain from such a rascality would not be worth the risk.

The complainant in a patent suit is ordinarily making actual use of the patent. What may be called his "possession" of the patent property is usually open and notorious. It is no hardship upon an infringer who, claiming no right in himself, proposes to dispute the showing of the patent office on the matter of title to require from him such proof as might at least raise a fair presumption that the original of some assignment shown of record in the chain of title is spurious.

In accordance with the prevailing opinion of the judges on this hearing the adjudication appealed from is affirmed in all respects, except as to the sixth claim of Patent No. 328,614, and as to that claim the decree is reversed, with the direction that the order of reference be to that extent vacated and the bill to that extent dismissed for want of equity, and the cause is remanded to the circuit court. * * *

Coming to the merits of the appeal, the third specification of error presents the question whether the complainants had proved title to Patent No. 328,614. The proof made consisted in certified copies of the record in the patent office of assignments purporting to have been made by Reynolds, the patentee, to the Crane Brothers Manufacturing Company, and by that company to the Crane Elevator Company, and by the last-named company to James H. Raymond, trustee. For the purpose of showing that the alleged assignments had been recorded in the Patent office, as provided in § 4898 of the Revised Statutes, the copies were admissible in evidence over the objection of incompetence and irrelevancy; but that they constituted no proof of the execution or genuineness of the original instruments seems clear both on principle and authority. It has been so declared in well-considered cases by the Courts of Appeals in both the first and second circuits. (Paine v. Trask, 65 O. G. 298, 5 C. C. A. 497, 5 U. S. App. 283; City of New York v. Am. Cable Ry. Co., 67 O. G. 1334, 9 C. C. A. 336) and even if those decisions were doubtful this court ought not now to assert a different rule. But it is to be observed in this instance that the assignments of which copies were put in evidence, were in the possession of the complainants or their trustee, and, that being so, even under the rule in respect to office copies of conveyances of real estate under the registry laws, the production of the originals or an excuse for the failure was necessary. As the rule is stated in Ward v. Fuller, 15 Pick. 185, 187, cited in Chamberlain v. Bradley, 101 Mass. 188—

"where the party relying upon a deed of conveyance is the grantee, or person who is entitled to the possession of it, he must produce the original, or lay a foundation, in the usual manner, for the production of secondary evidence." * * *

741. PAULUS v. BUCK MFG. CO., 129 Fed. 594, 64 C. C. A. 162 (1904).

Before Sanborn, Thayer and Hook, Circuit Judges.

Sanborn, Circuit Judge:

This is an appeal from a decree which dismissed a bill for relief from an infringement of letters-patent No. 428,516, for improvements in railway drills, issued to the complainant Aaron R. Paulus on May 20, 1890. On June 14, 1890, he conveyed an undivided one-fourth of his interest in the patent to his co-complainant, William W. Ellis. The issue in this case is one of title, and not one of impinging inventions. The complainants' title, as the record discloses it, has been stated. This is the title of the defendants: On February 24, 1890, Paulus made a written agreement to sell and convey one-half of his interest under the patent to W. W. Ellis and Mrs. Mary West, the wife of Charles J. West, as soon as he should receive his patent. This agreement was not recorded. On June 14, 1890, Paulus conveyed one-fourth of his interest as patentee to Charles J. West. On June 8, 1891, West assigned this interest to Mrs. Mary West, his wife. After these assignments had been recorded, and on September 23, 1896, Mrs. West conveyed her one-fourth interest in the patent to the defendants, Weaver and Emminger. On May 24, 1897, Weaver and Emminger granted a license to the defendant the M. M. Buck Manufacturing Company to manufacture and sell the railway track drills protected by the patent to Paulus. Under this title, as the record of the patent office disclosed it, Weaver and Emminger owned an undivided one-fourth of the monopoly secured by the patent when they issued their license to the Buck Company, and Paulus and Ellis were entitled to no relief under their bill. The owner of an undivided part of all the rights secured by a patent may, without the consent of his co-owners, grant a valid license to use the monopoly it protects. Bloomer v. McQuewan, 14 How. 539, 14 L. ed. 532; Blackledge v. Weir & Craig Mfg. Co., 47 C. C. A. 212, 108 Fed. 71. The burden was therefore upon the complainants to show that by reason of facts which the recorded title did not disclose the defendants ought not to be permitted to use the one-fourth of the exclusive rights under the patent which they had purchased. They endeavored to bear this burden in this way: They alleged in their bill, and the defendants denied in their answer, that about the 1st of June, 1890, they and Charles J. West, the owners of the patent, formed a partnership styled the Paulus R. R. Drill Company, and orally agreed that this partnership should have all the exclusive rights secured by the patent during its term; that neither one of them should sell his interest in the patent without first offering to sell it to the other members of the firm; that, if any one of them should sell to a stranger, the purchaser should

step into the shoes of the vendor, and become a member of the partnership subject to the agreement; and that Weaver and Emminger had notice of these facts before they purchased their one-fourth interest from Mrs. West. Paulus and Ellis testified to the existence of the agreement of partnership and of transfer to the partnership of the exclusive rights protected by the patent, and Charles J. West and Mary West, his wife, testified that no such grant was ever made. The defendants introduced in evidence the written agreement dated February 24, 1890, by which Paulus contracted to sell to W. W. Ellis and Mrs. West a one-half interest in the patent as soon as he obtained it, and they testified that West never owned any interest in the patent; that the assignment to him dated June 14, 1890, was made by mistake, when it should have been made to Mrs. West; that Paulus knew these facts; that he made the assignment to West in the performance of the agreement of February 24, 1890; and that Mrs. West never consented to any grant or license to the partnership which could in any way prevent her from using her one-fourth of the rights secured by the patent. The evidence was conclusive that Charles J. West and his wife left Villisca, Iowa, where the drill company was organized, and where it was operating about the year 1892; that thereafter they lived in Ohio; that there was no agreement of dissolution of the partnership; and that neither West nor his wife participated in the profits or in the losses of the firm after they left Iowa. There was a sharp conflict of testimony upon the issue, whether or not Weaver, Emminger, or the Buck Manufacturing Company received notice that the interest of Mrs. West was subject to the exclusive rights of the drill company to the monopoly before they acquired their interest. There was evidence which had some tendency to show that they had notice of facts which might have led a person of ordinary prudence and diligence to discover the claims of the complainants in this regard. On the other hand, the defendants testified that they had no notice or knowledge of any such claim.

The agreement which the complainants testify that the owners of the patent made to the effect that the drill company should have and exercise all the exclusive rights secured by the patent is called by their counsel an oral license, and much is written in the brief to show that a license may be made by parol. For the purposes of this case the concession is made that parties may make a valid oral license. But the agreement to which the complainants testify evidenced no license. It was a grant of the exclusive right to make, to use, and to vend the invention throughout the United States for the full term of the patent. They testify that the agreement was that the patent should "be used and controlled by the Paulus R. R. Drill Company for the term of

the patent; that neither Paulus, Ellis, nor West could use the right outside the Paulus R. R. Drill Company;" and that, if either of them sold his interest, the purchaser should hold the same relation to the drill company that the vendor had held, and should take subject to the contract. The name by which a grant of a right under a patent may be called is not material. It does not condition or affect the rules of law which govern it. The exclusive rights secured by a patent are the right to make, the right to use, and the right to vend the invention it protects. A grant, transfer, or conveyance of these exclusive rights throughout the United States, or a grant of an undivided part of these exclusive rights, or a grant of these exclusive rights throughout a specified part of the United States, is an assignment of an interest in the patent, by whatever name it may be called. A grant, transfer, or conveyance of any right or interest less than these is a license. Waterman v. Mackenzie, 138 U. S. 252, 255, 256, 11 Sup. Ct. 334, 34 L. ed. 923; Union Switch & Signal Co. v. Johnson Railroad Signal Co., 10 C. C. A. 176, 179, 61 Fed. 940, 943; Pickhardt v. Packard (C. C.) 22 Fed. 530, 532, 23 Blatchf. 23. The agreement to which the complainants testify constituted a grant to the partnership of all the exclusive rights secured by the patent to Paulus, and it constituted an assignment of an interest in the patent, and not a license under it. § 4898 of the Revised Statutes. (U. S. Comp. St., 1901, p. 3387) provides that "an assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration without notice unless it is recorded in the patent office within three months from the date thereof." The defendants Weaver and Emminger were purchasers of the interest of Mrs. West for a valuable consideration after the alleged assignment to the partnership, and the oral unrecorded grant to the firm was void as against them and their licensee, the Buck Manufacturing Company, unless they had notice of its existence before they purchased from Mrs. West. Gates Iron Works v. Fraser, 153 U. S. 332, 349, 14 Sup. Ct. 883, 889, 38 L. ed. 734.

In the last analysis, therefore, the decision of this case is conditioned by the answers to these two questions of fact: Did the owners of the patnet grant the exclusive rights under it to the Paulus R. R. Drill Company in 1890? Did the defendants have such notice of this grant as would have put a man of reasonable prudence and diligence upon an inquiry which would have discovered it before they acquired their respective interests? The burden was upon the complainants to prove a state of facts that would sustain an affirmative answer to each of these questions. The evidence upon each of these issues was conflicting. This was a suit in equity. The chancellor found that one or both of

these questions must be answered in the negative, for he found for the defendants. This finding placed an additional burden upon the complainants, for the presumption is that the conclusion of a chancellor upon conflicting evidence is correct, and it ought not to be disturbed unless an obvious error has intervened in the application of the law, or some serious mistake has been made in the consideration of the evidence. Thallmann v. Thomas, 49 C. C. A. 317, 323, 111 Fed. 277, 283; Exploration Co. v. Adams, 104 Fed. 404, 408, 45 C. C. A. 185, 188; Mann v. Bank, 86 Fed. 51, 53, 29 C. C. A. 547, 549; Tilghman v. Proctor, 125 U. S. 136, 8 Sup. Ct. 894, 31 L. ed. 664; Kimberly v. Arms, 129 U. S. 512, 9 Sup. Ct. 355, 32 L. ed. 764; Furrer v. Ferris, 145 U. S. 132, 134, 12 Sup. Ct. 821, 36 L. ed. 649; Warren v. Burt, 58 Fed. 101, 106, 7 C. C. A. 105, 110; Plow Co. v. Carson, 72 Fed. 387, 388, 18 C. C. A. 606, 607; Trust Co. v. McClure, 78 Fed. 209, 210, 24 C. C. A. 64, 65.

No good purpose would be served by extending this opinion to recite, review, and discuss the conflicting testimony. Suffice it to say that a careful reading and analysis and a deliberate consideration of all the evidence have failed to convince that the court below fell into any error of law or mistake of fact in its consideration or decision of the questions presented in this case. The decree below is accordingly affirmed.

[The following under this heading are brief extracts to complete the discussion]:

742. CANDA v. MICHIGAN MAL. IRON CO., 124 Fed. 486, 61 C. C. A. 194.

The assignor was sole patentee. It will be noticed that the assignor is one of the assignees. But no criticism is made upon that circumstance. We think the objection stated is hypercritical, and that the intent and effect of the assignment was to transfer a one-half interest to the other partner, nothing appearing to show that the partners stood upon unequal terms.

743. FRESNO, ETC., PACKING CO. v. FRUIT CLEANING CO., 101 Fed. 826, 42 C. C. A. 43.

Now, it is certainly settled that partners may acquire the legal title to personal property under a purchase made in the firm name, and it is not material whether such firm name is wholly fanciful, or whether it contains the names of one or more of the members of the firm.

744. BLACKLEDGE v. WEIR, ETC., MFG. CO., 108 Fed. 71, 47 C. C. A. 212.

The use of an invention by one of co-owners or by his licensees is not the exercise of the entire monopoly conferred by

the patent. That can be effected only by the joint or concurrent action of all owners. The separate action of any one owner or of his licensees can be an exercise or use only of his individual right, which, though exclusive of all besides, is not exclusive of the other patentees, their assignees or licensees. On principle, therefore, there can be no accountability on the part of a part owner of an invention to other owners for profits made by the exercise of his individual right, whether it be by engaging in the manufacture and sale, or by granting to others licenses, or by assigning interests in the patent.

745. AGER v. MURRAY, 105 U. S. 126, 26 L. ed. 942.

The clause of the decree below, appointing a trustee to execute an assignment if the patentee should not himself execute one as directed by the decree, has not been objected to in argument, and was clearly within the chancery powers of the court, as defined in the Statutes of Maryland of 1785.

746. KENNEDY v. HAZELTON, 128 U. S. 667, 32 L. ed. 576, 9 Sup. Ct. 202.

As the patent upon the plaintiff's own showing, conferred no title or right upon the defendant, a court of equity will not order him to assign it to the plaintiff—not only because that would be to decree a conveyance of property in which the defendant has, and can confer, no title; but also because its only possible value or use to the plaintiff would be to enable him to impose upon the public by asserting rights under a void patent.

747. NEWTON v. BUCK, 77 Fed. 614, 23 C. C. A. 355.

The proceedings supplementary to execution, as authorized by the laws of New York, are a substitute for, and in all respects have the same force and effect as, an ordinary creditor's bill. The receiver, in such proceedings, becomes invested with the title to all the property—equitable as well as legal belonging to the judgment debtor at the time of their institution, and the court has the powers of a court of equity in such a suit to compel him to appropriate his property, including that out of the state (see Fenner v. Sanborn, 37 Barb. 610), and transfer it to the receiver towards the satisfaction of the judgment. In Ager v. Murray, 105 U. S. 126, it was decided that, notwithstanding a patent can not be seized and sold on execution, it can be reached by a creditor's bill, and applied to satisfy a judgment against the owner, and a transfer by him be compelled for that purpose by the court. Although in the present case the court did not—as it might have done—compel Newton to make a written transfer to the receiver of his title to the patent, it is entirely clear that any equitable

title which he may have had vested in the receiver, and passed by the sale to Vermilyea, and from Vermilyea to the defendant, by the assignment from Vermilyea. Newton never acquired anything but an equitable title to the patent, the right to compel a reformation of the agreement of March 6, 1889. He did not acquire the legal title, because, without an assignment such as the statute requires to effect the transfer of a patent interest, that title remained in the prior owner, the present defendant. Gayler v. Wilder, 10 How. 477, 498. As that equitable title had, at the date of his assignment to Dooley, passed to the receiver, and the complainant's title is derived through that assignment, she took nothing by the instrument.

748. McDUFFEE v. HESTONVILLE, ETC., R. CO., 162 Fed. 36, 89 C. C. A. 76.

To preserve their joint property and prevent its practical destruction by co-owners, it is imperative that all should be permitted to simply vest the legal title in one without imposing any active duties on such holding trustee, and this shows that, while there are no express duties for the trustee to perform, it by no means follows the trust is a dry or inactive one. As holder of the legal title he can bring suit, enjoin infringers from destroying the patent, and the mere holding of the legal title in trust per se preserves the patent for the common good and prevents its destruction by each co-owner. We are of opinion that these views have actuated patent practitioners in thus vesting the legal titles to patents in trustees, and that a holding that such an instrument, contrary to its plain intent, executed itself and left the equitable owners as free to use and license as before would be most unfortunate in its unsettling effects. The intent and effect of this instrument we therefore hold was to vest and retain the legal title to this patent in McDuffee, as trustee, but the equitable ownership thereof remained in his cestuis que trustent, and without their consent he could not convey such legal title, or any part thereof.

749. AGER v. MURRAY, 105 U. S. 126, 26 L. ed. 942.

But it is within the general jurisdiction of a court of chancery to assist a judgment creditor to reach and apply to the payment of his debt any property of the judgment debtor, which by reason of its nature only, and not by reason of any positive rule exempting it from liability for debt, can not be taken on execution at law; as in the case of trust property in which the judgment debtor has the entire beneficial interest, of shares in a corporation, or of choses in action.

A patent or a copyright, which vests the sole and exclusive right of making, using and vending the invention, or of publishing and selling the book, in the person to whom it has been granted by the government, as against all persons not deriving title through him, is property, capable of being assigned by him at his pleasure, although his assignment, unless recorded in the proper office, is void against subsequent purchasers or mortgagees for a valuable consideration without notice. R. S., 4884, 4898, 4952, 4955. And the provisions of the patent and copyright acts, securing a sole and exclusive right to the patentee, do not exonerate the right and property thereby acquired by him, of which he receives the profits, and has the absolute title and power of disposal, from liability to be subjected by suitable judicial proceedings to the payment of his debts.

* * *

There are indeed, decisions in the circuit court that an assignee in insolvency, or a receiver, of all the property of a debtor, appointed under the laws of the State, does not, by virtue of the general assignment or apportionment merely, without any conveyance made by the debtor or specifically ordered by the court acquire a title in patent rights. * * * But in Ashcroft v. Walworth, 1 Holmes 152, Judge Shepley clearly intimated that the courts of the State might have compelled the debtor to execute such a conveyance. And the highest courts of New York and California have affirmed the power, upon a creditor's bill, to order the assignment and sale of a patent right for the payment of the patentee's judgment debts.

750. REECE FOLDING MACH. CO. v. FENWICK, 140 Fed. 287, 72 C. C. A. 39.

The defense is set up that such contracts for an indefinite period, covering inventions to be afterwards made, are against public policy. On the other hand, whether based on agreements for employment, or on other valuable considerations, such contracts have been extensively made, and have never been doubted until of late. They are essential to the business of the contracting parties, and are not unjust. A person may purchase an invention, and pay therefor a very large sum, and proceed to make use of it. The inventor, according to a practice not uncommon, may subsequently overlap that invention by improvements which, though small, may be enough, in these days of sharp competition, to build up a successful hostile business.

751. NATIONAL CASH REGISTER CO. v. NEW COLUMBUS WATCH CO., 129 Fed. 114, 63 C. C. A. 616.

That an assignment of a patent, together with any future improvements thereon, is recordable and operative as a notice to subsequent assignees of patents for improvements, may be conceded. * * *

Neer, having by his prior recorded assignments, which did not include improvements, conveyed to Reynolds the one undivided third in all existing patents, and there being no application pending for any patent, there was nothing upon which this document could operate which entitled it to registration as an assignment, grant or conveyance under § 4898, Rev. Stat. * * * What we decide is that an instrument which was not intended to convey any present interest in any existing patent is not an "assignment, grant, or conveyance," within the meaning of the statute, and that its registration did not therefore operate as constructive notice to the complainant.

752. POPE MFG. CO. v. GORMULLY, ETC., MFG. CO., 144 U. S. 248, 36 L. ed. 423, 12 Sup. Ct. 641.

It really involves the question, which is one of considerable importance, whether a patentee can split up his patent into as many different parts as there are claims, and vest the legal title to those claims in as many different persons. This question has never before been squarely presented to this court, but, in view of our prior adjudications, it presents no great difficulty. The leading case upon this subject is that of Gayler v. Wilder, 51 U. S. 477, 494 * * * While that of course was a different question from the one involved in this case, the trend of the entire opinion is to the effect that the monopoly granted by law to the patentee is for one entire thing, and that in order to enable the assignee to sue, the assignment must convey to him the entire and unqualified monopoly which the patentee held, in the territory specified, and that any assignment short of that, is a mere license "for," said Chief Justice Taney, "it was obviously not the intention of the legislature to permit several monopolies to be made out of one, and divided among different persons within the same limits."

753. NATIONAL CASH REGISTER CO. v. NEW COLUMBUS WATCH CO., 129 Fed. 114, 63 C. C. A. 616.

Chamberlain was Neer's attorney, and had charge of his application. He was asked to find out whether Neer would sell and at what price. He bought the application from his client for himself, not disclosing to his client that he was buying for com-

plainant, and then assigned the application to complainant at more than double the price he had paid. In the whole transaction he was acting in his own interest, and in such circumstances there is no presumption that he would disclose his information to his ostensible principal.

754. DALZELL v. DUEBER WATCH CASE MFG. CO., 149 U. S. 315, 37 L. ed. 749, 13 Sup. Ct. 886.

An oral agreement for the sale and assignment of the right to obtain a patent for an invention is not within the statute of frauds, nor within § 4898 of the Revised Statutes, requiring assignments of patents to be in writing; and may be specifically enforced in equity, upon sufficient proof thereof.

755. COOK v. STERLING ELEC. CO., 150 Fed. 766, 80 C. C. A. 502.

An arrangement entered into, in contemplation of incorporation, and followed by incorporation, is not binding upon the parties, when all the terms of the contract except the one in dispute have been fully and in good faith executed, and the disputed term fails of execution solely through the fraud, mistake, or inadvertence of the parties. To hold, in this respect, as we are asked to hold, would be to make all agreements preliminary to incorporation of no avail, notwithstanding the completion of the transaction by incorporation—a doctrine that in the present development of the law has no standing whatever.

757. LITTLEFIELD v. PERRY, 88 U. S. 205, 22 L. ed. 577.

There can be no question that, under the power of attorney, the agent had full authority to assign the patent. But it is equally clear that his authority could be exercised only upon terms that should first be communicated to and accepted by his principal. The purported assignment, therefore, was clearly insufficient to transfer a title to the patent, not only because it was the act and deed of the agent, and not that of the principal, Machesney v. Brown, 29 Fed. 145, and cases there cited, but for the further reason that the agent exercised a power not conferred upon him, in that he made a transfer of the patent without communicating the terms of the sale to his principal, or obtaining his approval thereof.

756. CHAUCHE v. PARE, 75 Fed. 283, 21 C. C. A. 329.

Reissues are not patents for new inventions, but amendments of old patents. If a reissue is obtained with the consent of an assignee, it inures at once to his benefit; if without, he has his election to accept or reject it.

758. SESSIONS v. ROMADKA, 145 U. S. 29, 36 L. ed. 609, 12 Sup. Ct. 799.

Had the existence of this patent been concealed by the bankrupt, or the assignee had discovered it subsequently—after his discharge—and desired to take possession of it for the benefit of the estate, it is possible the bankruptcy court might reopen the case and vacate the discharge for that purpose.

* * *

While, under the provisions of the bankrupt law, the title to this patent undoubtedly passed to the assignee in bankruptcy of Poinier, it passed subject to an election on his part not to accept it, if, in his opinion, it was worthless, or would prove to be burdensome and unprofitable. And he was entitled to a reasonable time to elect whether he would accept it or not.

PART XII.

LICENSES, CONTRACTS AND RESTRICTIONS.

(See also Part XI and incidentally, as in Gill v. United States, Part XIV.)

STATUTES

759. PERSONS PURCHASING OF INVENTOR BEFORE APPLICATION, MAY USE OR SELL THE THING PURCHASED.

§ 4899. Every person who purchases of the inventor or discoverer, or, with his knowledge and consent, constructs any newly invented or discovered machine, or other patentable article, prior to the application by the inventor or discoverer for a patent, or who sells or uses one so constructed, shall have the right to use, and vend to others to be used, the specific thing so made or purchased, without liability therefor.

(For distinction between assignment and license, see preceding Part XI.)

760. BLOOMER v. McQUEWAN, 14 How. (U. S.) 539, 14 L. ed. 532 (1852).

Opinion by Taney, C. J.:

* * *

STATEMENT OF FACTS.

The bill in this case was filed by the appellants, on the 6th of July, 1850, in the circuit court of the United States, for the western district of Pennsylvania, to obtain an injunction restraining the appellees from the use of two, of Woodworth's planing machines in the city of Pittsburg. The term for which Woodworth's patent was originally granted, expired in 1842, but it was extended seven years, by the board, established by the 18th section, 5 Stats. at Large, 124 of the act of 1836. And afterwards, by the act of congress of February 26, 1845, 6 Stats. at Large, 936, this patent was extended for seven years more commencing on the 27th of December, 1849, at which time the previous extension would have terminated.

It appears, from the pleadings and evidence in the case, that shortly after the passage of the act of congress of 1845, William Woodworth, the administrator of the patentee, in whose name the certificate of extension was directed to be issued, assigned all his right to James G. Wilson, from whom the appellant

purchased the exclusive right to construct and use this machine, and to vend to others the right to construct and use it, in a large district of country described in the grant. Pittsburg, in which the machines in question are used, is included within these limits. And the right which the appellant purchased was regularly transferred to him by Wilson, by an instrument of writing duly recorded in the patent office.

In the year 1833, during the term for which the patent was originally granted, the defendants purchased the right to construct and use a certain number of these machines within the limits of the city of Pittsburg and Alleghany county; and the right to do so was regularly transferred to them by different assignments, deriving their title from the original patentee. The two machines mentioned in the bill were constructed and used by the respondents soon after the purchase was made, and the appellees continued to use them up to the time when this bill was filed. And the question is, whether their right to use them terminated with the first extension, or still continues under the extension granted by the act of 1845.

The circuit court decided that the right of the appellees still continued, and upon that ground dismissed the appellant's bill. And the case is now before us upon an appeal from that decree.

* * *

Now, the act of 1836, in express terms, gives the benefit of the extension authorized by that law to the assignees and grantees of the right to use the thing patented to the extent of their respective interests therein. And under this provision it was decided, in the case of Wilson v. Rousseau, 4 Howard, 688, that the party who had purchased and was using this planing machine during the original term for which the patent was granted, had a right to continue the use during the extension. And the distinction is there taken between the grant of the right to make and vend the machine, and the grant of the right to use it.

The distinction is a plain one. The franchise which the patent grants, consists altogether in the right to exclude every one from making, using, or vending the thing patented, without the permission of the patentee. This is all that he obtains by the patent. And when he sells the exclusive privilege of making or vending it for use in a particular place, the purchaser buys a portion of the franchise which the patent confers. He obtains a share in the monopoly, and that monopoly is derived from, and exercised under, the protection of the United States. And the interest he acquires, necessarily terminates at the time limited for its continuance by the law which created it. The patentee can not sell it for a longer time. And the purchaser buys with reference to that period; the time for which exclusive privilege is to endure

being one of the chief elements of its value. He therefore has no just claim to share in a further monopoly subsequently acquired by the patentee. He does not purchase or pay for it.

But the purchaser of the implement or machine for the purpose of using it in the ordinary pursuits of life, stands on different ground. In using it, he exercises no rights created by the act of congress, nor does he derive title to it by virtue of the franchise or exclusive privilege granted to the patentee. The inventor might lawfully sell it to him, whether he had a patent or not, if no other patentee stood in his way. And when the machine passes to the hands of the purchaser, it is no longer within the limits of the monopoly. It passes outside of it, and is no longer under the protection of the act of congress. And if his right to the implement or machine is infringed, he must seek redress in the courts of the State, according to the laws of the State, and not in the courts of the United States, nor under the law of congress granting the patent. The implement or machine becomes his private individual property, not protected by the laws of the United States, but by the laws of the State in which it is situated. Contracts in relation to it are regulated by the laws of the State, and are subject to state jurisdiction. It was so decided in this court, in the case of Wilson v. Sanford and others, 10 Howard, 99. Like other individual property, it is then subject to state taxation; and from the great number of patented articles now in use, they no doubt, in some of the States, form no inconsiderable portion of its taxable property.

Moreover, the value of the implement or machine in the hands of the purchaser for use, does not in any degree depend on the time for which the exclusive privilege is granted to the patentee; nor upon the exclusion of others from its use. For example, in the various patented articles used in agriculture, in milling, in manufactures of different kinds, in steam-engines, or for household or other purposes, the value to the purchaser is not enhanced by the continuance of the monopoly. It is of no importance to him whether it endures for a year or twenty-eight years. He does not look to the duration of the exclusive privilege, but to the usefulness of the thing he buys, and the advantages he will derive from its use. He buys the article for the purpose of using it as long as it is fit for use and found to be profitable. And in the case before us, the respondents derive no advantage from the extension of the patent, because the patentee may place around them as many planing machines as he pleases, so as to reduce the profits of those which they own to their just value in an open and fair competition.

It is doubtless upon these principles that the act of 1836 draws the distinction between the assignee of a share in the monopoly,

and the purchase of one or more machines, to be used in the ordinary pursuits of business. And that distinction is clearly pointed out and maintained in the case of Wilson v. Rousseau, before referred to.

Upon the authority, therefore, of the cases of Evans v. Eaton, and Wilson v. Rousseau, these two propositions may be regarded as settled by judicial decision: 1. That a special act of congress in favor of a patentee, extending the time beyond that originally limited, must be considered as ingrafted on the general law; and 2. That under the general law, in force when this special act of congress was passed, a party who had purchased the right to use a planing machine during the period to which the patent was first limited, was entitled to continue to use it during the extension authorized by that law.

Applying these rules to the case before us, the respondents must be entitled to continue the use of their planing machines during the time for which the patent is extended by the special act of congress, unless there is something in the language of the law requiring a different construction. * * *

This construction is confirmed by the various special acts which have been passed from time to time, in favor of particular inventors, granting them new patents after the first had expired or extending the time for which they were originally granted. * * *

It has been contended, on behalf of the appellant, that the insertion of these restrictions in one special law, and the omission of them in another, shows that, in the latter, congress did not intend to exempt the purchaser from the necessity of obtaining a new license from the patentee. And that congress might well suppose that one inventor had stronger claims upon the public than another, and might, on that account, give him larger privileges on the renewal.

But this argument only looks to one side of the question, that is, to the interest and claims of the inventor. There is another, and numerous class of persons, who have purchased patented article, and paid for them the full price which the patentee demanded, and we are bound to suppose that their interests and their rights would not be overlooked or disregarded by congress; and still less that any distinction would be drawn between those who purchased one description of patented machines and those who purchased another. For example, the act granting a new patent to Blanchard, in 1834 (6 Stats. at Large 589), for cutting or turning irregular forms, saves the rights of those who had bought under the original patent. And we ought not to presume, without plain words to require it, that, while congress acknowledged the justice of such claims in the case of Blanchard, they in-

tended to disregard them in the case of Woodworth. Nor can it be said that the policy of congress has changed in this respect after 1834, when Blanchard's patent was renewed. For, as we have already said, the same protection is given to purchasers in the special law, authorizing the renewal of Gale's patent, which was passsed a few days after the law of which we are speaking.

The fair inference from all of these special laws is this, that congress has constantly recognized the rights of those who purchase for use a patented implement or machine; that in these various special laws the patentee and purchasers of different inventions were intended to be placed on the same ground; and that the relative rights of both parties under the extension, by special act of congress, were intended to be the same as they were when the extension was granted under the general law of 1836. It would seem that in some cases the attention of the legislature was more particularly called to the subject, and the rights of the purchaser recognized and cautiously guarded. And when the provision is omitted, the just presumption is, that congress legislated on the principle decided by this court in Evans v. Eaton, and regarded the special law as ingrafted on the general one, and subject to all of its restrictions and provisions, except only as to the time the patent should endure. Time is the only thing upon which they legislate. And any other construction would make the legislation of congress, on these various special laws, inconsistent with itself, and impute to it the intention of dealing out a different measure of justice to purchasers of different kinds of implements and machines; protecting some of them, and disregarding the equal and just claims of others.

And if such could be the interpretation of this law, the power of congress to pass it would be open to serious objections. For it can hardly be maintained that congress could lawfully deprive a citizen of the use of his property after he had purchased the absolute and unlimited right from the inventor, and when that property was no longer held under the protection and control of the general government, but under the protection of the State, and on that account subject to state taxation.

The fifth amendment to the constitution of the United States declares that no person shall be deprived of life, liberty, or property, without due process of law.

The right to construct and use these planing machines, had been purchased and paid for without any limitation as to the time for which they were to be used. They were the property of the respondents. Their only value consists in their use. And a special act of congress, passed afterwards, depriving the appellees of the right to use them, certainly could not be regarded as due process of law.

Congress undoubtedly have power to promote the progress of science and useful arts, by securing for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries.

But it does not follow that congress may, from time to time, as often as they think proper, authorize an inventor to recall rights which he had granted to others; or reinvest in him rights of property which he had before conveyed for a valuable and fair consideration.

But we forbear to pursue this inquiry, because we are of opinion that this special act of congress does not, and was not intended to interfere with rights of property before acquired; but that it leaves them as they stood during the extension under the general law. And in this view of the subject, the appellant was not entitled to the injunction he sought to obtain, and the circuit court were right in dismissing the bill.

As the decision on this point disposes of the case, it is unnecessary to examine the other grounds of defense taken by the appellees.

The decree of the circuit court must be affirmed. * * *

761. PAPER BAG CASES, 105 U. S. 766, 26 L. ed. 959 (1881). * * *

Upon the foregoing facts, the first question that presents itself is whether the use of the Rice machine was included in the royalty fixed by the contract of Francis H. Morgan with Thomas Nixon. If it was, then clearly, so far as the Bag Company is concerned, the acceptance of the stipulated royalty was a satisfaction of all claims for damages. This was substantially conceded on the argument.

The right of the owner of a patented machine, without any conditions attached to his ownership, to continue the use of his machine during an extended term of the patent, is well settled. Bloomer v. McQuewan, 14 How. 539; Chaffee v. Boston Belting Co., 22 id. 217; Mitchell v. Hawley, 16 Wall. 544; Adams v. Burke, 17 id. 453. Consequently Francis H. Morgan had, by his ownership of the Rice machine, the right to its use during the extended term of the patent. He could also sell it to others to be used in the same way. Power to sell the machine and transfer the accompanying right of use is an incident of unrestricted ownership. The contract of Morgan was to furnish Thomas Nixon with all the Morgan machines he wanted to use in the designated territory at the stipulated price and royalty. When called upon to furnish one of these machines under the contract he persuaded Nixon to take the Rice machine instead. Under these circumstances there can not be a doubt that it was the intention of the parties to put the Rice machine in the place of a Morgan ma-

chine under the contract, and that whatever compensation was to be paid to the patentee for the use of the Morgan machine must be paid for the use of the Rice machine. It follows that, so far as the Bag Company is concerned, there should have been no decree against Nixon & Anderson. The payment of the royalty in June, 1876, was in full for the use of the Rice machine as well as the Morgan machines.

Next, as to Chatfield & Woods. Their exclusive right to the use of the Rice machine continued no longer than the term of the original patent. Wilson v. Rousseau, 4 How. 646. The Bag Company does not appear ever to have had any interest in the patent before the extension. Chatfield & Woods have never been anything else than licensees. As such they could not sue for an infringement. All their rights must be enforced through or in the name of the patentee. Littlefield v. Perry, 21 Wall. 205. Their recovery in this case, therefore, must be limited to their rights under the license from the Bag Company. Such was the understanding of the master, for he distinctly states in his report that his inquiries were confined to the period between the date of this license and the service of the injunction which stopped all further use of the machines.

Whatever may have been the effect of the first exclusive license held by Chatfield & Woods upon the right of Nixon to use his Rice machine in Indiana before the end of the original term of the patent, as that license ceased when the term expired, it necessarily follows that during the extended term no questions can arise under that license. After the extended term began, that license did not stand in the way of the use by Nixon of his machine wherever he pleased, and the Bag Company took its title subject to his rights as an unrestricted owner, save in respect to royalties, of one of the patented machines. Chatfield & Woods took their license subject to the same rights in Nixon. They can not claim as against Nixon more than the company could convey, and as Nixon was in legal effect operating his machine under a valid license superior to theirs, it follows that in this suit there can be no recovery in their behalf. Their remedy, if they have any, is against the company on their contract for the license, or to secure the benefit of the royalty.

From what has thus been said it appears that the decree in the suit against Nixon & Anderson, as far as it requires the payment of damages, was wrong. As the payment of the royalty was not made until long after the interlocutory decree sustaining the validity of the patent, and the supplementary answer setting up the special defense was not filed until after the report of the master was in, it was right to charge the costs against them.

So far as the appeal of Thomas Nixon is concerned, the con-

troversy is really as to costs alone. The decree against him will consequently not be considered. Canter v. American & Ocean Insurance Companies, 3 Pet. 307; Elastic Fabrics Co. v. Smith, 100 U. S. 110.

The decree in the case against Nixon & Anderson will be reversed, with costs, and the cause remanded with instructions to enter a decree against the defendants for one dollar only and costs of suit. That in the suit against Thomas Nixon alone will be affirmed, each party to pay the costs of his own appeal. * * *.

762. McCLURG v. KINGSLAND 1 How. (U S.) 202, 11 L. ed. 102 (1843).

* * *

This case comes here on a writ of error to the circuit court for the western district of Pennsylvania, in an action brought by the plaintiffs, assignees of James Harley, against the defendants, for the infringement of a patent granted to Harley for an improvement in the mode of casting chilled rollers and other metallic cylinders and cones, in which judgment was rendered for the defendants. On the trial, it appeared in evidence that it had long been a desideratum to find out some mode by which iron rollers or cylinders could be so cast that when the metal was introduced into the mould it should cause a swyrl or rotatory motion, by which the flog or dross would be thrown into the center instead of the surface of the cylinder. By the old mode, the metal was conveyed from the furnace to the mould through a gate, or pipe, placed in a horizontal or perpendicular direction. The mode alleged to have been invented by Harley is thus described in the specification annexed to the patent: "The tube or tubes, or passages called gates, through which the metal to be conveyed into the moulds shall not enter the mould perpendicularly at the bottom, but slanting, or in a direction approaching to a tangent of the cylinder, or if the gates enter the moulds horizontally or nearly so, shall not enter in the direction of the axis of the cylinder, but in a tangent form, or inclining towards a tangent of the cylinder."

This was the thing patented, consisting solely in changing the direction of the tube, which conveyed the metal to the mould from a horizontal or perpendicular position to an angular one; it produced the desired effect, and was highly useful.

The novelty of the invention was much contested at the trial, but as the case turned on other points, that became an immaterial question; as the case comes before us on exceptions to the charge of the court, which assumed that Harley was the original and true inventor of the improvement, and put the case to the jury on the following facts, which were in full proof, in nowise contradicted, and admitted to be true.

That Harley was employed by the defendants at their foundry in Pittsburgh, receiving wages from them by the week; while so employed, he claimed to have invented the improvement patented, and after several unsuccessful experiments, made a successful one in October, 1834; the experiments were made in the defendants' foundry, and wholly at their expense, while Harley was receiving his wages, which were increased on account of the useful result. Harley continued in their employment on wages until January or February, 1835, during all which time he made rollers for them; he often spoke about procuring a patent, and prepared more than one set of papers for the purpose; made his application the 17th of February, 1835, for a patent; it was granted on the 3d of March, assigned to the plaintiffs on the 16th of March, pursuant to an agreement made in January.

While Harley continued in the defendants' employment, he proposed that they should take out a patent, and purchase his right, which they declined; he made no demand on them for any compensation for using his improvement, nor gave them any notice not to use it, till, on some misunderstanding on another subject, he gave them such notice, about the time of his leaving their foundry, and after making the agreement with the plaintiffs, who owned a foundry in Pittsburgh, for an assignment to them of his right. The defendants continuing to make rollers on Harley's plan, the present action was brought in October, 1835, without any previous notice by them. The court left it to the jury to decide what the facts of the case were; but if they were as testified, charged that they would fully justify the presumption of a license, a special privilege, or grant to the defendants to use the invention; that the facts amounted to "a consent and allowance of such use," and show such a consideration as would support an express license or grant, or call for the presumption of one to meet the justice of the case, by exempting them from liability; having equal effect with a license, and giving the defendants a right to the continued use of the invention. The court also charged the jury that the facts of the case which were not controverted, brought it within the provisions of the 7th section of the act of 1839, by the unmolested, notorious use of the invention before the application for a patent by Harley, and that nothing had been shown by the plaintiffs to counteract the effect of this prior use. That as assignees of Harley, the plaintiffs stand in his place, as to right and responsibility; they took the assignment of the patent, subject to the legal consequences of his previous acts, and connecting these with the absence of an assertion of a right adverse to the defendants' use till this suit was brought, protected the defendants from liability for any damages therefor.

The exceptions to the charge were confined to these two

points, which constitute the only subject for our consideration. Whether these exceptions are well taken or not must depend on the law as it stood at the emanation of the patent, together with such changes as have been since made; for though they may be retrospective in their operation, that is not a sound objection to their validity; the powers of congress to legislate upon the subject of patents is plenary by the terms of the constitution, and as there are no restraints on its exercise, there can be no limitation of their right to modify them at their pleasure, so that they do not take away the rights of property in existing patents. * * *

We are, therefore, of opinion that there is no error in the charge of the court below, and that its judgment be affirmed.

763. ADAMS v. BURKE, 17 Wall. (U. S.) 453, 21 L. ed. 700 (1873).

Opinion by Mr. Justice Miller. * * *

The question presented by the plea in this case is a very interesting one in patent law, and the precise point in it has never been decided by this court, though cases involving some of the considerations which apply to it have been decided, and others of analogous character are frequently recurring. The vast pecuniary results involved in such cases, as well as the public interest, admonish us to proceed with care, and to decide in each case no more than what is directly in issue.

We have repeatedly held that where a person had purchased a patented machine of the patentee or his assignee, this purchase carried with it the right to the use of that machine so long as it was capable of use, and that the expiration and renewal of the patent, whether in favor of the original patentee or if his assignee, did not affect this right. The true ground on which these decisions rest is that the sale by a person who has the full right to make, sell, and use such a machine carries with it the right to the use of that machine to the full extent to which it can be used in point of time.

The right to manufacture, the right to sell, and the right to use are each substantive rights, and may be granted or conferred separately by the patentee. But, in the essential nature of things, when the patentee, or the person having his rights, sells a machine or instrument whose sole value is in its use, he receives the consideration for its use and he parts with the right to restrict that use. The article, in the language of the court, passes without the limit of the monopoly, Bloomer v. McQuewan, 14 How. 549; Mitchell v. Hawley, 16 Wall. 544. That is to say, the patentee or his assignee having in the act of sale received all the royalty or consideration which he claims for the use of his invention in that particular machine or instrument, it is open to the use of the purchaser without further restriction on account of

the monopoly of the patentees. If this principle be sound as to a machine or instrument whose use may be continued for a number of years, and may extend beyond the existence of the patent, as limited at the time of the sale, and into the period of a renewal or extension, it must be much more applicable to an instrument or product of patented manufacture which perishes in the first use of it, or which, by that first use, becomes incapable of further use, and of no further value. Such is the case with the coffin-lids of appellant's patent.

It seems to us that, although the right of Lockhart & Seelye to manufacture, to sell, and to use these coffin-lids was limited to the circle of ten miles around Boston, that a purchaser from them of a single coffin acquired the right to use that coffin for the purpose for which all coffins are used. That so far as the use of it was concerned, the patentee had received his consideration, and it was no longer within the monopoly of the patent. It would be to engraft a limitation upon the right of use not contemplated by the statute nor within the reason of the contract to say that it could only be used within the ten-mile circle. Whatever, therefore, may be the rule when patentees subdivide territorially their patents, as to the exclusive right to make or to sell within a limited territory, we hold that in the class of machines or implements we have described, when they are once lawfully made and sold, there is no restriction on their use to be implied for the benefit of the patentee or his assignees or licensees.

A careful examination of the plea satisfies us that the defendant who, as an undertaker, purchased each of these coffins and used it in burying the body which he was employed to bury, acquired the right to this use of it freed from any claim of the patentee, though purchased within the ten-mile circle and used without it. The decree of the circuit court dismissing the plaintiff's bill is, therefore, affirmed. * * *

763a. HOBBIE v. JENNISON, 149 U. S. 355, 37 L. ed. 766 (1893). * * *

Mr. Justice Blatchford delivered the opinion of the court.

This is an action at law brought in the circuit court of the United States for the eastern district of Michigan in August, 1886, by Isaac S. Hobbie and John A. Hobbie. The original defendants were Charles E. Jennison and Isaac H. Hill. The defendant Hill appeared, and then withdrew his appearance, and the suit was discontinued as to him, and proceeded as against Jennison. The action was brought for the infringement of letters-patent of the United States, No. 45,201, granted to Arcalous Wyckoff, November 22, 1864, for an improvement in pipes for gas, water, etc., for 17 years from that day. The plaintiffs had become, from May 31, 1876, the owners of the patent for the

states of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, and West Virginia, and the District of Columbia. The declaration alleges that Jennison on June 12, 1880, and on divers days between that day and November 22, 1881, at Hartford, Conn., and elsewhere in the plaintiffs' territory, and without their license or consent, made and used, and vended to others to be used, the patented invention, and within those dates did ship from Bay City, Mich., to the Hartford Steam Company, of Hartford, Conn., large quantities of wooden pipe embodying the patented invention, with intent that the same should be laid and used at Hartford, and thus infringed the right of the plaintiffs under the patent, to their damage, $5,000.

The defendant joined issue, a trial by jury was duly waived, and the case was tried before Judge Brown, the district judge, now a member of this court. He found in favor of the defendant, and a judgment in his favor for costs was entered. The opinion of Judge Brown is reported in 40 Fed. Rep. 887. * * *

As a conclusion of law from the foregoing facts, the court found that the plaintiffs were not entitled to recover in the action. The plaintiffs excepted to the conclusion of law, and to the judgment, and have brought a writ of error.

As a result of the findings of fact the circuit court held that the sale and delivery of the pipe by the defendant were made at Bay City, Mich., but that in view of the decision of this court in Adams v. Burke, 17 Wall. 453, the defendant could not be held as an infringer by reason of his knowledge that the pipe was to be used in a territory of which the plaintiffs held the monopoly. The circuit court said that in the case of Adams v. Burke an undertaker had purchased patented coffin lids from certain manufacturers, who held the right from the patentee to manufacture and sell within a circle whose radius was 10 miles, having the city of Boston as a center; that the undertaker lived outside of that circle, and within a territory owned by the plaintiff under the patent, and he made use of the coffin lids in his business; that the owner of the territory in which the undertaker carried on his business brought suit against him as an infringer, and it was held by this court that, the sale having been made by a person who had full right to make, sell, and use the invention within his own territory, such sale carried with it the title to the use of the machine without, as well as within, such territory; that the action in that case was brought against the user, but this court announced a principle of law which was equally applicable to the seller; that, if the user of the article was not liable to the patentee, it was because he purchased it of a person who had the legal right to sell it; that, if it was legal for him to buy, it

was equally legal for the other party to sell; and that in the opinion of this court, in the case as well as in the dissenting opinion, it was stated, in substance, that the question raised was whether an assignment of a patented invention for a limited district conferred upon the assignee the right to sell such patented article to be used outside of such limited district. The circuit court further said that there was no evidence in Adams v. Burke that the sale was made under the belief on the part of the seller that the article was to be used within his territory, and that the case was authority for the broad proposition that the sale of a patented article by an assignee within his territory carries the right to use it everywhere, notwithstanding the knowledge of both parties that a use outside of the territory is intended.

We understand that to be the true interpretation of the decision in Adams v. Burke. It is said in the opinion in that case that when the patentee, or the person having his rights, sells a machine or instrument whose sole value is in its use, he receives the consideration for its use, and parts with the right to restrict that use; that the patentee, or his assignee, having in the act of sale received all the royalty or consideration which he claims for the use of his invention in that particular machine or instrument, it is open to the use of the purchaser, without further restriction on account of the monopoly of the patentee; that although the right of the assignees of the coffin-lid patent to manufacture, to sell, and to use the coffin lids was limited to the circle of 10 miles around Boston, a purchaser from them of a single coffin acquired the right to use that coffin for the purpose for which all coffins are used; that so far as the use of it was concerned the patentee had received his consideration, and it was no longer within the monopoly of the patent; that it would be to ingraft a limitation upon the right of use, not contemplated by the statute, nor within the reason of the contract, to say that it could only be used within the 10 mile circle and that whatever might be the rule, when patentees subdivided territorially their patents, as to the exclusive right to make or to sell within a limited territory, this court held that in the class of machines or implements it had described, when they were once lawfully made and sold, there was no restriction on their use to be implied, for the benefit of the patentee or his assignees or licensees.

The plaintiffs in error contend that the decision in Adams v. Burke is not applicable to the present case; that in Adams v. Burke it was assumed that the patented coffin lids were first lawfully sold to the purchaser, without condition or restriction, by assignees of the patent for the territory of Boston and vicinity; that then the question was presented whether, as an incident of such a lawful sale, the buyer could use outside of the limits of

the territory of the assignees the article so lawfully purchased; that it was not shown in that case that the sellers sold the patented pipe by the defendant, in the actual circumstances of such any interest in, such use; that in the case now before us the lawfulness, as against the plaintiffs, of the alleged sale of the patented pipe by the defendant. in the actual circumstances of such sale, was contested, the claim of the plaintiffs being that such sale, and the shipment thereunder, expressly for use within the territory of the plaintiffs, constituted an invasion of their rights, and were unlawful, as against the plaintiffs; and that actual sale, delivery, and acceptance of the pipe at Bay City, for actual use, would be one thing, but a form of delivery at Bay City, with an acceptance at Hartford, and knowledge and intention on the part of the defendant that the sole use would be at Hartford, and shipments on that basis and understanding, would not constitute a lawful sale of the pipe at Bay City, as against the plaintiffs.

But we are of opinion that the case of Adams v. Burke can not be so limited; that the sale was a complete one at Bay City; and that neither the actual use of the pipes in Connecticut, nor a knowledge on the part of the defendant that they were intended to be used there, can make him liable. Adams v. Burke, in the particular in question, is cited with approval by this court in Birdsell v. Shaliol, 112 U. S. 485, 487, 5 Sup. Ct. 244; Wade v. Metcalf, 129 U. S. 202, 205, 9 Sup. Ct. 271; and Boesch v. Graff, 133 U. S. 697, 703, 10 Sup. Ct. 378.

The authorities which are cited on the part of the plaintiffs, holding that where a person makes one element of a patented combination, with the intent that other persons shall supply the other elements, and thus complete the combination, he is guilty of infringement, because he contributes to it, establish a doctrine applicable to the case of a naked infringer. But in the present case the defendant was not such an infringer, because he had a right, under the patent, to make, use, and vend the patented article in the state of Michigan, and the article was lawfully made and sold there. The pipes in question were not sold by the Hartford Steam Company in Connecticut, but were merely used there, and necessarily perished in the using.

It is easy for a patentee to protect himself and his assignees when he conveys exclusive rights under the patent for particular territory. He can take care to bind every licensee or assignee, if he gives him the right to sell articles made under the patent, by imposing conditions which will prevent any other licensee or assignee from being interferred with. There is no condition or restriction in the present case in the title of the defendant. He was the assignee and owner of the patent for the state of Michigan.

Judgment affirmed.

764. KEELER v. STANDARD FOLDING BED CO., 157 U. S. 659, 39 L. ed. 848 (1895).

Appeal from the circuit court of the United States for the District of Massachusetts.

Statement of the Case.

The Standard Folding Bed Company, a corporation of the State of New York, filed in the circuit court of the United States for the district of Massachusetts a bill of complaint against Keeler & Brother, partners doing business in the city of Boston.

By an agreed state of facts it appears that the complainants are assignees, for the State of Massachusetts, of certain letters-patent granted to one Lyman Welch, for an improvement in wardrobe-bedsteads; that the Welch Folding Bed Company own the patent rights for the State of Michigan, and that the defendants purchased a car-load of said beds from the Welch Folding Bed Company, at Grand Rapids, Mich., for the purpose of selling them in Massachusetts, and that they afterward sold and are now engaged in selling the said beds in Boston.

The conclusion in the court below was that the defendants were not protected from the claim of the Massachusetts assignee by having purchased the patented articles from the Michigan assignee, and accordingly there was an injunction and final decree in favor of the complainants, from which an appeal was taken to this court. * * *

Mr. Justice Shiras delivered the opinion of the court.

It is provided in § 4884 of the Revised Statutes that—

"every patent shall contain a grant to the patentee, his heirs and assigns, for the term of seventeen years, of the exclusive right to make, use, and vend the invention or discovery throughout the United States and Territories thereof;"

and in § 4898 that—

"any patent or any interest therein shall be assignable in law by an instrument in writing, and the patentee and his assigns or legal representatives may in like manner grant and convey an exclusive right under his patent to the whole or any specified part of the United States."

Where the patentee has not parted, by assignment, with any of his original rights, but chooses himself to make and vend a pate d article of manufacture, it is obvious that a purchaser can he article in any part of the United States, and, unless restr by contract with the patentee, can sell or dispose of the t has passed outside of the monopoly, and is no longer u. e peculiar protection granted to patented rights. As

was said by Mr. Justice Clifford, in Goodyear v. Beverly Rubber Co., 1 Cliff. 348:

"Having manufactured the material and sold it for a satisfactory compensation, whether as material or in the form of a manufactured article, the patentee, so far as that product of his invention is concerned, has enjoyed all the rights secured to him by his letters-patent, and the manufactured article, and the material of which it is composed, go to the purchaser for a valuable consideration, discharged of all the rights of the patentee previously attached to it, or impressed upon it, by the act of congress under which the patent was granted."

Suppose, however, the patentee has exercised his statutory right of assigning by conveying to another an exclusive right under the patent to a specified part of the United States, what are the rights of a purchaser of patented articles from the patentee himself within the territory reserved to him? Does he thereby obtain an absolute property in the article, so that he can use and vend it in all parts of the United States, or, if he takes the article into the assigned territory, must he again pay for the privilege of using and selling it? If, as is often the case, the patentee has divided the territory of the United States, into twenty or more "specified parts," must a person who has bought and paid for the patented article in one part, from a vendor having an exclusive right to make and vend therein, on removing from one part of the country to another, pay to the local assignee for the privilege of using and selling his property, or else be subjected to an action for damages as a wrong-doer? And is there any solid distinction to be made, in such a case, between the right to use and the right to sell? Can the owner of the patented article hold and deal with it the same as in case of any other description of property belonging to him, and, on his death, does it pass, with the rest of his personal estate to his legal representatives, and thus, as a part of the assets to be administered, become liable to be sold?

These are questions which, although already in effect answered by this court in more cases than one, are now to be considered in the state of facts disclosed in this record.

In Wilson v. Rousseau, 4 How. 688, and in Bloomer v. McQuewan, 14 How. 56, it was held that the purchasers of patented machines had the right to continue the use of such machines, without again paying royalty, although the patent was twice extended. In the latter case it appeared that McQuewan, the defendant, had purchased his machines, not from the original patentee or from a territorial assignee, but from a purchaser from the latter. Therefore that case is authority for the proposition that the purchaser of a patented machine has not only the right

to continue the use of the machine as long as it exists, but to sell such machine, and that his vendee takes the right to use.

The scope and effect of those decisions were thus expressed by Mr. Justice Clifford, in Mitchell v. Hawley, 3 O. G. 241; 16 Wall. 547:

"Patentees acquire by their letters-patent the exclusive right to make and use their patented inventions and to vend to others to be used for the period of time specified in the patent, but when they have made one or more of the things patented, and have vended the same to others to be used, they have parted to that extent with their exclusive right, as they are never entitled to but one royalty for a patented machine, and consequently a patentee, when he has himself constructed a machine and sold it without any conditions, or authorized another to construct, sell, and deliver it, or to construct, use, and operate it, without any conditions and the consideration has been paid to him for the thing patented, the rule is well established that the patentee must be understood to have parted to that extent with all his exclusive right, and that he ceases to have any interest whatever in the patented machine so sold and delivered or authorized to be constructed and operated. Where such circumstances appear the owner of the machine, whether he built it or purchased it, if he has also acquired the right to use and operate it during the lifetime of the patent, may continue to use it until it is worn out, in spite of any and every extension subsequently obtained by the patentee or his assigns."

These cases were followed, and a step further taken, in the case of Adams v. Burke, 33 O. G. 114, 17 Wall. 453. There, Lockhart and Seelye owned, by assignment, all the right, title, and interest which the patentees had in a certain patented coffin-lid, in a circular district of a diameter of ten miles, whereof the city of Boston was the center. Adams, also by assignment, was the owner of all other rights under the patent. Burke, an undertaker, carried on his business at Natick, and within the territory covered by the patent as owned by Adams. To a bill for an infringement, filed by Adams in the Circuit Court of the United States for the District of Massachusetts, Burke pleaded that the patent coffins used by him in his business were purchased by him from Lockhart and Seelye, and were sold to him without condition or restriction.

The validity of this plea was sustained by the circuit court, and its decree dismissing the bill was affirmed by this court.

Mr. Justice Miller, in giving the opinion of the court, said:

"In the essential nature of things, when the patentee, or the person having his right, sells a machine or instrument whose sole value is in its use, he receives in consideraton for its use, and he

parts with the right to restrict that use. The article, in the language of the court, passes without the limit of the monopoly. That is to say, the patentee, or his assignee, having in the act of sale received all the royalty or consideration which he claims for the use of his invention in that particular machine or instrument, it is open to the use of the purchaser without further restriction on account of the monopoly of the patentee. * * * A careful examination of the plea satisfies us that the defendant, who, as an undertaker, purchased each of these coffins, and used it in burying the body which he was employed to bury, acquired the right to this use of it, freed from any claim of the patentee, though purchased within the ten-mile circle and used without it."

It is obvious that necessarily the use made by Burke of these coffins involved a sale in every case. He did not put them to his personal use, unless we are permitted to suppose that he was himself buried in each one of the coffins. He bought the coffins for the purpose of selling them to others, and the legal significance of the decision upholding his defense is that a person who buys patented articles from a person who has a right to sell, though within a restricted territory, has a right to use and sell such articles in all and any part of the United States; that when the royalty has once been paid to a party entitled to receive it, the patented article then becomes the absolute, unrestricted property of the purchaser, with the right to sell it as an essential incident of such ownership.

That this was the meaning of this decision, not only appears from the language used, and from the necessary legal effect of the conclusion reached as between the parties, but from the dissenting opinion of Justice Bradley, whose reasoning went wholly upon the assumption that such was its meaning.

Boesch v. Graff, 51 O. G. 477, 133 U. S. 698, is cited by the defendant in error. But it is not out of line with the previous cases. The exact question presented was whether a dealer residing in the United States could purchase in another country articles patented there, from a person authorized there to sell them, and import them to and sell them in the United States without the license or consent of the owners of the United States patent, and the Court held that the sale of articles in the United States under a United States patent can not be controlled by foreign laws. In this case neither the patentee or any assignee had ever received any royalty or given any license to use the patented article in any part of the United States.

Hobbie v. Jennison, 63 O. G. 1204, 149 U. S. 355, is interesting as the last opinion delivered by Mr. Justice Blatchford.

The facts were these: An assignee for Michigan, of a patent for an improvement in pipes for conveying gas, water, and other

fluids, made, sold, and delivered in Michigan, pipes made according to the patent, knowing that they were to be laid in the streets of a city in Connecticut, a territory the right for which the seller did not own under the patent, and they were laid in that city. An action at law was brought in the Circuit Court of the United States for the Eastern District of Michigan by Hobbie, who was the owner, by assignment, of the patent for the State of Connecticut, against Jennison, who, under his rights as assignee for Michigan, made and sold patented pipes to the Hartford Steam Supply Company, which had a contract to lay pipes in Hartford, Conn. A jury was waived, and the cause was tried before Judge Brown, the district judge, now a member of this court. The decision and judgment of the circuit court were in favor of the defendant, and that judgment was affirmed here.

What was principally discussed was the true interpretation of Adams v. Burke, and an attempt was made to distinguish the case in hand by the fact, made affirmatively to appear, that the sale was made with the knowledge and intention on the part of the defendant that the use would be at Hartford.

But this court was of opinion that the case of Adams v. Burke was applicable; that the sale was a complete one in Michigan, and that neither the actual use of the pipes in Connecticut, nor a knowledge on the part of the defendant that they were intended to be used there, would make him liable.

This brief history of the case shows that in Wilson v. Rousseau, 4 How. 688, and cases following it, it was held that as between the owner of a patent, on the one side, and a purchaser of an article made under the patent on the other, the payment of a royalty once, or, what is the same thing, the purchase of the article from one authorized by the patentee to sell it, emancipates such article from any further subjection to the patent throughout the entire life of the patent, even if the latter should be by law subsequently extended beyond the term existing at the time of the sale, and that in respect of the time of enjoyment, by those decisions the right of the purchaser, his assigns or legal representative, is clearly established to be entirely free from any further claim of the patentee or an assignee; that in Adams v. Burke, 33 O. G. 114, 17 Wall. 453, it was held that, as respects the place of enjoyment, and as between the purchaser of patented articles in one specified part of the territory and the assignee of the patent of another part, the right once legitimately acquired to hold, use, and sell will protect such purchaser from any further subjection to the monopoly; that in Hobbie v. Jennison, 63 O. G. 1204, 149 U. S. 355, it was held that, as between assignees of different parts of the territory, it is competent for one to sell the patented

articles to persons who intend, with the knowledge of the vendor, to take them for use into the territory of the other.

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

The conclusion reached does not deprive a patentee of his just rights, because no article can be unfettered from the claim of his monopoly without paying its tribute. The inconvenience and annoyance to the public that an opposite conclusion would occasion are too obvious to require illustration. These views render it unnecessary to consider other features of the case.

The decree of the court below is reversed, and the cause remanded with directions to dismiss the bill.

Mr. Justice Brown dissenting:

The exact question presented by the record in this case is, whether a dealer in patented articles, doing business in Massachusetts, and knowing that the right to manufacture, use, and sell such articles within that State belongs to another, may purchase such articles of the patentee in Michigan, in the ordinary course of trade, for the purpose of resale in Massachusetts, and may sell them there in defiance of the rights of the licensee.

The right to do this is supposed to arise from the fact that the defendants, having once paid tribute to the patentee by purchasing the patented articles of him, thereby acquire the right to deal with such articles as they please, notwithstanding that another has bought and paid for the exclusive right to manufacture and sell them within their territory. The cases in this court which are supposed to justify, or at least to lead up to this conclusion, seem to me to fall far short of this somewhat startling result.

In Wilson v. Rousseau, 4 How. 646, it was decided, first, that the patent act of 1836 authorized an extension of a patent to be granted to the administrator of the patentee, and that such extension inured to the benefit of such administrator, and not to an assignee under the original patent; second, that the plaintiff, claiming title under the extension to the administrator, could maintain an action for infringement of the patent within the territory specified in the assignment, against any person not claiming under such assignment, and, third, that an assignee who had purchased the right and was in use of the patented machine at the time of the renewal had the right to continue such use during

the extension. Although cited in the opinion of the court, I am unable to see that it has any bearing upon the case under consideration.

The case of Bloomer v. McQuewan, 14 How. 539, did not differ materially from the prior one, although the Chief Justice draws a distinction between the grant of a right to make and sell the machine, and the grant of a right to use it; and in this connection makes use of an expression which has been freely quoted in subsequent cases, and is now employed in a way which seems may sell them there in defiance of the rights of the licensee.

"But the purchaser of the implement or machine for the purpose of using it in the ordinary pursuits of life stands on different ground. In using it he exercises no rights created by the act of Congress, nor does he derive title to it by virtue of the franchise or exclusive privilege granted to the patentee. * * * And when the machine passes to the hands of the purchaser (for such use) it is no longer within the limit of the monopoly. It passes outside of it, and is no longer under the protection of the act of Congress."

The question in that case, however, concerned only the rights of an assignee of a patent which had been extended, and the point decided was that the assignee was entitled to continue to use the patent during the extended period. In this connection there can be no question of the propriety of the language quoted. It would indeed be a strange principle to hold, that a party who had bought a patented article during the original term of the patent, should be obliged to pay an additional royalty for its use, if that term were extended.

In Mitchell v. Hawley, 3 O. G. 241, 16 Wall. 544, the patentee assigned to another the right to make and use, and to license others to make and use, four of his machines during the original term of the patent, with the express provision that the grantee should not dispose of, sell, or license any one to use such machine beyond the said term. The patent was extended for seven years, and a grant to use the machines for the two States in question, during the extended term was made to another. In delivering the opinion of the court, Mr. Justice Clifford quoted liberally the general language of the prior cases, but held that the grantor, under whom the defendants claimed, never acquired the right to sell the machines, and give their purchasers the right to use them, beyond the term of the original patent; and that notice to the defendants, who had purchased their rights from the grantee of the original term, was not required, as the law imposed the risk upon the purchaser, as against the real owner, of ascertaining whether the title of the seller was such that he could make a valid conveyance. In this case, the purchaser from the original grantee of the

term was held affected with knowledge of the terms of the grant from the patentee, which expressly took from the assignee the right to sell or grant any license to use the machines beyond the expiration of the original term. This case seems to be a limitation upon the general doctrine of the prior cases, that, by a purchase of the patentee, the patented article is thereby taken out of the monopoly. So far as the case is pertinent at all to the instant case, it favors the position taken by the court below.

There are but three cases that have any direct bearing upon the one under consideration, namely, Adams v. Burke, 33 O. G. 114, 17 Wall. 453; Boesch v. Graff, 51 O. G. 477, 133 U. S. 698, and Hobbie v. Jennison, 63 O. G. 1204, 149 U. S. 355. In Adams v. Burke the original patentees assigned to a firm in Cambridge, Mass., all their right in the invention to a circular territory extending ten miles from the city of Boston. Defendant, an undertaker, doing business at Natick, outside of this territory, bought certain coffins of the Cambridge firm, and used them in burying the dead, but sold none, except so far as the use of the coffins in his business could be considered as a sale. It was held that the defendant, having purchased the coffins of one who had a lawful right to sell them, had a right to use them anywhere; that the patentee, having received his consideration, the patented articles were no longer within the monopoly of the patent. The case was treated both in the opinion of the court and in the dissent, in which three justices concurred, as a case of use and not of sale and Mr. Justice Miller in delivering the opinion observed:

"Whatever, therefore, may be the rule when patentees subdivide territorily their patents, as to the exclusive right to make or to sell within a limited territory, we hold that in the class of machines or implements we have described, when they are once lawfully made and sold there is no restriction on their use to be implied for the benefit of the patentee or his assignees or licensees."

The dissenting justices were of opinion that the assignment did not confer upon the assignee the right to sell the patented article to be used outside of his territory. There was no suggestion in either opinion that a purchaser from the assignee had or could have the right to deal in the patented article outside of the territory in which the purchase was made.

In Hobbie v. Jennison as assignee for the State of Michigan sold and delivered in that State certain patented gas and water pipes, knowing that they were to be laid in the streets of Hartford, Conn., a territory, the right for which the seller did not own under the patent. The pipes were laid in that city. It was held, following Adams v. Burke, that the seller was not liable, in an action for infringement, to the owner of the patent for Connecti-

cut. The action in this case was brought not against the user, but against the manufacturer and vendor of the patented article, and it was held that, as the sale was completed in Michigan, neither the actual use of the pipes in Connecticut, nor the knowledge on the part of the defendants that they were intended to be used there, could make them liable. This case also involved the right to use and not to sell, and was held to be indistinguishable from Adams v. Burke. It differed from that only in the fact that the action was brought against the vendor.

The machines or implements thus referred to in these cases are such articles as are exhausted or consumed in their use; that is, where articles are of no value after a single use, there is no restriction on their further use in favor of the patentee or assignee. When a patented article of that kind, the whole value of which consists in its use for a particular purpose, and which value ceases when its capability of use for that purpose is gone, the monopoly of the patentee or his assignee over it must necessarily cease upon its sale to the purchaser.

Upon the other hand, in Boesch v. Graff, 51 O. G. 477, 133 U. S. 698, it was held that one who purchased articles covered by a patent in a foreign country, and imported them into the United States, could not sell them here without the license or consent of the owner of the American patent, although they were purchased in a foreign country from a person authorized to sell them. This is the only case decided by this court in which the right of a purchaser to sell patented articles outside of the territory of his vendor has been drawn in question, and I see no reason why the arguments, which moved the court in that case to hold that this could not be done, do not apply with equal cogency to a case where the patented articles are bought within the United States. In both cases a tribute has once been paid to the patentee, and the fact that that tribute was paid in a foreign country, works no apparent difference in the principle.

In this connection the following decisions of the circuit courts, though not binding upon us as authority, are at least entitled to respectful consideration: In Hatch v. Adams, 22 Fed. Rep. 434, it was held by Judge McKennan that a purchaser of patented articles from a territorial assignee of the patent does not acquire the right to sell the articles, in the course of trade, outside of the territory granted to his vendor. A like ruling was made in the Southern District of New York by Judge Wheeler, in Hatch v. Hall, 30 O. G. 1096, 22 Fed. Rep. 438, and 40 O. G. 1342, 30 Fed. Rep. 613, and in the circuit court for the Northern District of California in the California Electrical Works v. Finck, Judge Hawley, 47 Fed. Rep. 583.

In view of the cases of Adams v. Burke and Hobbie v. Jennison, this court must be considered as committed to the doctrine that a vendee, purchasing a patented article of the patentee or his licensee, has a right to make use of the same wherever he may take it, notwithstanding the fact that the purchase be made with the knowledge of the vendor that the article is to be used in the territory of another, and with the knowledge of the vendee that the territory in which he proposes to use it is owned by another. We are now asked to take another step in advance, and hold that a rival dealer, with notice of the territorial rights of a licensee or assignee, may purchase any quantity of patented articles of the patentee, and sell them in his own territory in defiance of the right of the assignee in such territory. To this proposition I am unable to give my assent.

By Revised Statutes, § 4898—

"every patent, or any interest therein, shall be assignable in law by an instrument in writing, and the patentee or his assigns or legal representatives may, in like manner, grant and convey an exclusive right under his patent to the whole or any specified part of the United States."

The object of this statute is to vest in the licensee the exclusive right of the original patentee to make, use, and sell the invention or discovery within the territory assigned, and to take to himself the profit upon every article sold within such territory. This right is presumed to be a valuable one, and is entitled to the protection of the courts and to a reasonable construction, in so far as it does not infringe upon the rights of others, who may have purchased the patented articles of one who had a lawful right to sell them. That one who makes use of or sells a patented article in ignorance of the fact that it is patented, is liable as an infringer, is entirely well settled. (Walker on Patents, §§ 377, 569, 3 Robinson on Patents, [901.) Yet we are asked to hold in this case that one, who is fully informed of the rights of territorial assignee may deal in the patented articles in defiance of such assignee, upon the ground that he has once submitted to the exactions of the patentee by purchasing the article of one who had a right to sell it. There is reason for saying that a person who has once paid tribute to the patentee shall not be called upon to pay tribute a second time, by reason of using the article elsewhere, but to say that he may purchase such articles for the deliberate purpose of entering into competition with a local licensee, is utterly destructive of the right of the latter to deal in the patented article. Under this rule a patentee may assign his right to make and sell the patented article in every State in the Union except his own; may there establish a manufactory, and may, by his superior facilities, greater capital, more thorough

knowledge of the business, or more extensive acquaintance, undersell his own licensees, drive them out of business, and utterly destroy the value of their licenses. In my view this can not be done, and I am, therefore, compelled to dissent from the opinion of the court.

I am authorized to state that the Chief Justice and Mr. Justice Field concur in this dissent.

765. HAFFCKE v. CLARK, 50 Fed. 531, 1 C. C. A. 570 (1892, Fourth Circuit).* * *

As to the question of license, the record shows that appellant and appellee entered into a partnership for five years, unless sooner dissolved by consent, for the purpose of manufacturing the Haffcke refrigerator; Clark, the appellee, putting in a cash fund of $2,000, or so much of the sum as the business should require; and Haffcke "contributing all the rights to manufacture under the letters-patent" issued to him for his invention. The contribution of each was exclusively for the purposes of the partnership. The contract confers only a license, inasmuch as it contains no language declaring or implying that the right of manufacturing the refrigerators should belong, or in any contingency inure, to any other than the partnership to which it was "contributed." It is settled law that a license to use a patent is a personal privilege, which terminates with the life of the individual licensee to which it is granted, unless the grant contains words expressly conferring the power to sell or assign. In the absence of such power, if the licensee be a natural person and dies, or an artificial person or partnership and ceases to exist, the license expires equally in either case. Oliver v. Chemical Co., 109 U. S. 75, 3 Sup. Ct. Rep. 61; Nail Factory v. Corning, 14 How. 193; Gayler v. Wilder, 10 How. 477, 494. When the partnership of Haffcke & Clark was dissolved, the license itself expired, and the exclusive right to the patent remained in the original patentee, unaffected by the temporary license. The subsequent use of it by Clark was an infringement of the patent. The decree of the court below must be reversed, with costs, and the cause remanded to the circuit court of the United States for the district of Maryland, with a direction to enter a decree for the appellant, and for further proceedings in conformity to the opinion of this court.

766. BARBER v. NATIONAL CARBON CO., 129 Fed. 370, 64 C. C. A. 20 (1904, Sixth Circuit).* * *

Before Lurton, Severens and Richards, Circuit Judges.

Lurton, Circuit Judge, after making the foregoing statement, delivered the opinion of the court.

The discussion has largely turned upon the proper interpretation of the plea. The appellant insists that it is a good plea of title to the "inventions" made by Barber, and that an agreement to give one's time, skill, and inventive ability is, in legal effect, an agreement that the fruit of his inventions shall become the property of his employer. By this method of reasoning it is sought to secure a holding that the plea is a good plea of title, notwithstanding the absence of any averment that there was an "agreement" that the company should have title to his inventions, or to any patent that he might obtain for them. In short, a distinction is made between an employment under which one agrees "to use his best efforts and devote his knowledge and skill in devising and making improvements" in an article made by his employer, and an agreement by which the employe "agrees to give him time, skill, and attention and inventive ability" to the service of his employer in and about cheapening and improving the process used in his business. In the case first put, which is precisely the case stated in Hapgood's bill, as reported in Hapgood v. Hewitt, 119 U. S. 226, 229, 7 Sup. Ct. 193, 197, 30 L. ed. 369, the bill was held bad, the court saying:

"There is nothing set forth in the bill as to any agreement between the corporation and Hewitt that the former was to have the title to his inventions, or to any patent that he might obtain for them. The utmost that can be made out of the allegations is that the corporation was to have a license or right to use the inventions in making plows. It is not averred that anything passed between the parties as to a patent. We are not referred to any case which sustains the view that, on such facts as are alleged in the bill, the title to the invention or patent for it passed."

There is some room for the distinction insisted upon in the decision of District Judge Graham in Hapgood v. Hewitt (C. C.) 11 Fed. 422, and the statement by the Supreme Court in the same case, 119 U. S. 233, 7 Sup. Ct. 193, 30 L. ed. 369, that they concurred in the views of the circuit court, although that general statement is followed later by the paragraph set out above.

Whiting v. Graves, 3 Ban. & A. 222, Fed. Cas. No. 17,577, and Wilkens v. Spafford, 3 Ban. & A. 274, Fed. Cas. No. 17,659, both hold, that only a license, exclusive or otherwise, according to the term of agreement, would result from a contract for the inventive ability of a workman. We do not find it important to decide the question thus mooted. If it be concluded that it is not essential that there shall be an express agreement that the employer is to have the title to the inventions of the workman, or to any patent he may obtain for them, if the contract provided that the employer should have the benefit of the employe's inventive facul-

ties, it does not necessarily follow that this plea is to be construed as other than a plea of license. We are not required to assume, as a necessary conclusion from the fact that Barber is averred to have agreed to give the company his "time, services, and inventive ability," that the pleader intends to assert title. The plea is to be construed by looking to all of its averments, and from the whole document determine whether the defense, from the facts stated and the conclusion drawn, is that of license or title. To stand narrowly upon an inference that the title is claimed from the contract to give the company the benefit of his inventive abilities will be to ignore other facts, and, more than all, to ignore the conclusion which the pleader himself drew from the facts he had stated.

The business of the carbon company was not the making or selling of machinery or mechanism for any purpose. They were engaged in making carbons. The plea states this, and that a part of the process consisted in electroplating such carbons. The plea then avers that Barber agreed to give his "skill, attention, and inventive ability to the service of said defendant company in and about the cheapening and improving of the process of electroplating, and other processes in the manufacture of carbons." At most, the employment was for this purpose. Why shall we deduce the conclusion that anything more than a license to use such inventions as he should make in the business of the company would result from an agreement of that kind? But the conclusion which the plea draws from the agreement stated is in accordance with the tendency of the law to preserve to a workman as large a benefit from the results of his intellectual faculties as is consistent with the contract between him and his employer. The plea concludes by claiming that "the defendant is entitled and has the right to the perpetual use, in its business, and for its purposes, of the improvements and claimed inventions of the complainant in his bill set forth," etc.

A right to a use in its business and for its purposes is a license, and is a very different estate from a title to the inventions of the complainant. We think, therefore, the proper construction of the plea is that the pleader is to be understood as setting out a state of facts from which he deduced the claim of a license in behalf of the defendant, and that it was not intended to set up a claim of title to the invention. The establishment of a license was all that was required to constitute a defense, and there was no necessity for pleading more than that. Any other construction would lead to the consequence that the plea would be double, as claiming both the title to the invention and a license to use it. We do not think the plea intends this, but only to lay the ground upon which at least a license would result, and then to put for-

ward the claim of a license as a sufficient defense to the matter of the bill.

This brings us to the scope of the license implied from the circumstances as established by the evidence in support of the plea. The evidence does not show any contract by which Barber was to make inventions or devote his inventive faculties to the service of the carbon company, or any agreement that any inventions should belong to the employer, or any patent which he should obtain thereon. It does show that he was employed because he was a mechanical engineer, and that he was expected to devote his time and service to the cheapening of the processes used by the carbon company. But nothing was said upon the subject of inventions, or the use of his inventive faculties for their benefit, unless an agreement to devote his knowledge, skill and service to the cheapening and improving of the processes used in the factory involves the inventive faculty also. The precise terms of his employment are somewhat indefinite, but the things which Barber set to do and that he continued to do justify the interpretation the court below put upon the contract of employment. In the course of his employment, Barber made the very valuable invention for which he obtained a patent. That his employers knew of his purpose to apply for a patent, we, from the evidence, think most likely. When he built and established his first machine, he placed thereon plates with an inscription thereon, "Patent Applied For." When this machine was started, the officers and directors were called in to inspect it. It is impossible to believe that these plates escaped their observation. The fact that the plates were thus conspicuously affixed is at least indicative of Barber's intention to protect his invention with a patent, and we can but believe that this fact was also known to his corporation.

The fact of knowledge of Barber's intention to patent his invention, however, is only significant in respect of the scope of the license implied from the fact that he made his invention while in the employment of the carbon company, and that, while so in their employment, six machines were constructed, wholly or partly, for the company, under his personal direction, and without any announcement of any purpose to claim a royalty for their use. The evidence shows that the machine for the use of the process of the patent was one of costly character, occupying very great space. To use them profitably, the factory must be specially constructed upon plans adapted to furnish the space needed. To properly install Barber's machine, special designs for buildings were therefore prepared under Barber's direction, and machines were either built or started according to his plans before he was discharged. In one of defendant's factories there was

space especially designed for another of his machines, and after his discharge a seventh machine was built for the place thus prepared.

In Withington-Cooley Co. v. Kinney, 68 Fed. 500, 15 C. C. A. 531, 537, we had the question of the scope of duration of a license implied from service, and said:

"The duration and scope of a license must depend upon the nature of the invention, and the circumstances out of which an implied license must be presumed, and both must at last depend upon the intention of the parties."

In that case the employer was a manufacturer of power presses for sale, and the employment of Kinney had relation to the making of patterns and drawings for such patterns. Kinney made an improved press, and built patterns by which such improved presses were made in the shop for the purpose of supplying his employers' trade. We held, under the circumstances, that Kinney must be presumed to intend that his employer should use his improvement in such new machines as he should make while personally engaged in the business of supplying such machines to the trade. We therefore held that the license, to be presumed, "was not limited by the mere life of the patterns, but was intended as an authority to make and sell power presses embodying Kinney's improvement so long as Babcock should continue in business."

In Solomon v. United States, 137 U. S. 342, 346, 11 Sup. Ct. 88, 89, 34 L. ed. 667, Clark, while in the employment of the government and at the expense of the government, devised a self-canceling revenue stamp, which was adopted by the government upon his recommendation. It was held that a perpetual license to make and use that stamp was to be presumed. In that case the principle was said to be this:

"If one is employed to devise or perfect an instrument, or a means for accomplishing a prescribed result, he cannot, after successfully accomplishing the work for which he was employed, plead title thereto as against his employer. That which he has been employed and paid to accomplish becomes, when accomplished, the property of his employer. Whatever rights as an individual he may have had in and to his inventive powers, and that which they are able to accomplish, he has sold in advance to his employer. So, also, when one is in the employ of another in a certain line of work, and devises an improved method or instrument for doing that work, and uses the property of his employer and the services of other employes to develop and put in practicable form his invention, and explicity assents to the use by his employer of such invention, a jury or a court trying the facts is warranted in finding that he has so far recognized

the obligations of service flowing from employment, and the benefits resulting from his use of the property, and the assistance of the co-employes, of his employer, as to have given to such employer an irrevocable license to use such invention."

In Lane & Bodley v. Locke, 150 U. S. 193, 14 Sup. Ct. 78, 37 L. ed. 1049, a license to continue to make and use a stop valve in their business was presumed. In Gill v. United States, 160 U. S. 426, 16 Sup. Ct. 322, 40 L. ed. 480, the cases are all reviewed, the principle upon which they rest held to be an application of the law of estoppel in pais.

In view of the fact that buildings specially designed for the use of Barber's process and apparatus were constructed under his direction, we think the presumption is that he intended to grant to the carbon company the right to use his process in connection with the machines, for which space in the several factories had been specially arranged with his knowledge and under his direction. The right of use presumed is the right to use such number of machines as had been prepared for, and that the right is not limited to the life of the particular machine, but will include replacements so long as the carbon company continues in the manufacture of carbons. The scope of the license therefore includes the seventh machine, constructed after Barber was discharged, to occupy the place prepared for it under Barber's direction. By his conduct, Barber has estopped himself from asserting that the use of his invention to this extent is an infringement of his right as a patentee.

The defendants have therefore not exceeded the license implied from the facts, and the decree is, upon this ground, affirmed, so far as it dismissed the bill of the complainant. * * *

767. WESTERN UNION TEL. CO. v. AMERICAN BELL TEL. CO., 125 Fed. 342, 60 C. C. A. 220 (1903, First Circuit).

Putnam, Circuit Judge:

* * *

There are several parties to the record, and several other parties have been predecessors in title; but, as the sole beneficial issue is now between the Western Union Telegraph Company and the American Bell Telephone Company, we will find it necessary to name only them. The bill was brought for an accounting under a contract dated November 10, 1879, between the Western Union Telegraph Company and corporations in the same interest and the National Bell Telephone Company, the predecessor in interest of the respondent. It was filed on November 16, 1883. Without waiting for a hearing, on May 24, 1886, the case was sent to a so-called master under the following agreement:

"It is agreed that the above-named cause may be referred to the Honorable John Lowell, as master, to hear the parties, report the facts, with such part of the testimony as either party shall request, and his rulings on any question of law arising in the case."

The reference fell within the rule of Kimberly v. Arms, 129 U. S. 512, 524, 9 Sup. Ct. 355, 32 L. ed. 761, and of subsequent cases of that class. Frequently such references involve troublesome complications through the fact that they necessitate departures, more or less definite, from the ordinary practice. In the present case, however, no difficulty arises. The complainants excepted to the master's report solely as to questions of law. The respondent took no exceptions. We should explain that there are some findings of the master which take the form of findings of fact, but which are really findings of law, as they arose on the face of the various papers in the case. Therefore, we are not embarrassed on account of the agreement for reference by Kimberly v. Arms or by other cases of that class.

The master found for the respondent, and the Circuit Court sustained his findings, and entered a decree dismissing the bill. We think that we should first make clear what the true issue is. The contract obligated the telephone company, among other things, to account to the Western Union for a certain percentage of rentals or royalties for the use of telephones protected by certain letters patent. At the time of the execution of the contract there were three ordinary methods of using telephones: First, on private lines; second, on lines from one part of a building, or premises, to another part thereof, ordinarily known as "speaking-tube" purposes; and, third, in exchange systems or the like thereof. Then the telephone company not only owned and licensed telephones, but also had certain interests in exchange systems. The master, among other things, reported:

"I am of opinion that by the contract the defendant clearly had the exclusive right to carry on the exchange business, alone or jointly with others, and to receive its profits, paying to the plaintiffs twenty per cent. of the stated rentals."

It is clear that the Western Union had, under the contract, no interest in the exchange business which the telephone company owned, in whole or in part, or in the profits received therefrom, so far as either can be distinguished from considerations for the mere licensing of telephones, or so far as the advantages which came from them to the telephone company came as the result of a contribution by it aside from that of such mere licensing. It is also clear that when, even after the contract of November 10, 1879, the telephone company had properly acquired any part of an exchange, the complainants had no interest

in the subsequent profits which might come therefrom. The position of the complainants before us renders it unnecessary to elaborate these propositions. They put the case on a single issue in the following language, which refers to certain shares of corporate stock which the complainants maintain the telephone company received as part consideration for licenses to rent and use telephones:

"It is in respect to these shares thus received by the Bell solely for exclusive licenses to use telephone instruments under the patents which were by the contract combined in its hands, and by virtue of which contract alone the Bell was able to give such licenses, that this suit seeks an accounting."

This claim is illustrated by the following finding by the master:

"The shares, of which the plaintiffs require one-fifth to be accounted for, were, in nearly all cases, obtained in the way to be presently mentioned, but reference may be had for their terms to the contracts reported herewith. The defendant issued to a corporation a license to use telephones for five years in an exchange to be established by and at the expense of the licensee in a certain place, paying the usual rentals, and reserved the right to take the plant at actual cost, less depreciation at the end of the term, allowing nothing for franchise or good will. These short-term contracts either expired or were surrendered by the licensees, and thereupon the defendant gave them perpetual exclusive licenses for the agreed locality, and received these shares, usually thirty-five per cent. of the entire capital stock, for which it paid nothing except the exclusive perpetual license."

This renders immaterial a considerable portion of the master's findings of the proofs in the record and of the propositions urged on us by the respondent. It especially renders it unnecessary that we should consider the proposition urged by the respondent that there is a substantial distinction between a "rental of telephone instruments" and the "profits of an exchange business," or that we should follow out any elaboration of the definitions and expressions in the contract, showing that the word "telephone" is used therein with the utmost precision. In the same manner, we are relieved from considering the respondent's illustration of its proposition that the contract had no intention that the Western Union "should share in the whole profits due to the telephonic patents," if that expression has any peculiar significance, or the further proposition that it was contemplated that some exchanges would make larger charges, and, consequently, have larger profits, than others. It also renders unnecessary any consideration, at least at this stage of the case, of the peculiar relations of the contracting parties to exchanges

at the date of the contract or prior thereto. It is plain that the only question before us is whether the Western Union may share in valuable assets received in lump by the telephone company in exchange in the whole or in part for telephoning licenses.

The parties have not urged on us any question of jurisdiction in equity, but it naturally arises in connection with that of the substantial merits of the case. The record shows that the accounting, if the complainants are entitled to it, would be so voluminous and complicated that it would be impossible to take it at common law, unless by the technical action of account, if it would lie. That this fact affords sufficient ground for jurisdiction in equity, whether that action would lie or not, is well settled. Some of the authorities bearing thereon are cited and explained in Fenno v. Primrose (C. C.) 116 Fed. 49. In addition, the nature of the rights vested in the Western Union by the contract in issue here supports this jurisdiction. It will appear that the contracting parties combined substantially all their interests in telephonic patents, to be worked by the telephone company for their joint benefit, certain net results to be shared on an agreed percentage. While this did not create the technical relation of trustee and cestui que trust, it established a quasi trust, such as between copartners, and between the officers of a corporation and the corporation, over which chancery takes jurisdiction.

It is not necessary to set out with great fullness the contract in issue. It has been abstracted in the opinion of the learned judge who heard the case in the Circuit Court, and a general statement of its purview with reference to the topics which bear on the question at bar will be sufficient. The respondent has very well stated its general features in substantially the following language: The Western Union, a well-established corporation with a large capital, controlling continental telegraphing, was also, previous to and at the time the contract was made, carrying on a more or less extensive telephone business. The telephone company, then a comparatively new and small corporation, was wholly engaged in telephones, and by virtue of its patents, claimed an exclusive right. Numerous suits were pending for a determination of the respective rights under the several telephonic patents owned or controlled by the parties. The Western Union desired to protect its telegraphic business against possible inroads by telephones, and, under those circumstances, a compromise was reached, and this contract was executed. Its principal features are carefully framed provisions for the protection of the Western Union telegraphic system, and a lease and transfer by it to the telephone company of its interests in the telephonic patents, its telephones and telephonic

exchanges, with an agreement that the Western Union should receive a certain proportion of the rentals or royalties which should come to the telephone company. It should be added that, as incidental thereto, the telephone company agreed to keep accounts of the number of telephones manufactured, licensed, and put out for use, and of the rentals received therefrom, which should be open to the inspection of the Western Union, for the purpose of ascertaining the "royalties or bonus" coming due under the contract.

The contract is long, and contains a great many provisions, and, therefore, of course, many of its expressions are oftentimes repeated, and not always exactly in the same form. As the contract was made so long ago, it was, perhaps, constructed in the light of facts the common recollection of which is now dimmed, leading to a strong anxiety on the part of one or both parties to the controversy to restore them, for the purpose of sustaining their respective views pro and con. The result of this is a voluminous mass of proofs relative to prior negotiations, correspondence, and earlier contracts, to which much weight was given by the master and the Circuit Court. Against this the Western Union earnestly objects.

To some extent it is the same with a contract as with a statute. The court upon which rests the burden of construing it, especially if it is ancient and complicated, searches carefully for any scrap which may suggest an interpretation not obvious after a lapse of time. While nothing such can be availed of for the purpose of overruling the intention of the parties as finally incorporated in the executed instrument, yet, as said by Judge Aldrich, in speaking for the Circuit Court of Appeals for this circuit in Church v. Proctor, 66 Fed. 240, 242, 13 C. C. A. 426, an interpretation of writings is to be made "with reference to the subect-matter and the understood situations of the parties." The circumstances under which contracts are executed, and the difficulties of understanding the actual relations with which parties are dealing, vary so much that no absolute rule can be framed as to the methods in which courts may investigate them; but the practice is so liberal that Greenleaf on Evidence, vol. 1, § 282, an authority which we need not go beyond, says that "the rule excludes only parol evidence of the language of the parties, contradicting, varying, or adding to that which is contained in the written instrument." On the other hand, extreme care is required in making investigations into a field beyond what was clearly appropriated, because of the fact that such investigations may not only mislead, but they may draw courts into speculations and doubts more involved than those arising on the face of the contracts concerned.

In the present instance, what is known as the "Ormes Contract," and also the "Outline"—that is, a preliminary draft—and other drafts, have been much relied on by the respondent; but one will be shown to have been based on radically different principles, so far as the problem before us is concerned, while as to the various drafts the chasm between them and the completed instrument is so broad that nothing in the record enables us to bridge it. We will explain this more at length hereafter.

Among other elements, the existence of which is much discussed, is that of exchanges; but their existence is so emphatically recognized by the contract, and so extensively provided for, that whether at the time of its execution there were few or many, whether in use by one party or both, and whether subsequently greatly multiplied or not, must be regarded as in all respects understood and anticipated contingencies. The same is true with reference to nearly all the other incidents which have been brought to our attention with great detail. The recognition of most of them by the contract itself is so positive that it will be necessary to us to refer to them only briefly, if at all, except as they appear therein.

In contemplating the construction and effect of the contract, we must first of all consider that the relations of the parties to it were of the fiduciary character to which we have referred; so that the telephone company, as the holder of the joint interests, left in exclusive control thereof, was bound to the underlying rule that neither directly nor indirectly, nor by any artifice whatever, should the Western Union be deprived of its share in the net profits of the licenses or leases, whatever form they might assume, unless and except as expressly so provided. In Batchelder & Lincoln Company v. Whitmore (C. C. A.) 122 Fed. 355, 361, we illustrated how such fiduciary obligations may arise between others than technical trustees and cestuis que trustent, pointing out that the utmost good faith is required between creditors coming into a composition of a failing debtor. The existence of similar obligations under other circumstances, as between copartners, and also as between officers of a corporation and the corporation, is explained in Pomeroy's Equity Jurisdiction, §§ 157, 1088, and sequence, although it is shown that under such circumstances jurisdiction in equity does not lie to the same extent as with technical trusts. It is also true that, other than with a technical trustee, this contract left a large discretion with the telephone company, and did not bind it to any particular rule of diligence or skill. Nevertheless, this general equity requires it to account with the utmost good faith for what concerns the common interests. This equity is effectual, universal, and un-

yielding, and we must approach the contract in the light of it, and give the Western Union the full benefit thereof.

* * *

A large portion of the case as submitted to us concerns the meaning of these words "rentals" and "royalties." The respondent claims that they are used interchangeably, and that neither adds anything to the other. The word "rentals" would naturally fall into the contract, because, as we have said, the business had uniformly gone on the basis of a fixed amount for each year for the use of each telephone, and the word "royalties" naturally occurs in any contract of the general character of that at bar. The use of words of this character, which so naturally, and almost inevitably, fall into any contract with reference to patented matters, comes short of requiring any inference of special value. These words appear frequently in the contract; the respondent says 33 times, and states that the contract is not uniform in using both expressions. But departures of this character are frequently of the scrivener only, and, in any view, such a fact is too easily accounted for to meet the effect of the positive language with which the contract opens.

Royalties are commonly understood as meaning something proportionate to the use of a patented device; in other words, a kind of excise. Bouvier's Law Dictionary, "Royalty." In its more ordinary meaning, it would not literally include the shares of stock for which an accounting is demanded. In some of its uses it is a broader word than "rentals," and yet in other aspects "rentals" is a broader word than "royalties." Rentals in their ordinary signification are not limited as royalties in their ordinary signification; that is, to something proportionate to the use of the patented device. The word "ordinarily" means specific sums paid annually, or at other stated periods, for the right to use a patented device, whether it is used much or little or not at all. We will show before we close that in the present case it is capable of an adaptation to meet in any view the literal construction which the respondent puts on the contract at bar.

On the whole, this expression in the first paragraph of article 1, "all rentals or royalties actually received or rated as paid," is, on any method of construction, whether literal or otherwise, flexible, and favorable to the complainant; but, after all, the fundamental rules of construction which we have said apply to this contract cut under this refined discussion as to the literal meaning of particular words and phraseology. This will appear from a hypothetical case: Admitting that these parties, or any other parties, had stipulated literally and expressly for the payment and receipt of a share of annual rentals, springing out of the use of a patented device covering the entire United States or

any limited district, and admitting that under those circumstances the party in whom the title to the patent vested had granted a perpetual license for a gross sum of money, abandoning the collection of annual rentals, or thus, for a like gross sum, had disposed of the entire or partial interest in the patent for the whole or a part of a district served, so that the collection of annual rentals was no longer practicable, either wholly or in part as the case might be, it would be preposterous to maintain that thereby the party entitled to share was cut off from his rights under the contract. It might well be that the contract could be so framed that he might bring an action in the nature of an action of tort for such disposition of the patented interest, but in no event would his rights be thus limited. Indeed, even at the common law, the precise kind of return described would be regarded as merely illustrative, and an action would lie at the option of the party entitled to share in whatever was in fact realized; and this result would be more marked in a suit in chancery, like this, where the proceeds of a beneficial interest can be followed by the party entitled to that interest, whatever form they take. This rule was fully explained by us in Hutchinson v. Le Roy, 113 Fed. 203, 206, 51 C. C. A. 159, and it is laid down broadly in the following terms in Smith v. Vodges, 92 U. S. 183, 186, 23 L. ed. 481:

"Where money has been misappropriated, the general rule of equity is that those wronged may pursue it as far as it can be traced, and may elect to take the property in which it has been invested or to recover the money."

While the court here speaks of "money," yet this word is only illustrative. Like the other equitable rule to which we have referred, this one is also efficient, far-reaching, and absolute; so that beyond all question, in view of the equitable obligations resting on the telephone company which we have described, and even under the rules of the common law, contracts of this character must be so construed and applied that the portions of the present contract which we have cited compel the telephone company to account for the shares of stock for which the accounting is asked, under the circumstances stated by the master, precisely as it would be required to account for any gross addition to rentals which it might have received in the form of a sum of money, unless something can be found in the contract which shows that the parties have stipulated otherwise. The underlying equities which we have described are so strong that they are not lightly to be set aside, nor can they be ignored on account of mere inferences ingeniously drawn from circumstances, or from anything except what appears clearly on the

face of the contract or what is clearly inconsistent with the operation of its provisions.

At this point it is convenient to say what we need to say as to the Ormes contract. The respondent claims that this was the "basis" of the contract in suit. The master so found, and the Circuit Court sustained this finding. This is a remarkable illustration of the case which we have said should be used with references to the investigation and application of matters outside of a contract itself. The foundation for this proposition is the testimony of Mr. Forbes, then president of the telephone company, as to a conversation with Mr. Gifford, then one of the counsel of the Western Union. The Ormes contract was completed in August, 1879. It constituted an arrangement between the Western Union, the telephone company, and Ormes, by which Ormes was licensed for several Southern states by both the other parties, and was able, therefore, to cover those states without controversy. Mr. Forbes testifies that he met Mr. Gifford at New York, and the suggestion was then made that the Ormes contract would be a good basis for a settlement for the rest of the country, "to which Mr. Gifford immediately expressed his opinion that it would," following which there was a discussion as to the method of making the suggestion practicable. What this conversation probably meant appears from the testimony of Mr. Gifford. While at the White Mountains, a short time before, he endeavored to arrange with the counsel for the telephone company for a combination of all interests into a joint property, in which each party should have a half share, looking to a corporation for that purpose. This was refused, and those negotiations failed. In other words, when Mr. Gifford assented to the suggestion of the Ormes contract as a basis, it satisfies the proofs to assume that he did it as an expedient in lieu of the proposition which he had made for the combination of the joint properties into a corporation. So far as that particular was concerned, the present contract did follow that with Ormes While, also, in many details, the instrument before us follows the other, as it inevitably would, yet, as to the only question on the appeal, the principle underlying one is in contrast with that underlying the other. Ormes was the paymaster. He stipulated directly with the Western Union to pay it a fixed annual rental of $1 for each telephone, with a reduction under some circumstances to 75 cents. So far as the Western Union was concerned, he agreed to pay it this fixed license. That was the end of it; and he was under no further obligation to it, legally or equitably. The relations between the Western Union and the telephone company in the Ormes contract were of the simplest character. They, of course, protected the telegraphic business

of the former, but beyond that the telephone company made no stipulations in favor of the Western Union, except with reference to a certain incidental right which the telephone company reserved to increase its royalties as against Ormes, in case of additional cost to itself arising out of improvements. It indeed stipulated that under certain contingencies it would assume the royalties which Ormes agreed to pay the Western Union, but it did this only as a substitute for Ormes. In its essence, the Ormes contract is so far removed from the contract before us that we are unable to find in it any assistance of value.

We will also in this connection dispose of what we have to say with reference to the drafts preceding the contract as executed. First was what is called the "Outline." Precisely in what stage of the negotiations this came in we have not been advised. What purports to be a copy of it was obtained for this record, but a note by the clerk says that it was omitted when the case was printed for the master "because of the difficulty of properly reproducing it." It was covered with pencilings, and was altogether in the most confused and uncertain form. It, however, is plain that it did not contain the parts of the third paragraph of article 2 of the existing contract, which will be found to be necessary to the ultimate determinaton of the issue before us. The record also contains a paper dated on the 27th of September, 1879, signed by the parties as a memorandum to be replaced by a formal contract to be prepared by counsel. This also fails to contain the most essential part of the third paragraph of article 2; also the seventh paragraph of the same article, which we will explain further on. It is true, for whatever it may be worth, that the substance of this paragraph is found in the general phraseology of the memorandum of September 27th. No clear proposition is based on any of these preceding drafts; and, indeed, none could be, except that the mass of papers in the record relating to the prior negotiations shows that they were in a state of flux till the contract was completed. These extraneous drafts illustrate most vividly a proposition most pertinent to this topic at the outset of any discussion of it, that it sometimes happens that the minds of contracting parties meet on essentials only at the last instant, and this in such way that the final agreement finds no expression except in what was written last of all. On the whole, the contract before us exhibits on its face sufficiently for present purposes the existing condition of things; and, aside from what is disclosed by it and things of common knowledge, the matters which have been so elaborately pressed upon us cannot safely be permitted to change the just construction of what we find in the instrument itself. So far as it goes, it is reasonably clear; and its application to any con-

ditions which its terms do not in fact anticipate must be determined by the fundamental rules of law which we have already explained.

The case as put is one of the receipt by the telephone company of certain shares of capital stock, in addition to the annual rentals for which it has accounted to the Western Union; but it must not be obscured by the nature of the additional assets thus obtained. The case in this respect stands exactly the same as though the telephone company had received the equivalent of these shares in money, or had immediately converted them into money. For all present purposes, the transaction is to be scrutinized in the light of the fact that all questions as to the nature of the assets received are immaterial. The case stands, therefore, on the propositions of law and equity which we have already stated; that is to say, that the telephone company has received certain assets in addition to rentals by name, which it must account for under the first paragraph of article 1, unless the contract elsewhere clearly permits otherwise.

* * *

We have already shown that, on a true construction of contracts of this character, the words "rental or royalty," found herein, must stand for and represent any gross sum received for a perpetual license or other interest; and such being the fact, this portion of this paragraph specifically prohibits the telephone company from receiving for telephone licenses any special advantage to itself, whether by shares of stock or money, without apportioning it to the Western Union. It must be admitted that apparently the first portion of the paragraph makes a certain concession in behalf of exchanges or lines actually owned in whole or part by the telephone company. This consideration was undoubtedly yielded to the necessities of the case, arising out of the fact that, where the telephone company had an interest, especially the whole title, the accounts might not, or could not always be kept, so as to show specifically what was a just allowance merely for licenses. This portion of the paragraph, however, is limited to the operation of exchanges after the telephone company becomes interested in them, and it has nothing to do with the acquirement of such interests. Moreover, it is especially guarded, so far as practicable, in order to secure to the Western Union its share of what would be reasonable and just rates proportionate to those paid by other exchanges in which the telephonic company had no interest.

The answer alleges that the practice of the telephone company with reference to the matters covered by this bill was well known to the Western Union, and that until shortly before the commencement of this suit it made no complaint thereof, but, on

the contrary, "recognized such course of dealings." This is not in such definite language as to make it clear whether the respondent intended to raise a question of laches or to make the proposition that the Western Union had practically construed the contract as claimed by it. The bill, as we have said, was filed on November 16, 1883, four years from the execution of the contract. The demand by the Western Union on the telephone company for this accounting was contained in a letter of February 26, 1883. Of course, on well-settled principles, the acquiescence of both parties for over three years in the construction of a contract, involving so many elements as this, would be of great importance when a court comes to determine its meaning. Laches is, of course, available when plainly raised by the proofs, even if not set up in the answer. The master finds no facts of a definite character with reference to either of these topics. The respondent, moreover, referred to this line or lines of defenses, whichever it is, only a brief, indeterminate, and incidental manner. On being specifically inquired of by the court on this topic, nothing more satisfactory in reference thereto was obtained. The answer does not allege how long the Western Union had known of the course of business which this case develops, and nothing in the findings of the master, or in the proofs brought to our attention, contains anything in that respect. Therefore we are not required to give attention to this phase of the defense.

It is claimed by the respondent that on this bill no relief can be granted according to the case made by the proofs and submitted to the court by the complainants. This point seems to be that to reach the case the bill should have prayed that the contract be reformed, or should have alleged artifice on the part of the telephone company in fraud of complainants. But, in view of the construction and effect which we give the contract, the prayer of the bill, so far as it asks an accounting for the amount and value of assets received for licenses to use telephones, is appropriate to the facts. The prayer, however, asks for an accounting for telephonic appliances, which, of course, is erroneous. It also asks specifically that the shares of stock received by the telephone company, and other incidental matters described in the prayer, be transferred to the Western Union, and that the dividends thereon be also accounted for, with interest on each item. None of these details are within the scope of our present adjudication. The disposition of them will turn on a further investigation to be made by the Circuit Court.

We find nothing in the case which raises any practical issue except the specific matter which we have discussed, and that we find to be limited to certain shares of stock alleged to have been received by the telephone company. We therefore determine

that the only issue is the ascertainment as to certain shares of stock received by the telephone company since November 1, 1879, in consideration, in whole or in part, for licenses to use telephones, and as to the incidentals appurtenant thereto.

We exclude from the accounting anything received by the telephone company in any form which was properly the equivalent of what it possessed the day as of which the contract went into effect; that is, November 1, 1879. As, for example, so far as at that time the telephone company had given any license, if there were any such, involved in any contract entitling it at the end of a specific period to receive a surrender of the whole or any part of the plant or other incidents of a telephonic exchange, and so far as subsequent to November 1, 1879, the telephone company surrendered such option and gave a new license, receiving an obligation for the usual rentals or royalties, and certain shares of corporate stock, such portion of such corporate stock as represented the value of the option surrendered pertains to the telephone company, and is not to be accounted for. It may, and probably will, be difficult to make this apportionment; nevertheless, if there are any conditions existing, as we have stated, the apportionment must be made as can be best done. In this connection we repeat that we do not intend hereby to conclude or preclude any questions with reference to dividends or interest, and all such questions are reserved, so far as we are concerned, until the case comes to us again from the circuit court, if it ever does.

Of course, the accounting, according to settled practice in equity, will be brought down to as late a period as is practical; and, all parties having already had full opportunity of bringing into the record all facts essential to the final accounting, each must, on such accounting, be confined to the present record, except so far as equity shall require otherwise.

In view of the state of the record thus spoken of, it is probable that we could proceed further, and dispose considerably of the issues involved in the accounting; but the proper practice is that pointed out in Chicago, Milwaukee & St. Paul Railway v. Tompkins, 176 U. S. 167, 179, 20 Sup. Ct. 336, 44 L. ed. 417. In the form in which this case comes to us—that is, on a general finding against the complainants—it might be impracticable for us to go further into details without doing injustice. However, we are entitled to avail ourselves of the relief which comes from the rule stated in the case just cited.

We have thoroughly considered the very careful reasoning of the Circuit Court in this case, and differ from it only after much deliberation. We have reached our conclusion by holding firmly to the true issue in the case, from which there has been a grave

departure, originating with those portions of the master's report which we have cited, and further induced by some of the complainants' exceptions thereto, and by propositions urged by the respondent before us and in the Circuit court.

The decree of the circuit court is reversed, the case is remanded to that court to enter a decree for the complainants for an accounting, and for further proceedings in accordance with our opinion, and the appellants recover their costs of appeal.

768. STIMPSON COMPUTING SCALE CO. v. W. F. STIMPSON CO., 104 Fed. 893, 44 C. C. A. 241 (1900, Sixth Circuit).* * *

Before Lurton, Day and Severens, Circuit Judges.

Severens, Circuit Judge, having made the foregoing statement of the facts, delivered the opinion of the court.

The first question to which our attention should be directed is that relating to the construction of the contract and license formerly held by the appellant from Stimpson, and more particularly to the interpretation and effect to be given to the clause which declared that the party of the second part (the appellant) should "have the right to determine this contract, and their obligation thereunder, by giving six months' notice in writing to said party [Stimpson] of their intention to discontinue the manufacture and sale of such scales under this contract." An ingenious and labored effort is made in the brief for the appellees in support of the proposition that this provision is to be construed as meaning that the contract could only be determined by the appellant in case it should conclude to abandon the business of making and selling computing scales like these, and hence, if it should give notice of its election to abandon the contract, it was bound to discontinue the business. But we do not so interpret this stipulation. We think it gave the licensee the right to determine the contract by giving the prescribed notice of its intention not to proceed further under the contract after the time stated in the notice should expire. The manufacture and sale of such scales "under this contract" would then cease. Effect must be given to all the language of a contract where possible, and we see no difficulty in applying this rule of construction here. There was nothing in the contract which imposed a further disability upon either party after it should have been brought to an end by the exercise of a right reserved therein. After the termination of a license, the parties are freed from any estoppel resting upon them while in their former relation. The licensee may dispute the title or right of the former licensor to the same extent as a stranger might. The estoppel is raised for the protection of the interest which the assignor or licensor professed to convey, and has no further office. Manufacturing Co. v. Robbins, 75 Fed. 17,

21 C. C. A. 198; Noonan v. Athletic Club Co., 99 Fed. 90, 39 C. C. A. 426; Smith v. Ridgely, 103 Fed. 875.

Much space has been given in the appellees' brief and pains in the argument to the discussion of the alleged bad faith and disingenuous conduct of the appellant in breaking off the contract; but we are unable to see to what end. The right to abandon the contract and surrender the license, if it existed, was not affected by the motives with which it was exercised. It was a right resting wholly in contract, and the question of good faith is quite irrelevant to the deduction of the legal consequences flowing from the act of the party in determining his course. Besides all this, the surrender was accepted and the license transferred to other parties. It is no purpose of the present suit to set aside or declare null the abandonment.

There is nothing in the record to justify the conclusion that the appellant promised Stimpson's new company that it would discontinue the manufacture of the scales which it has since been making. Whether it had the right to continue such manufacture is the principal question presently to be considered.

This brings us to the ultimate question just indicated, which is, what were the relative rights of the parties to the use of the trade names, "The Stimpson Computing Scale," and "The Stimp-Grocer's Computing Scale," put upon their products? It appears that the name of Stimpson was embodied in the appellant's corporate name at his instance, and there is therefore some reason to doubt whether he could require that its use in that connection should be discontinued. It is not necessary, however, for us to determine that question. But the use of his name as a label for the scales, or in any such way as to denote that they were manufactured under his patent, involves another question. No doubt one may give to another such right to the use of his own name as to preclude him from using it himself, when the consequence would be to appropriate the good will acquired by the other party by the use of it, and the continued use is necessary to the preservation of the benefit of the good will thus acquired.

But we do not think this rule is applicable here. During the time when the appellant and Stimpson were doing business under the license it was known that the business was liable to come to an end at any time by the act of the licensee, and it must have been understood that upon the termination of it Stimpson might employ his patent either by his own use or by granting a license to use it, and it was not reasonable to expect that he or those using the license would be debarred from using Stimpson's name to characterize their product as made under his patent. If this were so, there must be a corresponding obligation on the part of

the other party to the contract to refrain, after the termination of its license, from longer using the name of Stimpson upon its goods in such a way as to lead the public to understand that they were made under his patent. These consequences must have been anticipated. The appellant knew that it could only use Stimpson's name to distinguish its goods and support the good will of its trade, so long as they continued to operate under his patent. The validity of the patent is not in issue here. But the parties made their contract and prosecuted it upon the presumption of its validity, and their stipulations should be construed as made upon that assumption.

It follows that the appellants have not the right to use Stimpson's name in describing their scales, whether by label or otherwise, in such a way as to denote that they still manufacture them under the specifications of his patent. By the use of the name "The Stimpson Computing Scale," or "The Stimpson Grocer's Computing Scale," the public would in all probability understand they were made in accordance with the mode of construction familiar to them from the use of scales made under his patent. He and his licensee are entitled to be protected against this invasion of their right. Whether his patent be good or bad, no one has the right to claim the privilege of making and selling his goods as though made under it, and thereby depriving the owner of such credit as belongs to it, and inducing the public to suppose that the seller has title to the invention supposed to be embodied in the subject of the sale. The phraseology of the order appealed from indicates that the circuit court proceeded upon the ground that the appellant was bound to discontinue the manufacture of such scales as it made under its contract with Stimpson in consequence of the stipulation that the licensee might surrender the license when it should determine that it would not go on with the contract—a construction with which we do not agree. Counsel for the appellees disclaims the purpose of obtaining an adjudication respecting the validity of the patent, and it is therefore improper that an injunction should go to restrain the infringement of the patent. That being out of the case we can find no ground on which to restrain the manufacture and sale by the appellants of the articles mentioned. It may expose the appellant to a suit for infringement, but that, as we have said, is foreign to the purpose of the present suit. Aside from the patent, there is nothing to prevent the appellant from selling the same kind of goods as it sold during the term of the contract. We therefore think that part of the order is erroneous and should be reversed.

The other part of the order is to enjoin the use of the names "Stimpson," "Stimpson Computing Scale," and "Stimpson Gro-

cer's Computing Scale" in such a way as to indicate that the scales made by the appellant were made under said "license contract and patent." This does not conform to the views we have expressed; for we do not think the appellant is estopped to deny, having regard to future manufacture, that the scales then made were, in law and fact, subject to the patent. This part of the order should be modified so as to restrain the use of the names mentioned in such a way as to indicate that the scales made and sold by the appellant were made under the Stimpson patent, or in substantial accordance with the form thereof. As thus modified, this part of the order will be affirmed. It is ordered accordingly.

769. SMITH v. RIDGELY, 103 Fed. 875, 43 C. C. A. 365 (1900, Sixth Circuit).* * *

Before Lurton, Day, and Severens, Circuit Judges.

Severens, Circuit Judge, having made the foregoing statement of the case, delivered the opinion of the court.

By his bill in this case, the plaintiff complained of the infringement of both of the patents first mentioned in the preceding statement as having been originally owned by both parties, and of which he holds the license to use the defendant's one-half interest. But the plaintiff has since then apparently ignored the first patent, and now seeks for the establishment of the rights claimed by him under the second patent, No. 408,193. We shall, therefore, in dealing with the case, proceed upon a comparison of the invention embodied in the second of the patents to Ridgely and Smith, with the inventions covered by the two later Ridgely patents. There can be no doubt that a licensee may sue the patentee, who has granted the license, for infringing the patent within the field covered by the license, in the same manner and with like effect as though the patentee were a stranger. Littlefield v. Perry, 21 Wall. 205, 22 L. ed. 577; Adriance, Platt & Co. v. McCormick Harvesting Mach. Co. (C. C.) 55 Fed. 288; Walker Pat. § 400. The plaintiff contends that the defendant, having granted the license to him for a valuable consideration, is estopped from denying that the patent is valid, and we are of opinion that he is right in this. In a case recently decided by this court, it was held that the patentee, after having transferred his interest in the patent, was precluded from denying the validity thereof to the same extent, and to the same extent only, that a third person would be, subject to the limitation, however, that he could not allege the total invalidity of the patent; the result being that he is still left at liberty to show that, assuming the patent to be valid, it is nevertheless subject to the limitations imposed thereon by the prior art. Subject, therefore, to the limita-

tion just mentioned, its scope is to be tested by the principles which are generally applicable. Noonan v. Athletic Club Co., 39 C. C. A. 426, 99 Fed. 90, and see Manufacturing Co. v. Scharling (C. C.) 100 Fed. 87. Adopting these premises, we will proceed to ascertain what are the limitations of the patent alleged to be infringed, and, having ascertained these, will then proceed to the inquiry whether the defendant's manufactures infringe the patent, the scope of which shall have been ascertained. * * *

770. SOLOMONS v. UNITED STATES, 137 U. S. 342, 34 L. ed. 667 (1890).* * *

Justice Brewer, after stating the facts as above, delivered the opinion of the court.

The case presented by the foregoing facts is one not free from difficulties. The government has used the invention of Mr. Clark, and has profited by such use. It was an invention of value. The claimant and appellant is the owner of such patent, and has never consented to its use by the government. From these facts, standing alone, an obligation on the part of the government to pay naturally arises. The government has no more power to appropriate a man's property invested in a patent than it has to take his property invested in real estate; nor does the mere fact that an inventor is, at the time of his invention, in the employ of the government transfer to it any title to or interest therein. An employe, performing all the duties assigned to him in his department of service, may exercise his inventive faculties in any direction he chooses, with the assurance that whatever invention he may thus conceive and perfect is his individual property. There is no difference between the government and any other employer in this respect. But this general rule is subject to these limitations: If one is employed to devise or perfect an instrument, or a means for accomplishing a prescribed result, he can not, after successfully accomplishing the work for which he was employed, plead title thereto as against his employer. That which he has been employed and paid to accomplish becomes, when accomplished, the property of his employer. Whatever rights as an individual he may have had in and to his inventive powers, and that which they are able to accomplish, he has sold in advance to his employer. So, also, when one is in the employ of another in a certain line of work, and devises an improved method or instrument for doing that work, and uses the property of his employer and the services of other employes to develop and put in practicable form his invention, and explicitly assents to the use by his employer of such invention, a jury, or a court, trying the facts, is warranted in finding that he has so far recognized the obligations of service flowing from his employment

and the benefits resulting from his use of the property, and the assistance of the co-employes, of his employer, as to have given to such employer an irrevocable license to use such invention. The case of McClurg v. Kingsland, 1 How. 202, is in point. In that case was presented the question as to the right of defendants to use an invention made and patented by one Harley. The facts as stated, and the rulings of the court, are these: "That Harley was employed by the defendants at their foundry in Pittsburgh, receiving wages from them by the week. While so employed, he claimed to have invented the improvement patented, and, after several unsuccessful experiments, made a successful one in October, 1834. The experiments were made in the defendant's foundry, and wholly at their expense, while Harley was receiving his wages, which were increased on account of the useful result. Harley continued in their employment on wages until January or February, 1835, during all which time he made rollers for them. He often spoke about procuring a patent, and prepared more than one set of papers for the purpose; made his application, the 17th of February, 1835, for a patent. It was granted on the 3d of March, and assigned to the plaintiffs on the 16th of March, pursuant to an agreement made in January. While Harley continued in the defendants' employment, he proposed that they should take out a patent, and purchase his right, which they declined. He made no demand on them for any compensation for using his improvement, nor gave them any notice not to use it, till, on some misunderstanding on another subject, he gave them such notice, about the time of his leaving their foundry, and after making the agreement with the plaintiffs, who owned a foundry in Pittsburgh, for an assignment to them of his right. The defendants continuing to make rollers on Harley's plan, the present action was brought in October, 1835, without any previous notice by them. The court left it to the jury to decide what the facts of the case were, but, if they were as testified, charged that they would fully justify the presumption of license, a special privilege, or grant to the defendants to use the invention; and the facts amounted to 'a consent and allowance of such use,' and show such a consideration as would support an express license or grant, or call for the presumption of one to meet the justice of the case, by exempting them from liability, having equal effect with a license, and giving the defendants a right to the continued use of the invention." On review in this court, the rulings of the trial court were sustained. That case is decisive of this. Clark was in the employ of the government when he made this invention. His experiments were wholly at the expense of the government. He was consulted as to the proper stamp to be used, and it was adopted on his recommendation. He notified the gov-

ernment that he would make no charge if it adopted his recommendation, and used his stamp; and for the express reason that he was in the government employ, and had used the government machinery in perfecting his stamp. He never pretended, personally, to make any charge against the government. Indeed, there is but one difference between that case and this. In that Harley's wages were increased on account of his invention; in this, Clark's were not; but such difference does not seem vital. We think, therefore, the rulings of the court of claims were correct, and its judgment is affirmed.

* * *

771. JAMES v. CAMPBELL, 104 U. S. 356, 26 L. ed. 786.

Mr. Justice Bradley delivered the opinion of the court: * * *

That the Government of the United States when it grants letters patent for a new invention or discovery in the arts, confers upon the patentee an exclusive property in the patented invention which cannot be appropriated or used by the Government itself, without just compensation, any more than it can appropriate or use without compensation land which has been patented to a private purchaser, we have no doubt. * * *

Many inventions relate to subjects which can only be properly used by the Government, such as explosive shells, rams and submarine batteries to be attached to armed vessels. If it could use such inventions without compensation, the inventors could get no return at all for their discoveries and experiments. It has been the general practice, when inventions have been made which are desirable for government use, either for the government to purchase them from the inventors, and use them as secrets of the proper department; or, if a patent is granted, to pay the patentee a fair compensation for their use. The United States has no such perogative as that which is claimed by the sovereigns of England, by which it can reserve to itself, either expressly or by implication, a superior dominion and use in that which it grants by letters patent to those who entitle themselves to such grants. The Government of the United States, as well as the citizen, is subject to the Constitution; and when it grants a patent, the grantee is entitled to it as a matter of right, and does not receive it, as was originally supposed to be the case in England, as a matter of grace and favor.

But the mode of obtaining compensation from the United States for the use of an invention, where such use has not been by the consent of the patentee, has never been specifically provided for by any statute. The most proper form for such a claim is the Court of Claims, if that court has the requisite jurisdiction.

* * *

[The Act 36 Stat. L 851, has conferred this jurisdiction, with however, restrictions, upon Government employeés, etc. It reads as follows:

That whenever an invention described in and covered by a patent of the United States shall hereafter be used by the United States without license of the owner thereof or lawful right to use the same, such owner may recover reasonable compensation for such use by suit in the Court of Claims: *Provided,* however, that said Court of Claims shall not entertain a suit or reward compensation under the provisions of this Act where the claim for compensation is based on the use by the United States of any article heretofore owned, leased, used by, or in the possession of the United States; *Provided, further,* that in any such suit the United States may avail itself of any and all defenses, general or special, which might be pleaded by a defendant in an action for infringement, as set forth in Title Sixty of the Revised Statutes, or otherwise. And provided, further, that the benefits of this Act shall not inure to any patentee, who, when he makes such claim is in the employment or service of the Government of the United States; or the assignee of any such patentee; nor shall this Act apply to any device discovered or invented by such employeé during the time of his employment or service.]

But as the conclusion which we have reached in this case does not render it necessary to decide this question, we reserve our judgment upon it for a more fitting occasion. * * *

772. LANE & BODLEY CO. v. LOCKE, 150 U. S. 193, 37 L. ed. 1049 (1893).* * *

Mr. Justice Shiras delivered the opinion of the court.

On November 26, 1884, Joseph M. Locke, this defendant in error, filed a bill in the circuit court of the United States for the southern district of Ohio, alleging infringement by the Lane & Bodley Company, a corporation of the state of Ohio, of letters-patent No. 173,653, dated February 15, 1876, for an improvement in stop valves, issued to said Locke as inventor. The bill contained the usual allegations, and prayed for an injunction and other relief. * * *

The answer also contained a history of the original development of the alleged invention by Locke while in the employment of the firm of Lane & Bodley, and averred a continuous use and sale by defendant of the alleged devices, with the knowledge and consent of said Locke, in such circumstances as to show the acquisition by Lane & Bodley of an indefeasible license to use the patented devices. By an amendment to the answer, filed on February 12, 1886, there was set up, as an additional defense, an equitable right in the patent, based upon a written agreement

signed by said Locke. The answer also averred that said license and right had become vested in the corporation defendant. The case, having been put at issue, was proceeded in so that the circuit court found in favor of the complainant, and, after reference to and report by a master, rendered a final decree against the defendant for the sum of $3,667.37, with interest and costs.

The record shows us that the court below held that the patent to Locke had not been anticipated, but was valid in all its claims; that the defendant's answer, in respect to its allegations as to Lane & Bodley's right to a license or to an interest in the patent, was not sustained by the evidence; and that, even if Lane & Bodley had such a right, it had not passed to the defendant corporation, under the doctrine of the case of Hapgood v. Hewitt, 119 U. S. 226, 7 Sup. Ct. 193.

Although the defendant has assigned error to the holdings of the court below in these several particulars, we are relieved from considering the contentions as to the validity of the patent or its anticipation by other patents by the election of the counsel for the plaintiff in error to confine his case to the effect of the pleadings and evidence as establishing an equitable right or license in the defendant company to use the patented invention.

If the court below were right in thinking that the case of Hapgood v. Hewitt, 119 U. S. 226, 7 Sup. Ct. 193, was applicable, under the facts of the present case, any further inquiry on our part would be unnecessary.

In that case a corporation employed Hewitt as superintendent, who, while in such employ, invented a plow, upon which a patent was granted to him. Having acquired a license growing out of the circumstances of the employment, the corporation was afterwards dissolved, and all its assets passed into the hands of a receiver in liquidation. Subsequently, and under the laws of another state, a new corporation was formed, to which the receiver of the old corporation assigned certain assets, among which, as was claimed, was the aforesaid license. This court held that whatever right the employer had to the invention by the terms of Hewitt's contract of employment was a naked license to make and sell the patented improvement as a part of its business, which right, if it existed, was a merely personal one, and not transferable, and was extinguished with the dissolution of the corporation. This ruling was based on two previous decisions—Nail Factory v. Corning, 14 How. 193, and Oliver v. Chemical Works, 109 U. S. 75, 3 Sup. Ct. 61. In both these cases there were formal assignments, without having words or clauses in them showing that they were meant to be assignable; and the holding of the court was that the contracts themselves were merely personal licenses, and did not import an intent to extend

the right to an executor, administrator, or assignee, voluntary or involuntary.

We see no reason to disturb those cases; yet we do not feel compelled to extend their ruling to cover the present case.

It may well be that an express license, set forth in terms, is not assignable unless it is so provided in the instrument. And so there would seem to be no privity, in law or in equity, between a defunct corporation of Missouri and a corporation of the state of Illinois. In none of those cases was there evidence showing a recognition, implied or express, by the patentee of any right in the assignee.

In Hammond v. Organ Co., 92 U. S. 724, it was held that the nonassignability of a license may be waived if the patentee ratifies the transfer of the license, by otherwise treating the assignee as the licensee was entitled to be treated.

In Lightner v. Railroad Co., 1 Low. Dec. 338, it was held that a license, though not usually transferable, is transmissible by succession to a corporation formed by the union of two licensees succeeding to the obligations of both, for the reason that the consolidated company is the successor, rather than the assignee, of the original companies.

In the present case it clearly appears that the company was organized upon the same basis as the firm; that the business of the company was to be the same as that carried on by Lane & Bodley, and to be carried on on the same premises; that the entire property and assets of the firm and its liabilities and obligations were devolved upon the company. Locke himself, in his evidence, repeatedly speaks of the Lane & Bodley Company as the successor to the firm.

And if the defendant's version of the facts is accepted, the acts and circumstances constituting the license and its consideration were begun by the firm of Lane & Bodley, and continued by the corporation, participated in and ratified by Locke himself, to the date of the suit.

Of course, in testing the position of the court below, that, even if the alleged agreement that the firm of Lane & Bodley should have an interest in the patent, or the facts out of which a license to use would arise, were proven, the plaintiff would nevertheless have no right to recover against the Lane & Bodley Company, we pronounce a legal conclusion on the facts asserted and put in evidence by the defendant.

If, then, the allegations of the defendant in this case are accepted as true, we do not regard the case of Hapgood v. Hewitt as an obstacle to the defense asserted.

We do not consider it necessary to enter minutely into the history of the case, nor does our view compel us to ascribe to

either of the parties or their witnesses any intentional departure from the truth. We prefer to put our decision upon facts which, if not conceded, appear to have been clearly established.

The firm of Lane & Bodley were manufacturers of engines and machinery at Cincinnati in 1871. In that year they began to manufacture hydraulic elevators, and on November 21st they employed Joseph M. Locke, as designing engineer and draughtsman, to assist them in the development and construction of elevators and other machinery, at a salary of $1,200 per year. He continued in the employment of the firm of Cincinnati until some time in 1874, when he went to Salt Lake City, where he remained, with frequent visits to Cincinnati, until the latter part of 1884. During this period he was more or less continuously in the employ of Lane & Bodley, and of the Lane & Bodley Company, a corporation formed in 1876, to carry on the same business and in the same interests, as consulting engineer, on a salary of $2,000 per annum, with a contribution of $20 per month for office rent.

While in the employ of Lane & Bodley, at Cincinnati, Locke made many efforts to devise a stop valve to be used in the elevators. That he was experimenting in this direction was well known to his employers.

The testimony of Lane and of Locke, while contradictory as to the extent in which Lane contributed to the perfection of the invention, clearly shows that many futile attempts were made in the workshop of Lane & Bodley, involving the use of their tools and patterns, before finally—some time in 1872—the valve that was subsequently patented was produced, and it went immediately into use by Lane & Bodley, and was used by them and the Lane & Bodley Company continuously, with the knowledge of Locke, from that time till the bill was filed in November, 1884.

In February, 1874, Locke left the works of Lane & Bodley, and on May 27, 1874, he made application for the patent. It does not appear that Lane & Bodley knew of this application till the letters-patent were granted, February 15, 1876. While Locke was living in Salt Lake City, and in the receipt of a salary from the Lane & Bodley Company—as he himself admits, at least from 1880 to 1884—he placed an order for the company from the Horn Silver Smelting Company for a hydraulic hoister, containing the stop valve according to the Locke patent, and he was aware of several instances of elevators sent to that part of the country by the defendant, in which was used the patented valve. On August 30, 1884, Locke wrote a letter to the Lane & Bodley Company, severing his connection with them, and on November 26, 1884, filed his bill.

There was evidence on behalf of the defendant tending to show that an actual agreement had been entered into between Locke and Lane & Bodley, whereby the latter were to have an interest in any and all improvements in the line of their manufacture which might be made by Locke during the period of his employment by the firm, and a right on certain terms to have the exclusive ownership of such patents as should be issued for inventions so made; and the defendant set up such an agreement in an amendment to the answer.

But we agree with the court below in thinking that such agreement was not made out by the evidence; and, indeed, that view of the case has not been pressed in this court. The defense really relied upon is that of a license arising upon implied contract based upon the relation of the parties and the nature of the transactions.

In the case of McClurg v. Kingsland, 1 How. 202, the facts were very similar to those of the present case. Harley was employed by the defendants at their foundry, receiving wages from them by the week. While so employed, he claimed to have invented the improvement patented. After several unsuccessful experiments, he made a successful one in October, 1834. The experiments were made in the defendants' foundry, and at their expense. Harley continued in their employment on wages until February, 1835, during all which time he made rollers for the defendants, using his method. He often spoke of obtaining a patent, and finally, on the 3d of March, obtained a patent. While Harley continued in the defendants' employment he proposed that they should purchase his right, which they declined. He made no demand on them, and gave them no notice not to use his improvement, till, on some misunderstanding on another subject, he gave them such notice, left their employment, and assigned his patent to the plaintiffs, who brought an action for infringement against the defendants.

The trial judge instructed the jury that if the foregoing facts were found to be true they would fully justify the presumption of a license, a special privilege, or grant to the defendants to use the invention; that such facts amounted to "a consent and allowance of such use;" and show such a consideration as would support an express license or grant, or call for the presumption of one, to meet the justice of the case, by exempting them from liability; having equal effect with a license, and giving the defendants a right to the continued use of the invention.

These instructions received the approval of this court, and the judgment of the circuit court was affirmed.

In Solomons v. U. S., 137 U. S. 342, 11 Sup. Ct. 88, this subject again came before this court for its consideration, and it was

held that "when a person in the employ of another in a certain line of work devises an improved method or instrument for doing that work, and uses the property of his employer and the service of other employes to develop and put in practicable form his invention, and explicitly assents to the use by the employer of such invention, a jury or a court trying the facts is warranted in finding that he has so far recognized the obligations of service flowing from his employment and the benefits resulting from his use of the property as to have given to such employer an irrevocable license to use such invention," and the case of McClurg v. Kingsland was affirmed and applied.

The facts of the present case fairly bring it within the doctrine of these cases. There is, however, another feature in this case, not present in the cited cases, which is of great significance, and that is the long period that the plaintiff permitted to elapse before he resorted to his legal remedy. The invention, as we have seen, was perfected in 1872, and was immediately and from that time continuously used by Lane & Bodley and by the Lane & Bodley Company. The suit was brought on November 26, 1884, a period of 12 years. In the interim the plaintiff continued, for most of the time, in the defendants' employment, and admits that he knew that Lane & Bodley and the Lane & Bodley Company were using the patented valve. He does, indeed, claim that in 1875 and 1876 he had conversations with Lane, in which he demanded an arrangement or settlement for the use of his invention, but he admits that in 1876 Lane repelled him, and refused to talk upon the subject. According to Locke's own account, he dropped the matter, and continued to acquiesce in defendants' use of his patent, and to receive a salary from them for a period of several years.

When asked to account for his conduct in this respect, his explanation was that he felt convinced that any demand he might make would have been rejected, and thus his friendly relations with the defendants be disturbed.

On cross-examination the following question was put to him: "Did you in any of your letters to Lane & Bodley refer to the matter of the valve, and ask for any recognition or adjustment of your claim?" To this his answer was: "I did not, for the reason that I had the impression in my mind, from the interview with Colonel Lane at Philadelphia, that Lane & Bodley were not inclined to fulfill promptly the verbal understanding of the preceding year, or, at least, would attempt to open negotiations for more favorable terms; and I did not deem it prudent to open up the matter until I was in a position as for time and means to carry forward claims to my right, which conditions I was in hope

would occur from time to time, but such conditions, in my judgment, were not realized at an earlier date than 1884."

Again, the following question was put to him by his own counsel: "You have been asked substantially why you continued your amicable relations with the company from the west after this evasion of Col. Lane in Philadelphia in 1876. It was also pointed out that you had not mentioned the matter to them from there. Please explain why this was so." His answer was: "I did not regard it as either right or prudent to have other than amicable relations with them so long as they had not actually refused to comply with the agreement of April, 1875. I did not write to them so as to bring up the issue, as I had neither the time nor the means at my command to enforce my rights in case of the refusal to comply with their agreement at that time."

The existence of any agreement in 1875 was strenuously denied by Col. Lane; but, conceding the plaintiff's version of the disputed facts to be true, he yet permitted eight years more to elapse before he made a hostile move. The "amicable relations" he desired to have continued were evidently those out of which he was receiving a salary of $2,000 per annum—a sum larger than he would have been entitled to if he had been in receipt of a royalty.

Courts of equity, it has often been said, will not assist one who has slept upon his rights, and shows no excuse for his laches in asserting them. The plaintiff's excuse in this instance, that he preferred for prudential reasons to receive a salary from the defendant rather than to demand a royalty, is entitled to a less favorable consideration by a court of equity than if his conduct had been that of mere inaction.

We are therefore of opinion that the decree of the court below should be reversed, and the record remanded to that court, with directions to dismiss the bill of complaint, and it is so ordered.

Note.—Compare Pressed Steel Car Co. v. Hansen (C. C. A.) 137 Fed. 403 (Third Circuit, 1905), holding that in the absence of express contract or agreement therefor, the relation of employer and employe, under whatever circumstances, at least short of a specific employment to make an invention, does not vest the employer with the entire property right in an invention of the employe and to the patent monopoly, or with anything more than the "shop-right," or an irrevocable license to use the invention. Discussing Gill v. U. S., Hapgood v. Hewitt, and others. [See also Part XIV.]

773. HEATON-PENINSULAR BUTTON FASTENER COMPANY v. EUREKA SPECIALTY COMPANY, 78 O. G. 171, 77 Fed. 288, 25 C. C. A. 267, 35 L. R. A. 728 (1896, Sixth Circuit). * * *

Before Taft, Lurton, and Hammond, Judges.

After the foregoing statement the opinion of the court was delivered by Lurton, Circuit Judge.

Staples in size and form adapted to use in such machines are unpatented articles and not even an element in a combination claim. They are therefore no more within the direct monopoly of the patents than are the buttons to be affixed by means of the staples or the shoe to which both are to be attached. This conceded fact furnishes the foundation for the principal objection to the bill presented by the demurrer. It has been very earnestly and ably argued by counsel for appellees that the restrictions on use imposed by the complainant operate to create a monopoly in an unpatented article and are therefore void as contrary to public policy, or, if valid as purely legal contracts, are so unconscionable as not to entitle complainant to equitable remedies for their enforcement. This view seemed to meet with the approbation of the learned judge who heard the case below, who in his opinion said that he—

"was persuaded that the patentee's privilege has its limits in the rights and interests of the public, and that it is an abuse of his privilege to so shape his dealings with his patent as to secure a monopoly upon an unpatented article."

This presents a question somewhat novel and of wide general interest. The restriction imposed by the Peninsular Novelty Company, the assignors under whom complainant holds, inscribed upon a metal label affixed to each machine and was in these words:

Condition of Sale.

"This machine is sold and purchased to use only with fasteners made by the Peninsular Novelty Company, to whom the title to said machine immediately reverts upon violation of this contract of sale."

The bill further charges that the complainant corporation has succeeded to all the patents, property rights, titles, contracts, and contract rights of the Peninsular Novelty Company and has continued the manufacture and sale of button-fastener machines under conditions and restrictions identical in terms and notoriety with the methods pursued by the predecessor company.

If we for the present assume the legality of the conditions and restrictions imposed upon the purchasers of such machines, it is highly important to an orderly disposition of other questions that we shall at the outset determine whether the purchasers of the machines made and sold under complainant's patents are

guilty of any infringement of the monopoly of the patents by using with such machines fasteners or staples not made by the patentee. Undoubtedly the general rule is that if a patentee make a structure embodying his invention and unconditionally make a sale of it the buyer acquires the right to use the machine without restrictions, and when such machine is lawfully made and unconditionally sold no restriction upon its use will be implied in favor of the patentee. By such unconditional sale the machine passes without the limit of the monopoly. (Adams v. Burke, 33 O. G. 114, 17 Wall. 453-457; Mitchell v. Hawley, 3 O. G, 241, 16 Wall. 544-546-547.)

That the complainant has attempted to state a case not within this rule is very obvious, for it charges that every sale has been under an express restriction as to the use of the invention embodied in the machine.

In view of the conspicuous character of both the machine and the notice permanently affixed thereon every one buying must be conclusively presumed to have notice that the owners of the patents intended by the inscription on the machine to grant only a restricted license for its use, and it is difficult to see why such purchaser is not to be regarded as acquiring and accepting the structure subject to this restriction. The buyer of the machine undoubtedly obtains the title to the materials embodying the invention, subject to a reverter in case of violation of the conditions of the sale; but as to the right to use the invention he is obviously a mere licensee, having no interest in the monopoly granted by the letters-patent. A license operates only as a waiver of the monopoly as to the licensee—

"and estops the licensor from exercising its prohibitory powers in derogation of the privileges conferred by him upon the licensee. (Rob. on Pats., §§ 806-808.)"

It has been said that the sole matter conveyed in a license is the right not to be sued. (Hawks v. Swett, 4 Hun 146.)

A licensee is one who is not the owner of an interest in the patent, but who has by contract acquired a right to make, or use, or sell machines embodying the invention. (Gaylor v. Wilder, 10 How. 477; Oliver v. Rumford Chem. Works, 25 O. G. 784, 109 U. S. 75; Rob. on Pats., §§ 606, 607, 608.)

All alienations of a mere right to use the invention operate only as licenses. It must follow, therefore, that the purchaser of one of complainant's machines subject to a restricted use takes the structure with a license to use the invention only with staples made by the patentee. That the complainant sells the machine through jobbers and not directly to those who buy for use is immaterial under the facts stated on the face of the bill. The jobber buys and sells subject to the restriction, and both have notice of

the conditional character of the sale and of the restriction on the use. (American Cotton-Tie Co. v. Bullard, 17 O. G., 379, 17 Blatchf., 160; American Cotton-Tie Co. v. Simmons, 22 O. G., 1976, 106 U. S., 89.)

That the buyer enters into an implied agreement that he will not use the machine contrary to the terms of his license and that there is in the agreement a provision for a reverter of the title to the structure may operate to give the patentee a remedy under general principles of law, as for damages for a breach of contract or for recovery of the machine. It may be that a suit for a breach of contract would not be a suit depending on the patent laws, and would, therefore, be cognizable by the State courts, as intimated in Hartell v. Tilghman, 99 U. S., 547, and White v. Rankin, 59 O. G., 1606, 144 U. S., 628. The remedy of complainant may be a double one, for liability may rest either upon the broken contract or for the tortious use of the invention. (Rob. on Pats., §§ 1225-1250, and notes.)

If a patentee may lawfully make and sell machines embodying his invention and restrict the use of the invention in respect of territory, or time, or business, or purposes to which it may be put, or material to be used in conjunction therewith, it would seem very obvious that the effect of the restrictions and limitations on the use would operate to prevent the machine from passing, as in the case of an unconditional sale, beyond the monopoly of the patent. The control reserved by the patentee as to the use of the machine has the effect of continuing it within the prohibition of the monopoly. The license defines the boundaries of a lawful use and estops the licensor from the assertion of his monopoly contrary to its terms. On the other hand, a use prohibited by the license is a use in defiance of the monopoly reserved by the patentee and necessarily an unlawful invasion of the rights secured to him by his patent. The license would be no defense to a suit for infringement by a use in excess of its terms. The patentee has the exclusive right of use, except in so far as he has parted with it by his license. The essence of the monopoly conferred by the grant of Letters Patent is the exclusive right to use the invention or discovery described in the patent. This exclusive right of use is a true and absolute monopoly, and is granted in derogation of the common right, and this right to monopolize the use of the invention or discovery is the substantial property right conferred by law and which the public is under obligation to respect and protect.

"The right to make and use, or sell, are completely severable rights and involves the right to confer on others such qualified privilege, whether of making, of selling to others, or of using, as he sees fit, whether within specified limits, or under limitations

of quantity, or numbers, or restricted use. (Dorsey Rake Co. v. Bradley Mfg. Co., 12 Blatchf., 202.)

In Adams v. Burke, 33 O. G., 114, 17 Wall., 453-456, the Court said:

"The right to manufacture, the right to sell, and the right to use, are such subsstantive rights, and may be granted separately or conferred together by the patentee."

If, then, the patentee has the exclusive right to the use of his invention or discovery during the term of his patent, it would seem to follow that any use by another, unauthorized by the patentee, would be an infringement of his monopoly. If, therefore, he can find a purchaser for a machine subject only to certain specified uses, any violation of the privilege granted would be an infringement for which the remedies granted patentees would be appropriate. These conclusions find support in many cases. A few only need be cited.

In Rubber Company v. Goodyear, 9 Wall., 788-790, the defense to a suit for infringement was a license which authorized the licensee—

"to use the said Goodyear's gum-elastic composition for coating cloth for the purpose of japanning, marbling, and variegate-japanning at his own establishment, but not to be disposed of to others, * * * and not being intended to convey any right to make any contract with the government of the United States."

The licensee was held guilty of infringement by allowing it to be used at an establishment occupied by himself and others and also by using it for articles manufactured for the United States under a contract with the Quartermaster-General.

In Burr v. Duryee, a case decided by Justice Grier on circuit, and reported as No. 2,190, Federal Cases, the license was to use two machines "in the city of Newark, and there only," and "by one manufacturing concern"—

"to be used only for hats manufactured by them and not in manufacturing hat-bodies for any other persons or for sale in an unfinished state."

Any use beyond the license was held to be infringement.

The license in Pope Manufacturing Company v. Owsley, 33 O. G., 781, 27 Fed. 100-104, was to use certain patents pertaining to improvements in bicycles. Judge Blodgett, in passing upon the scope and effect of the license, said:

"The licenses do not, any of them, purport to give the defendants an unlimited use of any of the patents, but only a restricted right to make machines of certain sizes and descriptions; so that when defendants made machines not in conformity to the licenses, they violated, not only their express cove-

nant not to do so, but also the complainant's patents or some of them covering such machines."

In Steam Cutter Company v. Shelden, 5 Fish., 477-487, the license was to use one machine—

"in their quarries at West Rutland, and in no other place or places."

The licensee permitted the use of the machine in another quarry by a third person. Judge Woodruff said:

"In that infringement of the rights of the complainants, the defendants find no defense in the agreement. They are, with the Rutland Marble Company, joint infringers."

See also the very satisfactory text of Robinson on Patents, sections 812-815 and 1250, and the notes citing many other cases.

This brings us to consider the objections urged against the rather novel restrictions contained in the licenses granted by complainant.

The very able counsel for appellees have urged very forcibly an argument based upon principles of public policy in respect of monopolies and contracts in restraint of trade and have contended that public policy forbids a patentee from so contracting with reference to his monopoly as to create another monopoly in an unpatented article. We are not at all prepared to say that there are no limitations upon a patentee's power of contract with reference to the use of his invention by others. The property right of a patentee is, after all, but a property right, and subject, as is all other property, to the general law of the land.

We may also concede that contracts respecting the use of inventions and discoveries are, like all other contracts, subject to the limitations imposed by definite principles of public policy. The cases of Missouri v. Bell Telephone Co., 23 Fed. 539, and State ex rel. v. Delaware and Atlantic Tel. and Telephone Co., 47 Fed. 633, and 50 Fed. 677, afford illustrations of a limitation founded on principles of public policy upon the licenses granted by patentees. They arose under licenses granted by the owners of patents essential to the operation of telephone lines. The patentees had licensed telephone companies to use their patents for the purpose of operating public telephone lines within a given district, but prohibited such companies from serving, within such district, any telegraph company. The court in each of the cases cited by mandamus compelled the extension of service to any one within the district demanding connection and paying established charges. These decisions were rested upon the very solid ground that a public telephone company was a "common carrier," and as such subject to the regulations imposed on all corporations of a quasi-public character, among which was the

duty of dealing equally with all and discriminating against none tendering equal pay for equal service.

The conclusion to be drawn from these Telephone Cases is this: That when a patentee authorizes the use of his invention by one charged with public duties and subject to regulation by law it is not competent by a restriction on the use to deprive the licensee of the power of rendering an equal service to all who apply and tender the compensation fixed by law or regulation for the same service to others. The patentees were under no obligation to license the use of their inventions by any public telephone company. Having done so, however, they were not at liberty to place restraint upon such a public corporation which would disable it from the discharge of all the duties imposed upon companies engaged in the discharge of duties subject to regulation by law.

It could not be a public telephone company and could not exercise the franchise of a common carrier of messages with such exceptions in the grant. The exception being repugnant to the grant was void, and the right acquired under the grant were enforced against the grantor without regard to the exception or condition.

Neither the patentee, nor the machine involving his invention, nor a license for use can be exempted from the liabilities and regulations which in the public interest attach to all persons and property under the general law of the land. Neither is the right to make and sell or use a patented invention or process free from the restraints imposed by the police power of the States. This is illustrated by the case of Patterson v. Kentucky, 97 U. S., 501, where the appellant had been convicted of selling an improved burning-oil, of which he was the inventor, and which had been condemned by the State inspector as unsafe, but which the appellant claimed a right to sell by reason of the monopoly of his patent. The Supreme Court, through Mr. Justice Harlan, in reply to this contention, said:

"The right which the patentee or his assignee possesses in the property created by the application of a patented discovery must be enjoyed subject to the complete and salutary powers, with which the States have never parted, of so defining and regulating the sale and use of property within their respective limits as to afford protection to the many against the injurious conduct of the few."

On substantially the same ground it was decided in Vannini v. Paine, 1 Har. Del. 65, that the patentee of a mode of drawing lotteries and engaged in the business of drawing lotteries in the State of Delaware was not protected by his patent from prosecution under the law of Delaware making the drawing of a lottery

a criminal offense. In other words, a prohibited business is not protected by the patent laws of the United States because it is conducted through instrumentalities the subject of patent-rights.

The case at bar presents no question affected by the principles underlying either of the class of cases we have cited. What we are asked to do is to mark another boundary-line around the patentee's monopoly which will debar him from engrossing the market for an article not the subject of a patent. To do this, we are asked to say that he can not license others to use his invention on condition that they shall use it only in conjunction with a non-patentable article made by himself. The only reason suggested for this limitation upon his right to define the terms upon which others may use his invention is that a monopoly in the unpatented article may thereby be created. Upon what authority are we to circumscribe the exercise of the privileges awarded a patentee? In considering any question in respect of restraints upon the liberty of contracting imposed by principles of public policy we should bear in mind that very high considerations of public policy are involved in the recognition of a wide liberty in the making of contracts. This caution was well expressed by Sir George Jessell in Printing Company v. Sampson, 19 Eq. 462-465, who said:

"It must not be forgotten that you are not to extend arbitrarily those rules which say that a given contract is against public policy, because if there is one thing which more than another public policy requires it is that men of full age and competent understanding shall have the utmost liberty of contracting, and that their contracts, when entered into freely and voluntarily, shall be held sacred and shall be enforced by courts of justice. Therefore you have this paramount public policy to consider, that you are not lightly to interfere with this freedom of contract."

Especially is this caution applicable when we sit in judgment upon the limitations which a patentee may put upon the use of his invention. If he see fit, he may reserve to himself the exclusive use of his invention or discovery. If he will neither use his device nor permit others to use it, he has but suppressed his own. That the grant is made upon the reasonable expectation that he will either put his invention to practical use or permit others to avail themselves of it upon reasonable terms is doubtless true. This expectation is based alone upon the supposition that the patentee's interest will induce him to use or let others use his invention. The public has retained no other security to enforce such expectations. A suppression can endure but for the life of the patent, and the disclosure he has made will enable all to enjoy the fruit of his genius. His title is

exclusive and so clearly within the constitutional provisions in respect of private property that he is neither bound to use his discovery himself nor permit others to use it. The dictum found in Hoe v. Knapp, 36 O. G. 1244, 27 Fed. 204, is not supported by reason or authority. (Wilson v. Rousseau et al., 4 How. 674; Pitts v. Wemple, 1 Biss. 93; Grant v. Raymond, 6 Pet. 218; U. S. v. Bell Telephone Co., 29 Fed. 17; Consolidated Roller Mill Co. v. Combs, 39 Fed. 805; Campbell Printing Press Co. v. Manhattan Railroad Company, 60 O. G. 894, 49 Fed. 935.)

If the patentee choose to reserve to himself the exclusive use of his device and the invention be of a wide character and so radical as to enable him to make and sell an unpatentable product cheaper than any other competitor, a practical monopoly of the market for that article will result, and yet no one could say that a monopoly thus secured was illegitimate or obnoxious to public policy. To illustrate, let it be supposed that the patents owned by this complainant were of so wide a character as to cheapen the process of manufacturing shoes and to drive from competition all other modes of manufacture. Then suppose the patentees were of opinion that they could most profitably enjoy their inventions by retaining the monopoly of the use and engaging in the manufacture of shoes. If content to undersell all others, they could engross the market for shoes to the extent of their capacity to supply the demand during the life of their patents, or so long as their invention was not superseded by subsequent inventions still further cheapening the cost of manufacture. The monopoly thus secured would be the legitimate consequence of the meritorious character of their invention, yet just such monopolies may result whenever a new and surprising advance is made in some art of wide and general use. The great consuming public would be benefited rather than injured, for the monopoly could endure so long only as shoes were supplied at a less price than had prevailed before the invention. Now, if the patentees, by retaining to themselves the exclusive use of their invention, are able, legitimately and lawfully, to acquire a monopoly of the manufacture of shoes and destroy the shoe market for those who before had shared it, why may they not by a system of restricted licenses permit others to use their devices on condition that only some minor part of the shoe—the pegs, the tips, the thread, or the buttons, or the button-fasteners—shall be bought from them? If these concessions were such as to enable others to compete, though their use of the mechanism was restricted by the terms of the license, who could justly complain if the inventors, content with a monopoly of the market for the article named in their license, surrendered the

opportunity for a monopoly of the manufacture of the complete shoe?

The device protected by the patents owned by complainant is of no such wide or radical character as that used for purposes of illustration, yet there is no appreciable difference in the legal principles applicable to the supposed facts used for illustration and those stated on the face of the complainant's bill. The fact which has affected the makers of wire staples for shoe-manufacturing is the invention of a machine which by its simplicity, superior capabilities, its cheapness and accuracy has practically driven all other methods of fastening buttons to shoes out of use. The older and clumsier methods on the allegations of the bill have been completely superseded. From this invention there results a large market for wire staples adapted in size and shape to use with the new mechanism, and a second consequence is the complete cessation of the demand for button-fasteners not adapted to be used with complainant's machine. To supply staples adapted to meet this new demand becomes a matter of moment to those engaged in the business of making wire button-fasteners.

The inventions covered by complainant's patents are not of such character as to enable them, by retaining the exclusive use, to absorb either the making of shoes or the minor work of fastening buttons to shoes. In the exercise of the right of exclusive use they have put on the market a structure embodying their devices and licensed the purchaser to use the invention "only with staples" made by themselves. In other words, they have chosen to fix the price for the right of use at the profit resulting from the sale of staples. As observed by counsel for complainant—

"the fasteners are thus made the counters by which the royalty proportioned to the actual use of the machine is determined."

This method of licensing their mechanism may or may not result in the engrossment of the market for staples. So long as their invention controls the market for button-fastening appliances and to the extent that their machines shall supersede other modes of clenching staples just so long will they be enabled to control the market for staples. Their monopoly in an unpatented article will depend upon the merit of their patented device and the extent to which other clenching devices are superseded by it. In the last analysis the invention destroyed the demand for sizes and shapes of staples not adapted to use with the machine of complainant, and the monopoly of the use awarded by the patents destroyed the market for staples fitted for use in complainant's machines. The monopoly in the unpatented staple results as an incident from the monopoly in the

use of complainant's invention and is therefore a legitimate result of the patentee's control over the use of his invention by others. Depending, as such a monopoly would, upon the merits of the invention to which it is a mere incident, it is neither obnoxious to public policy nor an illegal restraint of trade.

If we are right in the foregoing conclusions that the users of Peninsular machines who use therein the button-fasteners made and sold by the defendants thereby infringe the patents for inventions embodied in said machines, it would seem to follow that the defendants, who aid and abet such infringement by intentionally and maliciously persuading and inducing the licensees of such machines to exceed their licenses and by furnishing them with the means for such infringement, are themselves infringers and liable as tort-feasors.

The allegations of the bill in this regard are very full and emphatic. Beginning with the distinct averment that there is no market for fasteners adapted in size and shape for use in complainant's structure except in connection with those structures, it is then charged that defendants actively induced the users of such machines to infringe by persuading them that they may use defendants' fasteners with impunity, and that they, with the malicious purpose of causing them to violate their licenses, furnish them with the means necessary to that end. Thus through a concert of action between defendants and complainant's licensees the patents are infringed, and all engaged directly and intentionally become joint infringers. It is the knowledge that the staples made and sold by defendants are to be used for the purpose of infringing, coupled with the active intent that they shall be so used, which in a case like this constitutes contributory infringement. Under the circumstances alleged it is immaterial that defendants do not themselves use the Peninsular machines and equally immaterial that they are engaged in the business of making and selling an unpatentable article which is not even an element in a combination patent. The facts of this case may make an unusual mode of infringing, but the principle applicable is quite well established. If the licensees infringe, all who actively and intentionally aid and abet them in infringing are equally infringers. The intent characterizes the conduct of defendants and is essential to make a case against them.

The principle governing infringement of combination patents by furnishing a necessary element in the combination is applicable to the case at bar. To make or sell a single element may be quite an innocent act, for a combination is not infringed except by uniting all of the necessary elements, but—

"to make or sell a single element with the intent that it shall be united to the other elements and so complete the combination is infringements." (Rob. on Pats., § 924, and cases cited.)

Judge Shepley stated the rule quite clearly in Saxe v. Hammond, 7 O. G. 781, 1 Ban. & Ard. 629-632, when he said:

"Different parties may all infringe by respectively making or selling, each of them, one of the elements of a patented combination, provided those separate elements are made for the purpose and with the intent of their being combined by a party having no right to combine them. But the mere manufacture of a separate element of a patented combination, unless such manufacture be proved to have been conducted for the purpose and with the intent of aiding infringement, is not, in and of itself, infringement."

The case of Wallace v. Holmes, 1 O. G. 117, 9 Blatchf. 65, is a leading case illustrating the rule we deem here applicable. The complainants had a patent for an improved burner in combination with a chimney. The defendants made and sold the burners alone, leaving the purchaser to supply the chimney, without which the burner was useless. This was done for the express purpose and with the intent of making a profit through an infringement of the complainants' patent. The rule of law invoked by the defendants was this:

"That where a patent is for a combination merely, it is not infringed by one who uses one or more of the parts, but not all, to produce the same results either by themselves or by the aid of other devices."

To this the Court responded as follows:

"But I am not satisfied that this rule will protect the defendants. If, in actual concert with a third party, with the view to the actual production of the patented improvement in lamps, and the sale and use thereafter, they consented to manufacture the burner, and such other party to make the chimney, and in such concert they actually make and sell the burner, and he the chimney, each utterly useless without the other, and each intended to be used and actually sold to be used with the other, it can not be doubtful that they must be decreed to be joint infringers of the complainants' patent. It can not be that when a useful machine is patented as a combination of parts, two or more can engage in its construction and sale, and protect themselves by showing that, though united in an effort to produce the same machine, sell, and bring it into extensive use, each makes and sells one part only which is useless without the other, and still another person, in precise conformity with the purpose in view, puts them together for use. If it were so, such patents would indeed be of little value. In such cases all are tort-

feasors, engaged in a common purpose to infringe the patent, and actually, by their concerted action, producing that result. * * * Here the actual concert with others is a certain inference, from the nature of the case, and from the distinct efforts of the defendants to bring the burner in question into use, which can only be done by adding the chimney. The defendants have not, perhaps, made an actual prearrangement with any particular person to supply the chimney to be added to the burner, but every sale they make is a proposal to the purchaser to do this, and his purchase is a consent with the defendants that he will do or cause it to be done. The defendants are therefore active parties to the whole infringement, consenting and acting to that end, manufacturing and selling for that purpose."

There are many other cases in accord with those from which we have made extracts, a few of which are: (Holly v. Vergennes Machine Co., 9 Blatchf. 327; Travers v. Beyer, 26 Fed. 450; Willis v. McCollen, 38 O. G. 1017, 29 Fed. 641; Alabastine Co. v. Payne, 35 O. G. 1438, 27 Fed. 559; Celluloid Mfg. Co. v. Am. Zylonite Co., 40 O. G. 1453, 30 Fed. 437; Boyd v. Cherry, 50 Fed. 279; Am. Cotton-Tie Co. v. McCready, 17 O. G. 515, 4 Ban. & Ard. 588.)

Morgan Envelope Company v. Albany Perforated Wrapping Paper Company, 152 U. S. 425, has been much relied upon by the defendants. The claim of the patent involved was for a combination of a mechanism for the delivery of paper, to be delivered as used, with a paper-roll the subject of an independent patent. The infringement charged consisted—

"in selling oval rolls of paper of their own manufacture with fixtures manufactured and sold by the plaintiff, in combination with their paper, to persons other than the defendants, the fixtures having been obtained by the defendants from the original purchasers of the patented combination; and also by selling oval rolls of paper of defendants' own manufacture to persons who had previously purchased fixtures and paper from the plaintiffs, with the knowledge and intention that the paper so sold was to be used in connection with the plaintiffs' fixtures."

It also appeared that it had not been the practice of the plaintiffs to sell fixtures independently of its paper, and that they sold only to such parties as dealt in and used their paper.

"Purchasers were also required to buy a given quantity of paper to a given number of fixtures, to be sold only in connection with the paper, the rule being not to sell more than one fixture to one case of paper. The fixtures were also sold to hotels and other public buildings, with the understanding that their paper would be subsequently purchased of the plaintiff company."

The Court adds that—
"it appears to have been its invariable rule to refuse to sell its fixtures except to persons also ordering paper."

No question was made as to the novelty of the mechanism employed as a fixture for the delivery of paper as desired by the user. The independent patent on the paper roll was held void for want of patentable novelty. This left for decision the question as to whether the sale by defendants of old mechanisms made by complainant with paper made by defendants or the sale by defendants of paper made by themselves for use in fixtures bought from complainant was infringement. Upon the first point the Court, through Justice Brown, said:

"So far as fixtures sold by defendants, which had been originally manufactured and sold by the patentee to other parties are concerned, it is evident that by such original sale by the patentee, they passed out of the limits of the monopoly, and might be used or sold by any one who had purchased them from the original vendees. The patentee having once received his royalty upon such device, he cannot treat the subsequent seller or user as an infringer. (Bloomer v. McQuewan, 14 How. 539.) As was said by Mr. Justice Clifford in Chaffee v. Boston Belting Company, 22 How. 217-223: 'When the patented machine rightfully passes to the hands of the purchaser from the patentee, or from any other person authorized to convey it, the machine is no longer within the limits of the monopoly. * * * By a valid sale and purchase, the patented machine becomes the private individual property of the purchaser, and is no longer protected by the laws of the United States, but by the laws of the State in which it is situated.' (See also Bloomer v. Millinger, 1 Wall. 340; The Paper Bag Cases, 21 O. G. 1275, 105 U. S. 766, 771.) In this latter case one, Morgan, had purchased a machine for making paper bags of the patentee, and it was held that, having the absolute ownership of the machine, he had the right either to use it during the existence of the Letters Patent or to transfer such ownership and right to another. It was said that 'the power to sell the machine and transfer the accompanying right of use is an incident of unrestricted ownership.' (Birdsell v. Shaliol, 30 O. G. 261, 112 U. S. 485; Woodworth v. Curtis, 2 Woodb. & Min. 524; Goodyear v. Beverly Rubber Co., 1 Cliff 348.")

With respect to the second question the Court said:

"The real question in this case is, whether, conceding the combination of the oval roll with the fixtures to be a valid combination, the sale of one element of such combination, with the intent that it shall be used with the other element, is an infringement. We are of opinion that it is not. There are doubtless many

cases to the effect that the manufacture and sale of a single element of a combination, with intent that it shall be united to the other elements, and so complete the combination, is an infringement. (Saxe v. Hammond, 7 O. G. 781, 1 Holmes 456; Wallace v. Holmes, 1 O. G. 117, 9 Blatchf. 65; Barnes v. Straus, 2 O. G. 62, 9 Blatchf. 553; Schneider v. Poultney, 29 O. G. 84, 21 Fed Rep. 399.) But we think these cases have no application to one where the element made by the alleged infringer is an article of manufacture perishable in its nature, which it is the object of the mechanism to deliver, and which must be renewed periodically, whenever the device is put to use. Of course, if the product itself is the subject of a valid patent, it would be an infringement of that patent to purchase such product of another than the patentee; but if the product be unpatentable, it is giving to the patentee of the machine the benefit of a patent upon the product by requiring such product to be bought of him. To repeat an illustration already put: If a log were an element of a patentable mechanism for sawing such log, it would, upon the construction claimed by the plaintiff, require the purchaser of the sawing device to buy his logs of the patentee of the mechanism, or subject himself to a charge of infringement. This exhibits not only the impossibility of this construction of the patent, but the difficulty of treating the paper as an element of the combination at all. In this view of the distinction between repair and construction becomes of no value, since the renewal of the paper is in a proper sense neither the one nor the other."

It is true that Mr. Justice Brown in discussing the question involved in that case assumes that a combination of the machine for delivering the paper with the paper to be delivered was valid; but before he finishes the argument he shows that the assumption leads to an absurdity, and the decision in effect is that form of argument known as the reductio ad absurdum, establishing that his original assumption was not founded in reason.

The illustration of the result of such a combination shows that what the Court was deciding was that a combination of the machine with an unpatentable paper or material, to be operated upon by the machine was an impossibility and the sale of the machine involved and implied the right of use of the material with which it was to be combined, and this is shown by the case of Wilson v. Simpson, 9 How. 109, which is cited by Mr. Justice Brown as a case sustaining his conclusion. That case was a suit for infringement against the purchaser of a patent machine for planing wood, in which there were claims for the combination between the rest of the machine and certain knives necessary to its operation.

The alleged infringer had made or bought knives to replace the knives in the machine which had worn out and which it was shown must necessarily wear out and be renewed long before the main body of the machine would wear out. It is held that the conveyance of the machine itself with the knives in it implied the right on the part of the purchaser to renew or replace the knives necessary for the enjoyment and use of the whole machine during its natural life. Thus with respect to the paper-holder the Supreme Court in effect held that the sale of the paper-fastener with the paper in it contained the implication of a right to renew the right when that paper sold should be exhausted, and did not require the purchase of the paper from the original patentee, the paper itself not being patented. In the case at bar the purchaser expressly agreed by contract that his right to use the machine should not extend beyond its use with staple-fasteners furnished by the patentee, and this makes the broad distinction between the Morgan Envelope Company case and the case at bar.

The suggestion has been made that, although defendants may be guilty of infringement, complainant's remedy at law is adequate, and under the circumstances of the case equity ought not to accord to the patentees, the equitable relief of injunction. As to this aspect of the case, it would seem clear that if complainant has imposed a legal restriction upon the use of the inventions embodied in the structures made and sold by it that the remedy at law is wholly inadequate and relief by injunction should be awarded upon the case stated in the bill. As to this the court below seemed to entertain no serious doubt, for Judge Severens, in replying to the suggestion that, as defendants were not engaged in the use of complainant's machines and were only concerned—

"in selling to those who were so employed a non-patented article, an article constituting no part of the patented thing, were not, therefore, accountable to the complainant—"

said:

"I am not clear, however, that this distinction can be maintained upon the allegations of this bill, which are very broad and emphatic in asserting not merely that the defendants make and sell the staples, but that they actively persuade the users of the machine to violate the supposed rights secured to the complainant by the patent and the restriction in the sale of its machines. It would rather seem that if the complainant has such rights as it asserts, the defendants would upon such facts be tort-feasors, and that equity would restrain them in the circumstances alleged."

The bill discloses that more than forty-nine thousand machines are in use and charges a long-continued infringement and a purpose to continue therein. Under such circumstances it must be evident that, both upon the ground of avoiding a multiplicity of lawsuits and upon the general and apparent inadequacy of a suit at law for damages, either against the infringer who infringes by an unauthorized use or those who actively contribute to that infringement, a court of equity has jurisdiction. An action at law for the character of continuing trespass alleged by complainant would be grossly inadequate to protect the patents from invasion.

If the complainant has the right to reserve a control over the use in the manner stated in its bill, then its machines, to the extent it has reserved such control, are within the monopoly of the patents. If its licenses do not infringe public policy, but are within the privileges awarded by the patents, then it must follow that the case presented should be accorded relief by injunction restraining the acts complained of. A court of equity has the power, independently of any other relief, to restrain the continuing infringement of a patent. (American Cotton-Tie Co. v. McCready et al., No. 295, Fed. Cas.)

The decree must be reversed and the cause remanded, with directions to overrule the demurrers.

774. HENRY v. DICK, 224 U. S. 1, 32 Sup. Ct. 364, 56 L. ed. 645, 176 O. G. 751 (1912).

[Probably no case has occasioned more discussion at the bar, in the press, and before congressional committees than this case.

The opinion of the Court is presented with so much power of statement and illustration that it cannot be well condensed. To present it in full, however, would require between forty and fifty pages of this book. It has been printed in separate form as a senate document No. 429 of the sixty-second Congress, second session. It is believed, however, that a fair idea of the case may be given by an abstract.]

Mr. Justice Lurton delivered the opinion of the Court.

This cause comes to this Court upon a certificate under the sixth section of the Court of Appeals Act of March 31, 1891.

The facts and the questions certified, omitting the terms of the injunction awarded by the Circuit Court, are these:

"This action was brought by the complainant, an Illinois corporation, for the infringement of two Letters Patent, owned by the complainant, covering a stencil-duplicating machine known

as the 'Rotary Mimeograph.' The defendants are doing business as copartners in the city of New York. The complainants sold to one Christina B. Skou, of New York, a rotary mimeograph embodying the invention described and claimed in said patents under license which was attached to said machine, as follows:

LICENSE RESTRICTION.

"This machine is sold by the A. B. Dick Co. with the license restriction that it may be used only with the stencil paper, ink and other supplies made by A. B. Dick Company, Chicago, U. S. A.

"The defendant, Sidney Henry, sold to Miss Skou a can of ink suitable for use upon said mimeograph with knowledge of the said license agreement and with the expectation that it would be used in connection with said mimeograph. The ink sold to Miss Skou was not covered by the claims of said patent.

QUESTION CERTIFIED.

"Upon the facts above set forth the question concerning which this Court desires the instruction of the Supreme Court is:

"Did the acts of the defendants constitute contributory infringement of the complainant's patents?"

There could have been no contributory infringement by the defendants, unless the use of Miss Skou's machine with ink not made by the complainants would have been a direct infringement. It is not denied that she accepted the machine with notice of the conditions under which the patentee consented to its use. Nor is it denied that thereby she agreed not to use the machine otherwise. What defendants say is that this agreement was collateral, and that its validity depended upon principles of general law, and that if valid the only remedy is such as is afforded by general principles of law. Therefore, they say that the suit is not one arising under the patent law, and one not cognizable in a Federal Court, unless diversity of citizenship exists. * * *

"We are unable to assent to these suggestions. We do not prescribe the jurisdiction of courts, Federal or State, but only give effect to it as fixed by law. If a bill asserts a right under the patent law to sell a patented machine subject to restrictions as to its use, and alleges a use in violation of the restrictions as an infringement of the patent, it presents a question of the extent of the patentee's privilege, which, if determined one way, brings the prohibited use within the provisions of the patent law, or, if determined the other way, brings into operation only principles of general law. Obviously, a suit for infringement, which must turn upon the scope of the monopoly or privilege se-

cured to a patentee, presents a case arising under the patent law. The jurisdiction of the Circuit Court over such cases has for more than a century, been exclusive, by the express terms of the statute, although, for the most part, its jurisdiction over other kinds of suits arising under the Constitution and laws of the United States is only concurrent with that of the State courts."

[The Court, after meeting the suggestion that its decision would be an infraction of the authority of the State courts and an extension of the jurisdiction of the Federal courts, proceeds:]

"We come, then, to the question, whether a suit for infringement is here presented.

That the license agreement constitutes a contract not to use the machine in a prohibited manner, is plain. That defendants might be sued upon the broken contract, or for its enforcement or for the forfeiture of the license, is likewise plain. But if by the use of the machine in a prohibited way Miss Skou infringed the patent, then she is also liable to an action under the patent law for infringement. Now that is primarily what the bill alleged, and this suit is one brought to restrain the defendants as aiders and abettors to her proposed infringing use.

That the patentee may waive the tort and sue upon the broken contract, or in assumpsit, is elementary. (Rob. on Pats., secs. 1225, 1250, and notes; Steam Cutter Co. v. Sheldon, 15 Fed. 608; Pope Co. v. Owsley, 27 Fed. 100; Button Fastener Cases, 77 Fed. 288, 291; Wilson v. Sandford, 10 How. 99.) But if the patentee elect to waive the tort and sue upon the covenants or for a breach of contract, the suit would not be one dependent upon or arising out of the patent law, and a Federal court would have no jurisdiction unless diversity of citizenship existed. (Rob. on Pats., sec. 1250; Magic Ruffle Co. v. Elm City Co., 13 Blatchf. 151; Goodyear v. Union Rubber Co., 4 Blatchf. 63; Goodyear v. Congress Rubber Co., 3 Blatchf. 449.) This would be so although the damages for a breach would be measured by the loss resulting from the infringement. (Magic Ruffle Co. v. Elm City., 13 Blatchf. 151.) After such a recovery in assumpsit, no further damages for the infringement can be claimed. (Steam Cutter Co. v. Sheldon, 15 Fed. 608.)

The remedy which the complainant seeks may often determine whether the suit is one arising under the patent law and cognizable only in a court of the United States, or one upon a contract between the patentee and his assigns or licensees, and therefore, cognizable only in a State court, unless there be diversity of citizenship. Thus, a bill to enforce a contract concerning the title to a patent, or an interest therein, or to declare a forfeiture of an assignment of an interest in a patent, or even a

license to make, sell or use the patented thing, or an action to recover damages for a breach of a contract relating to a patent or a license thereunder, would not, because of the character of remedy or relief sought, be a suit cognizable in a United States court, although the facts stated might have justified a suit for infringement in a United States court, if the complainant had elected that remedy. To sustain the contention that a breach of the implied agreement not to use the machine in question except in a particular way might have supported a suit to forfeit the license, or an action for damages upon the broken contract, counsel have cited and commented at great length upon the cases of Wilson v. Sandford, 10 How. 99; Dale Tile Co. v. Hyatt, 125 U. S. 46; Albright v. Teas, 106 U. S. 613; Hartell v. Tilghman, 99 U. S. 547; Pratt v. Paris Light Co., 168 U. S. 255; Keeler v. Standard Folding Bed Co., 157 U. S. 659, and Bement v. National Harrow Co., 186 U. S. 70; but an examination of these cases will disclose that while in some of them a suit for infringement might have been brought, the complainants had in fact brought suits to set aside or enforce contracts relating to patents, or licenses under patents. They were, therefore, not "patent cases," but cases determinable upon principles of general law. In Excelsior Co. v. Pacific Bridge Co., 185 U. S. 282, Mr. Justice Brown reviews the cases and shows so plainly why they were not patent cases that we shall only refer to that opinion.

To support their contention that the only remedy for a violation of the license under which Miss Skou acquired her machine is one in the State courts, counsel quote a paragraph from the same opinion in these words:

"Now, it may be freely conceded that if the licensee had failed to observe any one of the three conditions of the license, the licensor would have been obliged to resort to the State courts, either to recover the royalties or to procure a revocation of the license. Such suit would not involve any question under the patent law."

But the three conditions of the license there referred to were: first, to pay royalties; second, that the transferee would not transfer or assign the license without consent of the licensor; third, that the failure to use the license in the manufacture of pipe should operate to revoke it. It is evident that the licensee would not have infringed the patent by either failing to pay royalties, by assigning the license, or by neglecting to use his privilege. The licensor would clearly have been compelled to rely wholly upon his contract, as such, in any suit for the violation of any of the conditions named.

The test of jurisdiction is this: Does the complainant—"set up some right, title, or interest under the patent laws of the United States, or make it appear that some right or privilege will be defeated by one construction, or sustained by another, of those laws? (Excelsior Co. v. Pacific Bridge Co., 185 U. S. 282; Pratt v. Paris Light Co., 168 U. S. 255, 259; White v. Rankin, 144 U. S. 628.)"

* * *

That a patentee may effectually restrict the time, place, or manner of using a patented machine so that a prohibited use will constitute an infringement of the patent is fully conceded. Thus, in the printed brief counsel for defendants say: "Aside from such special contracts, an agreement that the article shall be used only in a certain manner can be made only by way of lease of the article, terminating the lease upon condition broken or by way of conditional sale, by breach of which the title reverts to the seller." In either such case counsel say: "A use of the article in violation of the condition may terminate the lease or sale of the article (which) would become the property of the patentee again, and a use thereof by the lessee or purchaser may constitute a violation of the patent, for which an infringement may lie. * * * He can not make a sale with the condition attached that the article shall be used or disposed of in a certain manner, leaving the title, however, in the purchaser in case of a breach of the condition."

The books abound in cases upholding the right of a patentee owner of a machine to license another to use it subject to any qualification in respect of time, place, manner, or purpose of use which the licensee agrees to accept. Any use in excess of the license would obviously be an infringing use and the license would be no defense. (Robinson on Patents, secs. 915, 916, and notes.) This is so elementary we shall not stop to cite cases.

The contention is not that a patentee may not permit the use of a patented thing with such qualifications as he sees fit to impose, and that a prohibited use will be an infringing one, but that he can only keep the article within the control of the patent by retaining the title. To put the contention in another form—it is that any transfer of the patentee's property right in a patented machine carries with it the right to use the entire invention so long as the identity of the machine is preserved, irrespective of any restrictions placed by the patentee upon the use of the article and accepted by the buyer. It is said that by such a sale the patentee "disposes of all his rights under his patent, and thereby removes the article from the operation of the patent law." If he attempts to sell the machine for specified uses only and prohibit all others, the restriction is disposed of as con-

stituting a collateral agreement, such as any vendor of personal property might impose, and enforceable, if valid at all, only as a collateral contract.

The issue is a plain one. It it be sound, it concludes the case, and our response should be a negative one, since the violation of a mere collateral contract, which is not also an infringement of the patent, would not be a case arising under the patent law. But is it true that where a patentee sells his patented machine for a specific and limited use, he does not thereby reserve to himself, as patentee, the exclusive right to all unpermitted uses which may be made of his invention as embodied in the machine sold? Obviously, this is a question arising under the patent law. By a sale of a patented article subject to no conditions the purchaser undeniably acquires the right to use the article for all the purposes of the patent so long as it endures. He may use it where, when, and how he pleases, and may dispose of the same unlimited right to another. This has long been the settled doctrine of this and all patent courts. (Mitchell v. Hawley, 16 Wall. 544; Livingston v. Woodworth, 14 How. 546, 550; Adams v. Burke, 17 Wall. 453, 456; Folding Bed Cases, 157 U. S. 659, 666.) By such an unconditional sale of the thing patented it is said to be "no longer within the limits of the monopoly. It passes outsdie of it, and is no longer under the protection of the act of congress."

In the cases cited above, as well as in the leading case of Bloomer v. McQuewan, 14 How. 539, the statement that a purchaser of a patented machine has an unlimited right to use it for all the purposes of the invention, so long as the identity of the machine is preserved, was made of one who bought unconditionally—that is, subject to no specified limitation upon his right of use. The question of the effect of limitations upon the right of use arose, however, in Mitchell v. Hawley, and there we find the distinction was deemed material and the effect declared.

[The court then discusses at length Mitchell v. Hawley, 16 Wall. 544. After quoting from the decision distinguishing between the title to a machine and a franchise granted by a patent, the court again quotes from that case and comments as follows:]

"Patented implements or machines sold to be used in the ordinary pursuits of life become the private individual property of the purchaser, and are no longer specifically protected by the patent laws of the State where the implements or machines are owned and used. Sales of the kind may be made by the patentee with or without conditions, as in other cases, but where the sale is absolute, and without any conditions, the rule is well settled that the purchaser may continue to use the implement or ma-

chine purchased until it is worn out, or he may repair it or improve upon it as he pleases, in same manner as if dealing with property of any other kind."

The force and bearing of this opinion cannot be escaped by suggesting that the Court was referring to mere common-law contractual conditions, for the suit was to restrain infringement by the use of four machines which had been sold, not leased.

* * *

[Then after further discussing this point the court says:]

An absolute and unconditional sale operates to pass the patented thing outside the boundaries of the patent, because such a sale implies that the patentee consents that the purchaser may use the machine so long as its identity is preserved. This implication arises, first, because a sale, without reservation, of a machine whose value consists in its use, for a consideration, carries with it the presumption that the right to use the particular machine is to pass with it. The rule and its reason is thus stated in Robinson on Patents (§ 824):

"The sale must, furthermore, be unconditional. Not only may the patentee impose conditions limiting the use of the patented article upon his grantees and express licensees, but any person having the right to sell may at the time of sale restrict the use of his vendee within specific boundaries of time or place or method, and these will then become the measure of the implied license arising from the sale."

The argument for the defendants ignores the distinction between the property right in the materials composing a patented machine and the right to use for the purpose and in the manner pointed out by the patent. The latter may be and often is the greater element of value, and the buyer may desire it only to apply to some or all of the uses included in the invention. But the two things are separable rights. If sold unreservedly, the right to the entire use of the invention passes, because that is the implied intent; but this right to use is nothing more nor less than an unrestricted license presumed from an unconditional sale. A license is not an assignment of any interest in the patent. It is a mere permission granted by the patentee. It may be a license to make, sell, and use, or it may be limited to any one of these separable rights. If it be a license to use, it operates only as a right to use without being liable as an infringer. If a licensee be sued, he can escape liability to the patentee for the use of his invention by showing that the use is within his license. But if his use be one prohibited by the license, the latter is of no avail as a defense. As a license passes no interest in the monopoly, it has been described as a mere waiver of the right to sue by the patentee. (Robinson on Patents, §§ 806, 808.)

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

* * *

[The opinion then discusses Sawin v. Guild (1813), Porter Needle Co. v. National Needle Co., and Wilder v. Kent, saying:]

"It is plain from the power of the patentee to subdivide his exclusive right of use that when he makes and sells a patented device that the extent of the license to use which is carried by the sale must depend upon whether any restriction was placed upon the use and brought home to the person acquiring the article.

"The meaning and purpose of this restriction was that while the property in the machine was to pass to the purchaser, the right to use the invention was restricted to use with other articles required in its practical operation, supplied by the patentee."

* * *

In speaking of the character of the monopoly:

To begin with, the purchaser must have notice that he buys with only a qualified right of use. He has a right to assume, in the absence of knowledge, that the seller passes an unconditional title to the machine, with no limitations upon the use. Where, then, is the line between a lawful and an unlawful qualification upon the use? This is a question of statutory construction. But with what eye shall we read a meaning into it? It is a statute creating and protecting a monopoly. It is a true monopoly, one having its origin in the ultimate authority, the constitution. Shall we deal with the statute creating and guaranteeing the exclusive right which is granted to the inventor with the narrow scrutiny proper when a statutory right is asserted to uphold a claim which is lacking in those moral elements which appeal to the normal man? Or shall we approach it as a monopoly granted to subserve a broad public policy, by which large ends are to be attained, and therefore to be construed so as to give effect to a wise and beneficial purpose? That we must neither transcend the statute nor cut down its clear meaning is plain. In Bement v. National Harrow Co., 186 U. S. 70, 89-92, this court quoted

with approval the language of Chief Justice Marshall in Grant v. Raymond, 6 Pet. 218, 241.

[The court then quotes Chief Justice Marshall in Grant v. Raymond, and further discusses Bloomer v. McQuewan; Bement v. National Harrow Co., Porter Needle Co. v. National Needle Co., and the Button Fastener cases, and refers to the Paper Bag Case, 210 U. S. 405, as evidencing a right so comprehensive that a patentee was allowed to restrain by injunction one who was infringing his patent, although he had, during a long term of years, neither used his invention himself, nor allowed others to use it.

Discussing the possibility of an extension of a monopoly into a restraint of trade the opinion says:]

Of course the argument does not mean that the effect of such a condition is to cause things to become patented which were not so without the requirement. The stencil, the paper, and the ink made by the patentee will continue to be unpatented. Any one will be as free to make, sell, and use like articles as they would be without this restriction, save in one particular, namely, they may not be sold to a user of one of the patentee's machines with intent that they shall be used in violation of the license. To that extent competition in the sale of such articles, for use with the machine, will be affected, for sale to such users for infringing purposes will constitute contributory infringement. But the same consequence results from the sale of any article to one who proposes to associate it with other articles to infringe a patent when such purpose is known to the seller.

* * *

The market for the sale of such articles to the users of his machine, which, by such a condition, he takes to himself, was a market which he alone created by the making and selling of a new invention. Had he kept his invention to himself, no ink could have been sold by others for use upon machines embodying that invention. By selling it subject to the restriction he took nothing from others and in no wise restricted their legitimate market.

[And of contributory infringement, after referring to Davis Electrical Co. v. Edison Co., and Thomson-Houston Co. v. Kelsey Co.,]

But if the defendants knew of the patent and that she had unlawfully made the patented article, and then sold her ink or other supplies, without which she could not operate the machine, with the intent and purpose that she should use the infringing article by means of the ink supplied by them, they would assist in her infringing use.

[In answer to the objections raised against the reason of the court, the opinion proceeds:]

For the purpose of testing the consequence of a ruling which will support the lawfulness of a sale of a patented machine for use only in connection with supplies necessary for its operation bought from the patentee, many fanciful suggestions of conditions which might be imposed by a patentee have been pressed upon us. Thus it is said that a patentee of a coffee-pot might sell on condition that it be used only with coffee bought from him, or, if the article be a circular saw, that it might be sold on condition that it be used only in sawing logs procured from him. These and other illustrations are used to indicate that this method of marketing a patented article may be carried to such an extent as to inconvenience the public and involve innocent people in unwitting infringements. But these illustrations all fail of their purpose, because the public is always free to take or refuse the patented article on the terms imposed. If they be too onerous or not in keeping with the benefits, the patented article will not find a market. The public, by permitting the invention to go unused, loses nothing which it had before, and when the patent expires will be free to use the invention without compensation or restriction. This was pointed out in the Paper Bag Case, where the inventor would neither use himself nor allow others to use, and yet was held entitled to restrain infringement, because he had the exclusive right to keep all others from using during the life of the patent. This larger right embraces the lesser of permitting others to use upon such terms as the patentee chooses to prescribe. It must not be forgotten that we are dealing with a constitutional and statutory monopoly. An attack upon the rights under a patent because it secures a monopoly to make, to sell and to use, is an attack upon the whole patent system. We are not at liberty to say that the Constitution has unwisely provided for granting a monopolistic right to inventors, or that Congress has unwisely failed to impose limitations upon the inventor's exclusive right of use. And if it be that the ingenuity of patentees in devising ways in which to reap the benefit of their discoveries requires to be restrained, Congress alone has the power to determine what restraints shall be imposed. As the law now stands it contains none, and the duty which rests upon this and upon every other court is to expound the law as it is written. Arguments based upon suggestions of public policy not recognized in the patent laws are not relevant. The field to which we are invited by such arguments is legislative, not judicial. The decisions of this court, as we have construed them, do not so limit the privilege of the patentee, and we could not so restrict a patent grant without overruling the long line of judicial decisions from circuit courts and circuit courts of appeal, heretofore cited, thus inflicting disas-

trous results upon individuals who have made large investments in reliance upon them.

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

[The court then refers to and quotes from American Cotton Tie Co. v. Simmons and American Cotton Tie Supply Co. v. Bullard, in the circuit courts in which the question of license was considered, though when the case went to the Supreme Court, 106 U. S. 89, it turned upon the holding that what was done was a reconstruction and not a repair. The lower court had dwelt upon the restrictive license, however. The court also cites National Phonograph Co. v. Schlegel, and many other cases; distinguishes Bobbs-Merrill Co. v. Straus, 210 U. S. 345, in which the court had refused to sustain a price restriction, holding that the copyright law did not provide for such a limitation but granted "only the sole right to multiply and vend copies of his production."

The court then discussing various cases dealing with property rights in a patent proceeds to distinguish the Paper Roll case, 156 U. S. 145, saying:]

But it has no application to the question here presented. This is manifest when that case is attentively examined. First, because here the ink and other supplies used in the operation of the complainant's rotary mimeograph patent were not made elements of the patent, as in the Paper Roll case; and second, the toilet-paper fixture in the Paper Roll case was not sold with the license restriction that it was not to be used except in connection with paper supplied by the patentee. There was some evidence of a practice to sell the fixture only to those who used the patentee's paper; but this was far from proof of a specific license annexed to the sale of the fixtures that they were sold only to be used with paper supplied by the patentee. One who bought subject to no such restriction acquired the right to use the fixture with any paper. The opinion in that case is considered and analyzed in all of its aspects in the Button Fastener Case, 77 Fed. 288, 298-9.

[The court then concludes:]

The facts upon which our answer must be made are somewhat meager. It has been urged that we should make a negative reply to the interrogatory as certified, because the intent to have the ink sold to the licensee used in an infringing way is not sufficiently made out. Undoubtedly a bare supposition that by a sale

of an article which though adapted to an infringing use is also adapted to other and lawful uses, is not enough to make the seller a contributory infringer. Such a rule would block the wheels of commerce. There must be an intent and purpose that the article sold will be so used. Such a presumption arises when the article so sold is only adapted to an infringing use. Rupp v. Elliott, 131 Fed. 730.) It may also be inferred where its most conspicuous use is one which will co-operate in an infringement when sale to such user is invoked by advertisement. (Kalem Co. v. Harper Brothers, decided at this term and not yet reported.)

These defendants are, in the facts certified, stated to have made a direct sale to the user of the patented article, with knowledge that under the license from the patentee she could not use the ink, sold by them directly to her, in connection with the licensed machine, without infringement of the monopoly of the patent. It is not open to them to say that it might be used in a non-infringing way, for the certified fact is that they made the sale—"with the expectation that it would be used in connection with said mimeograph."

The fair interpretation of the facts stated is that the sale was with the purpose and intent that it would be so used.

So understanding the import of the question in connection with the facts certified, we must answer the question certified affirmatively.

[In the dissenting opinion by Mr. Chief Justice White, with whom concurred Mr. Justice Hughes and Mr. Justice Lamar, the Chief Justice dwelt upon the practical and commercial objections to the holding of the court and to the great oppression of the people, the disregarding of the state court, the overthrowing of the settled public policy of a state, and that the effect would be as broad as society itself, effecting multitudes of people and capable of operation upon every conceivable subject of human practice, interest or activity, however intensely local or exclusively within state authority they otherwise might be. Then discussing numerous cases many of which are referred to in the opinion of the court, Chief Justice White could find no authority under the older cases for the doctrine first announced in the Button Fastener cases.

In conclusion he said:]

But even if I were to put aside everything I have said and were to concede for the sake of argument that the power existed in a patentee, by contract, to accomplish the results which it is now held may be effected, I nevertheless would be unable to give my assent to the ruling now made. If it be that so extraordinary a power of contract is vested in a patentee, I can not escape the conclusion that its exercise, like every other power, should be

subject to the law of the land. To conclude otherwise would be but to say that there was a vast zone of contract lying between rights under a patent and the law of the land, where lawlessness prevailed and wherein contracts could be made whose effect and operation would not be confined to the area described, but would be operative and effective beyond that area, so as to dominate and limit rights of every one in society, the law of the land to the contrary notwithstanding.

* * *

My mind can not shake off the dread of the vast extension of such practices which must come from the decision of the court now rendered. Who, I submit, can put a limit upon the extent of monopoly and wrongful restriction which will arise, especially if by such a power a contract which otherwise would be void as against public policy may be successfully maintained?

775. AUTOMATIC PENCIL SHARPENER CO. v. GOLDSMITH BROS., 190 Fed. 205, (1911, C. C. S. D. New York). * * *

Lacombe, Circuit Judge:

This is a motion for preliminary injunction to restrain the sale at cut rates of patented machines bought under restrictions as to price of which defendant had full knowledge. The machines and boxes also bore marks, numbers, and notices which defendant mutilated and erased before offering for sale at the cut rate. There are no affidavits submitted by defendant and is no dispute as to the facts.

This case is not to be distinguished from the many cases decided in various circuit courts of appeals holding that complainant is entitled to an injunction under the circumstances disclosed in this case. Heaton-Peninsular Company v. Eureka Specialty Company, 77 Fed. 288, 25 C. C. A. 267, 35 L. R. A. 728; Cortelyou v. Lowe, 111 Fed. 1005, 49 C. C. A. 671; Victor Talking Machine Company v. The Fair, 123 Fed. 424, 61 C. C. A. 58; The Fair v. Dover Manufacturing Company, 166 Fed. 117, 92 C. C. A. 43. I find nothing in Bobbs-Merrill Company v. Straus, 210 U. S. 339, 28 Sup. Ct. 722, 52 L. ed. 1086, and Dr. Miles Medical Company v. Jaynes Drug Company (C. C.) 149 Fed. 838, that deprive these cases of authority in patent causes. The court in this district will follow the circuit court of appeals for the second circuit. Cortelyou v. Lowe, supra.

Injunction is granted as prayed for.

[*The following under this heading are brief extracts to complete the discussion*]:

776. INDIANA MFG. CO. v. NICHOLS & SHEPARD CO., 190 Fed. 579, (C. C. Mich. 1911). * * *

Denison, District Judge (sitting by designation, after stating the facts as above). (1) Whatever doubts may have been suggested by the Supreme Court, Cortelyou v. Johnson, 207 U. S. 200, 28 Sup. Ct. 105, 52 L. ed. 167; Bobbs-Merrill Co. v. Straus, 210 U. S. 345, 28 Sup. Ct. 722, 52 L. ed. 1086, or intimated in the second circuit (by the action of the court of appeals on the appeal from Crown Cork & Seal Co. v. Stopper Co. (C. C.) 172 Fed. 225), it is undoubtedly the established rule of patent law in this circuit that when a licensee, who is entitled to use a patented machine under certain conditions only, undertakes to use the machine otherwise than in conformity with those conditions, he loses the protection of his license and he becomes an infringer. Button Fastener Cases, 77 Fed. 294, 25 C. C. A. 267, 35 L. R. A. 728; Rupp & Wittgenfeld Co. v. Elliott, 131 Fed. 730, 65 C. C. A. 544. The principle seems to be that the license is limited in its operation, and that, since in the case of a territorial limit the license has no existence in the exempted territory, so in case of other limitations the license has no existence in the exempted field.

I see no distinction in principle between the decided cases in this circuit and the present case, in so far as concerns the nature of the limitation placed upon the license. It cannot be controlling whether or not the license uses the word "condition;" and if that word is used, the exact and technical, grammatical construction of the sentence in which it is found will not settle the question whether it refers to a condition precedent or condition subsequent.

The substantial intent of this contract was that the condition should be one accompanying the exercise of the rights granted by the license, and that unless such exercise was accompanied by the performance of such condition, the exercise itself was not to be permitted. Obviously this comment does not apply to the agreements to make reports and to pay money—things which cannot be done until after the sale is made, and, therefore, can not be steps upon which the right to sell is dependent; but does have reference to the trade-mark and price restriction provisions.

The price restriction, as a license condition, has been often sustained, but does not seem to be counted upon in this bill; and a condition that the license shall not attach to any machines except those of a certain quality of material or those painted a certain color or those bearing certain distinguishing marks would seem to be well within the patentee's right of total exclusion. I think, therefore, that the bill states a case of infringement of the patents or of some of them; but it seems clear that it can not be

sustained as merely an infringement bill; and this for the reason that it omits several allegations bearing upon the validity of and the title to the patents, which allegations are well understood to be essential to such a bill. * * *

777. EDISON v. SMITH MERCANTILE CO., 88 Fed. 925, (1911, C. C. Mich.) * * *

Denison, District Judge.

As to the underlying question presented by this motion, I can not hesitate to accept, as the now prevailing and general rule established by many familiar cases, the position that a patentee may, by appropriate contract, reserve to himself a control over the price or other conditions attending the public enjoyment of the patented article. Several courts have recognized a tendency to go too far in sanctioning such conditions, and some recent decisions in the second circuit, as well as the opinions of the Supreme Court in the Bobbs-Merrill Case, 210 U. S. 339, 28 Sup. Ct. 722, 52 L. ed. 1086, and the Dr. Miles Case, 220 U. S. 373, 31 Sup. Ct. 376, and the granting of the pending certiorari in the Dick Case, 224 U. S. 1, 56 L. ed. 645, have tended to indicate that some limits will be placed upon the now customary practice. * * *

778. BOWERS v. LAKE SUPERIOR, ETC., DREDGING CO., 149 Fed. 983, 79 C. C. A. 493.

A license to use a patented invention that does not contain words importing assignability is a grant of a mere personal right to the licensee which does not pass to his heirs or representatives and which can not be transferred to another, without the express consent of the licensor.

779. WESTERN UNION TEL. CO. v. AMERICAN BELL TEL. CO., 125 Fed. 342, 60 C. C. A. 220.

Royalties are commonly understood as meaning something proportionate to the use of a patented device; in other words, a kind of excise. Bouvier's Law Dictionary, "Royalty." In its more ordinary meaning, it would not literally include the shares of stock for which an accounting is demanded. In some of its uses it is a broader word than "rentals," and yet in other respects "rentals" is a broader word than "royalties." Rentals in their ordinary signification are not limited as royalties in their ordinary signification; that is, to something proportionate to the use of the patented device. The word "ordinarily" means specific sums paid annually, or at other stated periods, for the right to use a patented device, whether it is used much or little or not at all.

780. SPROULL v. PRATT & WHITNEY CO., 108 Fed. 963, 48 C. C. A. 167.

Unless the contrary appears to have been the intention of the parties, the presumption is that, under a license for the exclusive right to manufacture and sell under a patent, royalties are not payable upon articles manufactured and sold after the expiration of the life of the patent. Parties, may, of course, contract as they choose; but, in the absence of some provision by which a promise for the continuing payment of royalties upon expired patents may be fairly inferred, the presumption is that the contract is upon the ordinary terms as to the duration of royalties.

781. PLATT v. FIRE EXTINGUISHER MFG. CO., 59 Fed. 897, 8 C. C. A. 357.

The defendant agreed that if he failed to perform his covenants the license might be forfeited by a written notice served upon him, or his successor, and this was done. His subsequent tender of money in payment of royalties, and a promise to perform his covenants, could not avail to remove the forfeiture without the consent of the licensor and the other licensees.

782. THOMPSON v. CITIZENS NAT. BANK, 53 Fed. 250, 3 C. C. A. 518.

Do the facts that the co-partnership styled the Bank of Fargo was permitted to use the patented invention for seven months before the application for a patent was filed, and that the defendant subsequently succeeded to their business and property, confer upon it an implied license to make and use new account books, embodying the patented invention? The application for this patent was filed December 31, 1886. The Bank of Fargo first applied the invention to their account book June 2, 1886, and used it thereafter with complainant's consent until the firm was disolved January 1, 1887. The defendant corporation was organized and commenced buss iness on that day. * * * The defendant did not purchase, construct, of use any article embodying the complainant's invention before he filed his application for a patent, since it did not come into existence until after that filing. Whatever license it had it derived from the dissolved co-partnership by purchase or assignment; but the only right the partnership had was the statutory privilege of using, and vending to others to be used, the specific patentable thing they had made with complainant's consent. This was not a grant of any portion of the franchise, * * * it was a mere naked license, personal to the co-partnership, and incapable of assignment or transfer.

783. BOSTON v. ALLEN, 91 Fed. 248, 33 C. C. A. 485.

According to that rule, an implied license, if it relates to an improvement in the process, ordinarily authorizes the employer to continue to practice the process during the whole period of the patent. This follows because the subject-matter is indivisible; but, if the invention pertains to a machine, it is understood, ordinarily, that only the specific machine or machines which have been set up during the time of the employment are protected. Such is the ordinary rule, and it is plainly based on a sound discretion. It is, of course, more a rule for the application of facts than a rule of law, and therefore it is not rigid. When the patented matter is a product, particularly if it is a minor product, or even if it is a minor machine, so that in either case it is used in quantities, like the stop-valve in Lane & Bodley Co. v. Locke, 150 U. S. 193, already cited, its unlimited use during the time of employment may raise an implication of fact in favor of a license for a time likewise unlimited, as in the case of a process.

784. LANE, ETC., CO. v. LOCKE, 150 U. S. 193, 37 L. ed. 1049, 14 Sup. Ct. 78.

A license, though not usually transferable, is transmissible by succession to a corporation formed by the union of two licenses succeeding to the obligations of both.

785. SEAL v. BOOKKEEPER PUB. CO., 130 Fed. 449, 64 C. C. A. 651.

It is to be kept in mind that the license under consideration was not like that in St. Paul Plow Works v. Starling, 140 U. S. 184, 196, 35 L. ed. 404, unlimited in duration, which requires mutual consent, or some positive act by one of the parties, to terminate it. * * * This license was of limited duration; it ran only for a year; and the positive act required was not one to end, but to extend it.

786. VICTOR TALKING MACHINE CO. v. THE FAIR, 123 Fed. 424, 61 C. C. A. 58.

By its terms, the grant covers, three separate or separable fields. The patentee may agree with one that he will not exclude him from making, with another from using, and with yet another from selling devices that exemplify the principles of his invention. Within the field of making, it has never been doubted, so far as we are aware, that he may subdivide as he pleases and offer to sell or lease in the most fanciful parcels on the harshest terms; that whether purchasers and tenants come or not is purely his own concern; and that, if purchasers or tenants do

come, the courts will enforce the terms of the sale or lease. And how could it be otherwise? Owning the whole, he owns every part. The field being his property, and there being no law for seizing it and adjudging his damages, he can not be compelled to part with his own except on inducements to his liking. The same conditions must prevail within the field of use, for how can it be distinguished?

787. BIRDSELL v. SHALIOL, 112 U. S. 485, 28 L. ed. 768, 5 Sup. Ct. 244.

But an infringer does not, by paying damages for making and using a machine in infringement of a patent, acquire any right himself to the future use of the machine. On the contrary, he may, in addition to the payment of damages for past infringement, be restrained by injunction from further use and, when the whole machine is an infringement of the patent, be ordered to deliver it up to be destroyed.

[Note: The destruction of infringing machine is not based on any statute and in American v. Kitsell, 35 Fed. 521 was held applicable only in flagrant cases.]

788. HOLMES v. McGILL, 108 Fed. 238, 47 C. C. A. 296.

In an action by a licensor against a licensee to recover royalties upon sales made under an exclusive license upon an invalid patent, which was, at the time when the account accrued, apparently valid and in force, and from which there had been no eviction, the invalidity of which had not been declared by an adjudication under legal proceedings, and no notice had been given by the licensee of its refusal to pay on account of its defects, such invalidity is no defense to the suit. As long as the licensee continues to manufacture under a patent presumably valid, without having given notice of its invalidity and without eviction, he is presumed to manufacture in accordance with his license.

[See Bradford Belting Co. v. Kisinger-Ison, 113 Fed. 811, 51 C. C. A. 483.]

789. AMERICAN, ETC., ADV. CO. v. JONES, 142 Fed. 974, 74 C. C. A. 236.

Complainant's final letter, therefore, of January 4th, ordering defendants to "discontinue building said racks in cars without authority by n to do so under penalty of the law," coupled with the statement that, if he should "conclude to allow said racks built in cars, my price will be five dollars per car," was in entire accord with the understanding of both parties, either that there had been no contract for a future license, or that, even if any such license might have been claimed, it was one termi-

nable at the will of complainant's assignor, and the statements in his letter were acquiesced in by defendants as constituting a complete revocation of whatever rights or license they might otherwise have claimed. The contract, if any, was thereby rescinded by mutual agreement.

790. SMITH v. RIDGELY, 103 Fed. 875, 43 C. C. A. 365.

There can be no doubt that a licensee may sue the patentee, who has granted the license, for infringing the patent within the field covered by the license, in the same manner and with like effect as though the patentee were a stranger.

See Shepard v. Kinner, 86 Fed. 638, 30 C. C. A. 315.

See Keene v. Barrett, 100 Fed. 590, 40 C. C. A. 571.

See Wilfley v. New Standard Concentrator Co., 164 Fed. 421, 90 C. C. A. 543.

791. STANDARD SANITARY MFG. CO. v. ARROTT, 135 Fed. 750, 68 C. C. A. 388.

Where an estoppel is relied on, the facts upon which it is based must be proved with particularity and precision, and nothing can be supplied by inference or intendment.

792. BABCOCK v. CLARKSON, 63 Fed. 607, 11 C. C. A. 351.

Joseph T. Clarkson, one of the respondents below, was the original patentee, and the title of complainants is derived under assignments from him for a pecuniary consideration, valuable in law, though said to be small. Consequently, an estoppel operates against him. The precise nature of this estoppel does not seem to have been always clearly apprehended. It is, in effect, that, when one has parted with a thing of valuable consideration, he shall not, so long as he retains the consideration, set up his own fraud, falsehood, error, or mistake to impair the value of what he has thus parted with. As applied to the specifications of a patent, the vendor patentee is as much barred from setting up that his allegations therein were merely erroneous as that they were wilfully false.

793. MARTIN, ETC., CASH CARRIER CO. v. MARTIN, 67 Fed. 786, 14 C. C. A. 642.

In a suit for infringement, brought against the assignor of a patent by his assignee, the assignor is estopped from denying the validity of his patent. He can not say that the patent has been anticipated by prior structures, or that it is void for want of novelty or utility.

794. DUEBER WATCH CASE MFG. CO. v. ROBBINS, 75 Fed. 17, 21 C. C. A. 198.

The fact that for a time the defendant was a licensee of the Colby patent cannot, of course, estop the defendant from disputing its validity in a suit for infringements charged to have taken place after the license was withdrawn. Such a fact, in a doubtful case, might have considerable evidential force as an admission of the validity of the patent by the licensee.

795. ELGIN, ETC., BUTTER TUB CO. v. CREAMERY PACKAGE MFG. CO., 80 Fed. 293, 25 C. C. A. 426.

The attempt to show by the testimony of Corcoran, the patentee, that the patent embraced something which he did not invent, and to restrict the patent to his understanding of the scope of the invention, was unwarranted and improper. Even if he had been a party to the suit, he could not have been bound by a mistaken judgment which he might have been led to declare of the scope or character of his patent, and, as against the assignee of his title, his testimony in that particular was wholly incompetent.

796. NOONAN v. CHESTER PARK, ETC., CLUB CO., 99 Fed. 90, 39 C. C. A. 426.

But this estoppel, for manifest reasons, does not prevent him from denying infringement. To determine such an issue, it is admissible to show the state of the art involved, that the court may see what the thing was which was assigned, and thus determine the primary or secondary character of the patent assigned, and the extent to which the doctrine of equivalents may be invoked against the infringer. The court will not assume against an assignor, and in favor of his assignee, anything more than that the invention presented a sufficient degree of utility and novelty to justify the issuance of the patent assigned, and will apply to the patent the same rule of construction, with this limitation, which would be applicable between the patentee and a stranger.

797. PENFIELD v. POTTS, ETC., CO., 126 Fed. 475, 61 C. C. A. 371.

The doctrine is well settled that one who for his own interest joins in the defense of a suit to which he is not a party of record is as much concluded by the judgment as if he had been a party thereto, provided his conduct in that respect was open and avowed or otherwise well known to the opposite party. * * * An estoppel by decree exists, although the demand in the two cases is not the same, whenever the question upon which

the recovery in the second case depends has been before decided, under like conditions, between the same parties or those in privity with them.

798. GILL v. UNITED STATES, 160 U. S. 426, 40 L. ed. 480, 16 Sup. Ct. 322.

The same principle is applied to an inventor who makes his discovery public, looks on, and permits others to use it without objection or assertion of a claim for a royalty. In such case he is held to abandon his inchoate right to the exclusive use of his invention, to which a patent would have entitled him had it been applied for before such use.

799. MISSISSIPPI GLASS CO. v. FRANZEN, 143 Fed. 501, 74 C. C. A. 135.

We now pass to the other branch of the defense, namely, that the contract was not enforceable in equity upon the theory of lack of consideration and lack of mutuality. This contract, however, was not without consideration. It was not only by its own express terms in consideration of the employment of the defendant, but this contract was signed and delivered before the employment actually commenced, and before the defendant was permitted to enter the complainant's factory. * * * The hiring, the engagement to pay wages, and the introduction of the defendant into the complainant's establishment and to its methods and processes, constituted a valid consideration for his agreement to assign his inventions made during the term of employment.

800. WILSON v. SANDFORD, 10 How. (U. S.) 99, 13 L. ed. 344.

[The object of the bill was to set aside a contract licensing the use of a patented machine.] The dispute does not arise under any act of Congress, nor does the decision depend upon the construction of any law in relation to patents. It arises out of the contract stated in the bill; and there is no act of Congress providing for or regulating contracts of this kind. The rights of the parties depend altogether upon common law and equity principles. * * * But the injunction he asks for is to be the consequence of the decree of the court sanctioning the forfeiture. * * * And if the case made in the bill was a fit one for relief in equity, it is very clear that whether the contract ought to be declared forfeited or not in a court of chancery depended altogether upon the rules and principles of equity, and in no degree whatever upon any act of Congress.

801. ALBRIGHT v. TEAS, 106 U. S. 613, 27 L. ed. 295, 1 Sup. Ct. 550.

The controversy between them, as stated by the appellants themselves is, whether certain goods manufactured by them embody the invention covered by the appellees' patents. * * * Both parties may agree as to what the patented invention is, and yet disagree on the question whether the invention is employed in the manufacture of certain specified goods. The controversy between the parties in this case is clearly of the latter kind. The case can not, therefore, be said to be one which grows out of the legislation of Congress.

802. EXCELSIOR WOODEN PIPE CO. v. PACIFIC BRIDGE CO., 185 U. S. 282, 46 L. ed. 910, 22 Sup. Ct. 681.

But the same does not hold good with reference to the licensee. There were practically but two ways in which the patentee could impair the grant he made to the licensee, and those were by a revocation of the license by a bill in equity, or by treating it as abandoned or revoked, and granting a license to another party. He elected the latter remedy, and made a contract with the Pacific Bridge Company to make and sell wooden pipe within the same territory. A suit in a state court would either be inadequate or would involve questions under the patent law. If the licensee sued at law he would be obliged to establish the fact that the patent had been infringed, which the patentee might have denied and in any case could only recover damages for past infringements. If he sued in equity he could only pray an injunction against future infringements; but this is exactly what he prays in this case, and thereby raises a question under the patent laws. In either case the patentee could defeat the action by showing that he did not infringe—in either case, the defendant could so frame his answer as to put in issue the title, the validity, or the infringement of the patent. The natural and practically the only remedy, as it seems to us, was for the plaintiff to assert his title under the license, and to prosecute the defendants as infringers. In doing this he does what every plaintiff is bound to do, namely, set forth his title either as patentee, assignee, or licensee, and thereby puts that title in issue. The defendant is at liberty in such a case to deny the title of the plaintiff by declaring that the license no longer exists, but in our opinion this does not make it a suit upon the license or contract, but it still remains a suit for the infringement of a patent, the only question being as to the validity of plaintiff's title. There can be no doubt whatever that if the plaintiff sued some third person for an infringement of his patent, the defendant might attack the validity of his license in the same way, but it would not oust the jurisdiction of the court. Why should it do so in this case?

803. VICTOR TALKING MACH. CO. v. THE FAIR, 123 Fed. 424, 61 C. C. A. 58.

When a contract is made respecting a right under a patent, and the parties get into litigation, confusion has sometimes arisen over the question whether the cause of action originates in the contract or in the patent laws. The test is this: If the plaintiff is seeking a judgment for debt or damages, or a decree for cancellation or specific performance, on account of the defendant's breach of his covenants, the cause of action arises out of the contract; and, though the determination of the issue of breach or no breach may involve the interpretation of the patent and of the prior art, the insistence of the defendant that his device, according to the true construction of the patent and of the prior art, is not within the patent right granted him in the contract, can not change the nature of the action. Standard Sewing Machine Co. v. Leslie, 118 Fed. 557, 55 C. C. A. 323. On the other hand, if the plaintiff is seeking a judgment for damages, or a decree for an injunction and an accounting, on account of the defendant's unauthorized use of the patent right in making or using or selling the device without license, the cause of action arises out of the patent laws; and, though the determination of the issue of infringement or no infringement may involve the interpretation of the contract, the insistence of the defendant that his act was within his rights under the contract, if properly construed, can not change the nature of the action.

804. NATIONAL HARROW CO. v. HENCH, 83 Fed. 36, 27 C. C. A. 349.

It is manifest, as well from the contract as from the proofs outside of it, that the purpose of the parties was to form a combination between the various manufacturers of these harrows, to prevent competition in business and enhance prices. * * * The corporation, provided to hold the legal title of the several patents, is merely an instrument to effect this object . * * * The fact that the property involved is covered by letters-patent is urged as a justification, but we do not see how any importance can be attributed to this fact. Patents confer a monopoly as respects the property covered by them, but they confer no right upon the owners of several distinct patents to combine for the purpose of restraining competition and trade. Patented property does not differ in this respect from any other. The fact that one patentee may possess himself of several patents, and thus increase his monopoly, affords no support for an argument in favor of a combination by several distinct owners of such property to

restrain manufacture, control sales, and enhance prices. Such combinations are conspiracies against the public interests, and abuses of patent privileges. The object of these privileges is to promote the public benefit, as well as to reward inventors. The suggestion that the contract is justified by the situation of the parties—their exposure to litigation—is entitled to no greater weight. Patentees may compose their differences, as the owners of other property may, but they cannot make the occasion an excuse or cloak for the creation of monopolies to the public disadvantage.

805. HOLLISTER v. BENEDICT, ETC., MFG. CO., 113 U. S. 59, 28 L. ed. 901, 5 Sup. Ct. 717.

It was authoritatively declared in James v. Campbell, 104 U. S. 356, that the right of the patentee * * * was exclusive of the Government of the United States as well as of all others.

[See for similar cases, Part XIV.]

806. AMERICAN BRAKE BEAM CO. v. PUNGS, 141 Fed. 923, 73 C. C. A. 157.

We do not look on this as a contract in restraint of trade. It binds no one to stay out of the trade. At most, it is an agreement, merely, that if Pungs renews his connection with the trade, he shall return the consideration received. * * * He has merely put himself where, without putting any binding restraint on his inventive faculties, or for that matter, upon his liberty as a manufacturer, he will realize, for the time being, on what he has already invented.

807. NEW DEPARTURE MFG. CO. v. SARGENT, ETC., CO., 127 Fed. 152, 62 C. C. A. 266.

Of course, in this suit for infringement of a patent we cannot inquire into the apparently unfair devices in the way of get up, ornamentation, etc., by which it is suggested that defendants are seeking to deceive the public into a belief that their bells are those of the complainant.

808. CENTAUR v. HEINSFURTER, 84 Fed. 955, 28 C. C. A. 581.

It is true that during the life of the patent the name of the thing may also be indicative of the manufacturer, because the thing can then be manufactured only by the single person; but when the right to manufacture and sell becomes universal, the right to the use of the name by which the thing is known becomes equally universal. It matters not that the inventor coined the word by which the thing has become known. It is enough that the public has accepted that word as the name of the thing,

for thereby the word has become incorporated as a noun into the English language, and the common property of all. Whatever doubts may therefore have existed on this proposition have been, for the federal courts, put at rest by the recent decision of the Supreme Court in the case of Singer Mfg. Co. v. June Mfg. Co., 163 U. S. 169, 16 Sup. Ct. 1002.

809. AMERICAN COAT PAD CO. v. PHOENIX PAD CO., 113 Fed. 629, 51 C. C. A. 339.

But the trial judge seems to put his conclusion on another ground, unnoticed by counsel in argument or brief—unfair competition in trade. What is above said applies to this point in the opinion. Defendants seem to be acting in good faith, and allege their ability to respond in damages, which is not questioned. Louis Bouchat believes he has made an improvement in coat pads entitling him to a patent. He has obtained letters patent therefor. This cost something, and a company has been organized to manufacture coat pads under these letters patent. Is this unfair competition in trade? If so, no improvement in a patented article could ever be made by one versed in the art. Louis Bouchat had worked at the trade of making coat pads, became familiar with the art, experienced in the business, and knew the demands of the trade. True, this was when he was a stockholder, owner of one share, and an employee of a corporation using the Goldman patent, when he probably saw the defects in the coat pads manufactured under the patent, and devised what he conceived to be an improvement in coat pads. Is the fact he was such stockholder and employee of a corporation using a patent to deprive him of the benefit of supposed inventive genius? If so, no one would probably ever make any improvements on patented articles.

PART XIII.

REGULATIONS OF DEALINGS IN PATENT RIGHTS AND PATENTED ARTICLES.

[The state may tax articles which embody a patented invention, but it may not tax the patent right. That is, it may tax a machine or the product, but it may not tax the patent.

In Webber v. Virginia, (1880) 103 U. S. 344, Mr. Justice Field said:]

"The right conferred by the patent laws of the United States to inventors to sell their inventions and discoveries does not take the tangible property in which the invention or discovery may be exhibited or carried into effect from the operation of the tax and license laws of the state."

[Again:]

"It is only the right to the invention or discovery, the incorporeal right, which the state cannot interfere with."

[In re Sheffield (1894 C. C. Ky.) 64 Fed. 833.

A Kentucky statute provided that "all itinerant persons vending lightning rods, patent rights or territory for the sale, use or manufacture of patent rights, * * * shall be deemed peddlers."

Another section required vendors of patent rights or territory for the sale of patent rights or patent articles to pay double the amount of the ordinary license fee. Held, unconstitutional and void.

The statute upon which the suit In re Sheffield was brought was declared invalid a year later by the Supreme Court of Kentucky in Commonwealth v. Petty (1895), 96 Ky. 452.]

"A patent right is not a tangible property. It is an incorporeal right. The patent secures to the patentee the exclusive right in the discovery."

[To the same effect see—
Ex parte Robinson (1870), 2 Bissell (U. S. C.) 309.
State v. Butler (1879), 3 Lea. (71 Tenn.) 222.
People ex rel. v. Assessors (1898), 156 N. Y. 417.
People v. Johnson (1899). 159 N. Y. 70 (copyright).
For Pennsylvania cases see—
Commonwealth v. Telephone Co. (1891), 145 Pa. St. 121.
Commonwealth v. Ed. El. L. Co. (1891), 145 Pa. St. 131.
Commonwealth v. Philadelphia Co. (1891), 145 Pa. St. 142.
Commonwealth v. Westinghouse Co (1892), 151 Pa. St. 265.

Commonwealth v. Westinghouse Co. (1892), 151 Pa. St. 276.
Commonwealth v. Philadelphia Co. (1893), 157 Pa. St. 527.
Commonwealth v. Ed. El. L. Co. (1893), 157 Pa. St. 529.

Machines or products involving patented invention are subject to sale under execution the same as any other personal property but the patent may not be so sold under execution at common law.

Wilder v. Kent (1883), 15 Fed. 217. See, also, Chapin v. Rosenthal (1874), 1 Weekly Notes Cas. (Pa.) 106.

Stephens v. Cady (1852), 14 How. (U. S.) 528. The plaintiff was the owner of a copyright for a map of Rhode Island. Judgment was recovered against him in the state court in Massachusetts, execution issued, and the copper plate engraving of the map was seized and sold, and bought by the defendant.

The defendant used the plate to produce copies of the map. Injunction was denied by lower court but this was reversed on appeal.

The same point arose later in the case of Stevens v. Gladding (1854), 17 How. (U. S.) 477. The court in that case said:]

"Upon the question of the annexation of the copyright to the plate, it is to be observed first, that there is no necessary connection between them. They are distinct subjects of property, each capable of existing and being owned and transferred, independent of the other. It was lawful for any one to make, own and sell this copper plate."

[Again—]

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

[A general assignment for the benefit of creditors, under state laws, transfers to the assignee machines and products embodying a patented invention but does not transfer the patent right. (Jewett v. Atwood Suspender Co. (1900), 100 Fed. 647, and Ball v. Coker (1909 C. C. S .C.), 168 Fed. 304.)

To the same effect see,

Ashcroft v. Walworth (1872), Holmes (U. S. C. C.) 152.
Keach, Petitioner (1884), 14 R. I. 571.
Barton v. White (1887), 144 Mass. 281.

The police powers of the state may even suppress the sale and use of a machine or product dangerous to the general welfare, provided there is no discrimination, but may not suppress or condition the rights granted under the patent.

Patterson v. Commonwealth (1875), 11 Bush (Ky.) 311 S. C. (1878), 97 U. S. 501; Allen v. Riley, 203 U. S. 347, 51 L. ed. 216, 27 Sup. Ct. 95.]

810. ALLEN v. RILEY, 203 U. S. 347, 51 L. ed. 216, 27 Sup. Ct. 95 (1906).* * *

In error to the Supreme Court of the State of Kansas to review a judgment which affirmed a judgment of the District Court of Brown County, in that state, for the recovery of the value of real property transferred in part payment for the sale of a patent right, because of the failure of the vendors to comply with the state legislation governing the sale of patented rights. * * * Affirmed.

See same case below, 71 Kan. 378, 80 Pac. 952.

Mr. Justice Peckham, after making the foregoing statement, delivered the opinion of the court:

The sole question for our determination in this case is concerning the constitutionality of the Kansas act. The opinion of the supreme court of the state of Kansas is reported in 71 Kan. 378, 80 Pac. 952.

The judgment herein is founded upon Mason v. McLeod, 57 Kan. 105, 41 L. R. A. 548, 57 Am. St. 327, 45 Pac. 76; which case has been followed by that of Pinney v. First Nat. Bank, 68 Kan. 223, 75 Pac. 119.

The defendants insist that the act in question violates article 1, § 8, of the Constitution of the United States, and the Federal statute passed in pursuance thereof, being Rev. Stat. § 4898, U. S. Comp. Stat. 1901, p. 3387. The Constitution grants to Congress the right "to promote the progress of science and useful arts by securing for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries;" and § 4898 of the Revised Statutes provides that every patent or interest therein shall be assignable in law by an instrument in writing, which assignment is made void against any subsequent purchaser or mortgagee, for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from the date thereof.

It is asserted by the plaintiffs in error that the subject of the sale or assignment of the whole or any part of an interest in a patent is derived from the laws of Congress passed with reference to the constitutional provision quoted above, and that any regulations whatever, by any state authority, in regard to such assignment or sale, and making provision in respect to them, are illegal.

The supreme court of Kansas has maintained and upheld the Kansas act on the ground that the statute is simply a reasonable

and proper exercise of the police power of the state in regard to the subject of the act. Mason v. McLeod, supra. That court was of the opinion that the provisions of the Kansas statute did not trench upon the Federal power nor interfere with the rights secured to patentees by Federal law. The opinion does not assert that a state statute can interfere with the right of a patentee to sell or assign his patent, nor that it can take away any essential feature of his exclusive right, but, as is stated, the provisions in the act have no such purpose or effect; that "they are in the nature of police regulations designed for the protection of the people against imposition and fraud. There is great opportunity for imposition and fraud in the transfer of intangible property, such as exists in a patent right, and many states have prescribed regulations for the transfer of such property differing essentially from those which control the transfer of other property." Many authorities are cited, and the opinion then continues: "The doctrine of these cases is that the patent laws do not prevent the state from enacting police regulations for the protection and security of its citizens, and that regulations like ours, which are mainly designed to protect the people from imposition by those who have actually no authority to sell patent rights or own patent rights to sell, should be upheld. We think the statute is valid."

In Indiana a statute which is like that in Kansas has been upheld by the supreme court of that state. Brechbill v. Randall, 102 Ind. 528, 52 Am. Rep. 695, 1 N. E. 362. That case has, since that time, been followed in Indiana. New v. Walker, 108 Ind. 365, 58 Am. Rep. 40, 9 N. E. 386. In Ohio a statute somewhat similar to the one in question has been upheld. Tod v. Wick Bros., 36 Ohio St. 370. And the same result has been reached in Pennsylvania. Haskell v. Jones, 86 Pa. 173. In Herdic v. Roessler, 109 N. Y. 127, 16 N. E. 198, the validity of the same kind of a statute has been upheld. See also Wyatt v. Wallace, 67 Ark. 575, 55 S. W. 1105; State v. Cook, 107 Tenn. 499, 62 L. R. A. 174, 64 S. W. 720. The statutes in the different states are not all precisely like the Kansas law, but they make provisions in regard to the sale or assignment of rights under a patent, and sometimes in regard to notes given for their purchase, which cannot be upheld under the contention of plaintiffs in error herein, that all such provisions are in violation of, or inconsistent with, the laws of Congress on the subject. The courts of some other states, having like questions before them, have held their statutes void. Hollida v. Hunt, 70 Ill. 109, 22 Am. Rep. 63; Cranson v. Smith, 37 Mich. 309, 26 Am. Rep. 514; Wilch v. Phelps, 14 Neb. 134, 15 N. W. 361; State v. Lockwood, 43 Wis. 405, and some others.

The circuit court of appeals of the eighth circuit, in Ozan Lumber Co. v. Union County Nat. Bank, 145 Fed. 344, has held a statute of Arkansas upon this same subject void because of its discrimination between articles of property of the same class or character, based only on the fact that the property discriminated against was protected by a patent granted by the United States. In the opinion in the case, authorities upon the subject are cited and commented upon. Among the cases cited are Patterson v. Kentucky, 97 U. S. 501, 24 L. ed. 1115, and Webber v. Virginia, 103 U. S. 344, 26 L. ed. 565.

In Patterson v. Kentucky, supra, the owner of a patent right for an improved burning oil was convicted of the violation of a Kentucky statute by the sale of the oil covered by the patent. The owner claimed the right to sell such oil notwithstanding the statute, which provided a standard below which oil was regarded as dangerous for illuminating purposes, and the sale of which was prohibited. It was admitted the patented oil did not come up to the state standard. This court held the conviction was right, and that the owner of the patent was not protected, by reason of his ownership, from liability under the state statute. That statute was held to be one passed in the legitimate exercise of the powers of the state over its purely domestic affairs, and it was said that it did not violate either the Constitution or laws of the United States, as, when property protected by patent once comes into existence, its use is subject to the control of the several states to the same extent as any other species of property.

Webber v. Virginia, supra, relates also to tangible property covered by a patent, and it was held that the patent did not exclude from the operation of the taxing or licensing law of the state the tangible property manufactured under a patent. It was said in that case that "Congress never intended that the patent laws should displace the police powers of the states, meaning by that term those powers by which the health, good order, peace, and general welfare of the community are promoted. Whatever rights are secured to the inventors must be enjoyed in subordination to this general authority of the state over all property within its limits."

While these two cases do not cover the one now before us, because they refer to tangible property which has been manufactured and come into existence under a patent, and the case before us relates to provisions which are to accompany an assignment of intangible rights, growing out of a patent, yet the general power of the states to legislate in order to protect their citizens in their lives and property from fraud and deceit is recognized, not as being without limit, of course, but as being properly exercised in the cases named.

We think the state has the power (certainly until Congress legislates upon the subject) with regard to the provision which shall accompany the sale or assignment of rights arising under a patent, to make reasonable regulations concerning the subject, calculated to protect its citizens from fraud. And we think Congress has not so legislated by the provisions regarding an assignment contained in the act referred to.

In some of the cases holding such statutes void it is said that it is unfortunately true that many frauds are committed under color of patent rights, and that the patent laws are not so framed as to secure the public from being cheated by worthless inventions; but, notwithstanding that, they hold statutes of the nature of the one under consideration to be void, as trenching upon the rights of the owner of a patent secured by the Constitution and laws of the United States.

To uphold this kind of a statute is by no means to authorize any state to impose terms which, possibly, in the language of Mr. Justice Davis, in Ex parte Robinson, 2 Biss. 309, Fed. Cas. No. 11,932, "would result in a prohibition of the sale of this species of property within its borders, and in this way nullify the laws of Congress which regulate its transfer, and destroy the power conferred upon Congress by the Constitution." Such a statute would not be a reasonable exercise of the powers of the state.

In Michigan, the court, speaking through Mr. Justice Campbell, while holding the act under review in that case upon the subject invalid (Cranson v. Smith, 37 Mich. 309, 26 Am. Rep. 514), said: "While we cannot but recognize the magnitude of an evil which has brought patents into popular discredit, and has provoked legislation in several states similar to that of Michigan, we cannot, on the other hand, fail to see in these laws a plain and clear purpose to check the evil by hindering parties owning patents from dealing with them as they may deal with their other possessions." If there is a special evil, unusually frequent and easily perpetrated when parties are dealing in the sale of rights existing or claimed to exist under a patent, we do not see why a state may not, in the bona fide exercise of its powers, enact some special statutory provision which may tend to arrest such evil, and may omit to enact the same provision concerning the disposal of other property. There is no discrimination which can be properly so called against property in patent rights, exercised in such legislation. It is simply an attempt to protect the citizen against frauds and impositions which can be more readily perpetrated in such cases than in cases of the sale or assignment of ordinary property.

The act must be a reasonable and fair exercise of the power of the state for the purpose of checking a well-known evil, and

to prevent, so far as possible, fraud and imposition in regard to the sales of rights under patents. Possibly congress might enact a statute which would take away from the states any power to legislate upon the subject, but it has not as yet done so. It has simply provided that every patent, or interest therein, shall be assignable in writing, leaving to the various states the power to provide for the safeguarding of the interests of those dealing with the assumed owner of a patent, or his assignee. To deal with that subject has been the purpose of the acts passed by the various states, among them that of the state of Kansas, and we think that it was within the powers of the state to enact such statute. The expense of filing copies of the patent and the making of affidavits in the various counties of the state in which the owner of the rights desired to deal with them is not so great, in our judgment, as to be regarded as oppressive or unreasonable, and we fail to find any other part of the act which may be so regarded. Some fair latitude must be allowed the states in the exercise of their powers on this subject. It will not do to tie them up so carefully that they can not move, unless the idea is that the states have positively no power whatever on the subject. This we do not believe; at any rate, in the absence of congressional legislation. The mere provision in the Federal statute for an assignment and its record as against subsequent purchasers, etc., is not such legislation as takes away the rights of the states to legislate on the subject themselves in a manner neither inconsistent with, nor opposed to, the Federal statute. We think the judgment is right, and it is affirmed.

Mr. Justice White, with whom concurs Mr. Justice Day, dissenting:

My brother Day and myself dissent. The reasons, however, which impel him are broader than those influencing me. In general terms, the Kansas statute which the court now upholds compels one selling a patent right in any county of the state of Kansas to file with the clerk of such county an authenticated copy of the patent, together with an affidavit as to the genuineness of the patent, and as to other matters. The statute, morever, exacts that where a note is given for the purchase price of a patent right, there shall be inserted in the note a statement that it is given for a patent right, presumably to deprive the note of the attributes of commercial paper. We both think that the requirements as to recording the patent and affidavit are void, because repugnant to the power delegated to Congress by the Constitution on the subject of patents, and because in conflict with the legislation of Congress on the same subject. And, for like reasons, my brother Day is also of the opinion that the provision is void which exacts an

insertion in a note given for the sale of a patent right of the fact that it was given for such sale. This latter provision, in my opinion, the state had the power to make as a reasonable police regulation, not repugnant to the authority as to patents delegated to Congress by the Constitution, or the legislation which Congress has enacted in furtherance thereof.

811. BEMENT v. NATIONAL HARROW CO., 186 U. S. 70, 46 L. ed. 1058 (1902). * * *

In error to the Supreme Court of the State of New York.

Statement of the Case.

This is a writ of error to the Supreme Court of the State of New York, to which court the record had been remitted after a decision of the case by the court of appeals. The action was brought by the plaintiff below, the defendant in error here, a corporation, to recover the amount of liquidated damages arising out of an alleged violation by the defendant below, the plaintiff in error here, also a corporation, of certain contracts executed between the parties, in relation to the manufacture and sale of what are termed in the contracts "float spring-tooth harrows," their frames and attachments applicable thereto, under letters-patent owned by the plaintiff. The action was also brought to restrain the future violation of such contracts, and to compel their specific performance by the defendant. The case was tried before a referee pursuant to the statute of New York providing therefor, and he ordered judgment in favor of the plaintiff for over twenty thousand dollars, besides enjoining the defendant from violating its contract with the plaintiff, and directing their specific performance as continuing contracts. This judgment was reversed by the appellate division of the supreme court and an order made granting a new trial, but on appeal from such order the court of appeals reversed it and affirmed the original judgment. The defendant brings the case here by writ of error.

The particular character of the action appears from the pleadings. The complaint, after alleging the incorporation of both parties to the action, the plaintiff in New Jersey and the defendant in Michigan, averred that about April 1, 1891, the plaintiff's assignor, a New York corporation, entered with the defendant into certain license contracts, called therein "Exhibits A and B." The substance of contract A is as follows: It stated that the plaintiff was the owner of certain letters-patent of the United States which had been issued to other parties and were then owned by the plaintiff, for improvements relating to float spring-tooth harrows, harrow-frames and attachments applicable thereto, eighty-five of which patents were enumerated, and that the defendant

desired to acquire the right to use in its business of manufacturing at Lansing (in the State of Michigan) and to sell throughout the United States, under such patents or some one or more of them, and under all other patented rights owned or thereafter acquired by the plaintiff, which applied to and embraced the peculiar construction employed by the defendant, during the term of such patents or either or any thereof, applicable to and embracing such construction. The plaintiff then, in and by such contract, gave and granted to the defendant the license and privilege of using the rights under those patents in its business of manufacturing, marketing and vending to others to be used, float spring-tooth harrows, float-spring-tooth-harrow frames without teeth and attachments applicable thereto; a sample of the harrow-frames and attachments the defendant was licensed to manufacture and sell, being (as stated) in the possession of the treasurer of the plaintiff, and marked and numbered as set forth in Schedule A, which was made a part of the license. The license was granted upon the terms therein set forth, which were as follows:

(1) The defendant was to pay a royalty of one dollar for each float spring-tooth harrow or frame sold by it pursuant to the license, to be paid to the plaintiff at its office in the city of Utica in the State of New York.

(2) The defendant was to make verified reports of its business each month, and mail them to the plaintiff, and the defendant agreed that it would not ship these harrows to any person, firm or corporation to be sold on commission, or allow any rebate or reduction from the price or prices fixed in the license, except to settle with an insolvent debtor for harrows previously sold and delivered.

(3) The defendant agreed that it would not during the continuance of the license sell its products manufactured under the license at a less price or on more favorable terms of payment and delivery to the purchasers than was set forth in Schedule B, which was made a part of the license, except as thereinafter provided.

(4) The plaintiff reserved the right to decrease the selling price and to make the terms of payment and delivery more favorable to the purchasers, and it might reduce the royalty on the harrows manufactured under the license.

(5) The plaintiff agreed to furnish license-labels to the defendant, which were to be affixed to each article sold, and the amount of ten cents paid for each of such labels was to be credited and allowed on the royalty paid by the defendant at the time of such payment.

(6) The defendant agreed that it would not, during the continuance of the license, be directly or indirectly engaged in the manufacture or sale of any other float spring-tooth harrows, etc.,

than those which it was licensed to manufacture and make under the terms of the license, except such as it might manufacture and furnish another licensee of the National Harrow Company, and then only such constructions thereof as such other licensee should be licensed by the plaintiff to manufacture and sell, except such other style and construction as it might be licensed to manufacture and sell by the plaintiff.

(7) The defendant agreed to pay to the plaintiff for each and every of the articles sold contrary to the strict terms and provisions of the license, the sum of five dollars, which sum was thereby agreed upon and fixed as liquidated damages.

(8) The defendant agreed not to directly or indirectly, in any way, contest the validity of any patent applicable to and embracing the construction which the defendant was licensed to manufacture, or which it might manufacture, for another licensee, which such other licensee was itself licensed to manufacture or sell, or the reissues thereof, and no act of either party should invalidate this admission. The defendant also agreed not to alter or change the construction of the float spring-tooth harrows, float-spring-tooth-harrow frames, without teeth or attachments applicable thereto, which it was authorized to manufacture and sell under the license, in any part or portions thereof which embody any of the inventions covered by the letters-patent, or any of them, or any reissues thereof.

(9) The plaintiff agreed that after the license was delivered it would not grant licenses or let to any other person the right to manufacture the articles named of the peculiar style and construction or embodying the peculiar features thereof used by the defendant, as illustrated and embodied in the sample harrow then placed in the possession of the treasurer of the plaintiff and referred to in Schedule A of the license.

(10) Nothing contained in the license was to authorize the defendant to manufacture or vend, directly or indirectly, any other or different style of harrow than duplicates of such samples as had been deposited by it with the plaintiff, and such as were embraced in the license.

(11) Any departure from the terms of the license might at the option of the plaintiff be treated as a breach of the license, and the licensee might be treated as an infringer, or the plaintiff might restrain the breach thereof in a suit brought for that purpose and obtain an injunction, the licensee waiving any right of trial by jury; such remedy was to be in addition to the liquidated damages already provided for.

(12) The termination of the license by the plaintiff was not to release the defendant from its obligation to pay for articles sold up to the termination of the license.

(13) The plaintiff agreed to defend the defendant in any suit brought for an alleged infringement.

(14) No royalties were to be paid for articles exported for use in a foreign country.

(15) The license was personal to the licensee and not assignable, except to the successors of the defendant in the same place and business, without the written consent of the plaintiff, nor were the royalties or other sums specified to cease to be paid under any circumstances, except under the conditions named in the license during the continuance thereof.

(16) The parties agreed that the license should continue during the term of the patent or patents applicable to the license and during the term of any reissues thereof.

(17) The place of the performance of the agreement was the city of Utica, N. Y., and the agreement was to be construed and the rights of the parties thereunder determined according to the laws of New York.

(18) The consideration of the contract or license was one dollar, paid by each of the parties to the other, and the covenants contained therein to be performed by the other, and it applied to and bound the parties thereto, their successors, heirs and assigns.

Schedule A which followed contained a description of the particular kinds of harrow which the defendant was authorized to make and sell under the license. Schedule B contained a statement of the prices and terms of sale under the license, and it was therein stated that "a maximum discount of forty-two per cent. may be allowed on sales of harrows, frames and teeth in the following territory: all of the New England States, also States of New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia and West Virginia. A maximum discount of forty-five per cent. may be allowed on all sales in the territory throughout the United States not mentioned above."

This contract or license was signed by the president of the National Harrow Company for the plaintiff, and A. O. Bement, president of the defendant corporation, for the defendant.

The other license, called Exhibit B, was in substance the same as Exhibit A, excepting that the privilege of sale for the articles manufactured was that portion of the territory embraced within the United States lying south, and west of Virginia, West Virginia and Pennsylvania, and there was some difference in the machines which the defendant was authorized to manufacture and sell under this license, and in regard to the prices to be charged for those machines not covered by the former contract or license.

These two agreements were, as stated, made parts of the plaintiff's complaint, and the plaintiff then set forth various al-

leged violations of the two agreements on the part of the defendant, and claimed a recovery of a large amount of damages under the provisions of the contracts, and prayed for an injunction restraining future violations and for a specific performance of the contracts.

The plaintiff also alleged that the plaintiff's assignor, the New York corporation, duly assigned to the plaintiff all its rights and interests in regard to the subject-matter of the two contracts, and that the plaintiff, at the time of the commencement of the action, was the lawful owner of all such interests and rights, and was entitled to bring the action in its own name.

To this complaint the defendant made answer, denying many of its allegations and setting up certain other agreements which it alleged had been made by the plaintiff and other parties, including defendant, and which, as averred, amounted to a combination of all the manufacturers and dealers in patent harrows, to regulate their manufacture and to provide for their sale and the prices thereof throughout the United States. It was also in the answer averred that such contracts had been pronounced to be void by the Supreme Court of New York, and the contracts now before the court were, as contended by defendant, but a continuation and a part of the other contracts already declared void, and that these contracts between the parties to this action were also void. It also alleged that all of the various contracts were in violation of the act of Congress, approved July 2, 1890, being chapter 647 of the first session of the Fifty-first Congress, 26 Stat. 209, entitled:

"An act to protect trade and commerce against unlawful restraints and monopolies."

The case was referred to a referee to hear and decide, who, after hearing the testimony, reported in favor of the plaintiff. The material portions of his report are as follows:

"That for some time prior to the month of September, 1890, the spring-tooth-harrow business was conducted by the following-named parties: D. C. & H. C. Reed & Company, of Kalamazoo, Mich.; G. B. Olin & Company, Perry, and Canandaigua, N. Y.; Chase, Taylor & Company, W. S. Lawrence, doing business under the name of Lawrence & Chapin, both of Kalamazoo, Mich.; J. M. Childs & Company, of Utica, N. Y.; and A. W. Stevens & Son, of Auburn, N. Y., who began the harrow business in substantially the order named above.

"The first two above-named firms conducted their business in separate portions or territory of the United States, under the same United States letters-patent, and the other firms began their business in hostility to the same letters-patent. The first two firms began a number of patent-law suits against the other firms and their customers for infringement of patents. These suits

were vigorously prosecuted and the court finally decided the patents valid, and ordered an accounting of profits against the firm of Chase, Taylor & Company, and W. S. Lawrence.

"Prior to September, 1890, the last four of the above-named firms settled their disputes over patents with the first two firms, and took licenses under their letters-patent. Considerable sums of money were paid in settlement of these disputes and rights; and prior to said date, September, 1890, there was no other relation between the first two firms named, and the other parties than that of licensor and licensee under United States letters-patent.

"In the year 1890, and just prior thereto, other persons, firms and corporations began the spring-tooth-harrow business and other patent-law suits followed: Suits were begun against the defendants herein, and against their customers purchasing their spring-tooth harrows; and one case had gone to final decree, in which the defendant was ordered to account for profits and damages; and an injunction had been granted in another suit. Proceedings were pending upon an application for rehearing in these cases.

"In September, 1890, the six firms named first above decided to organize a corporation known as the National Harrow Company of New York, with a view to transferring various United States letters-patent owned by the six firms respectively to said corporation, and for the purpose of conducting the manufacture of some part or portion of the material which entered into their spring-tooth-harrow business.

"In the conduct of the spring-tooth harrow business, the harrows came to be known in the market as 'float spring-tooth harrows;' that name having been adopted to differentiate the harrows from those known in the market as 'wheel-harrows,' which had frame-bars and curved spring-teeth supported from an axle above, which axle had wheels at either end of the diameter above thirty inches. The two classes of harrows were diffentiated, one being called a 'float' and the other a 'wheel' spring-tooth harrow. The litigations had been wholly over the 'float' spring-tooth harrows.

"The members composing the first six firms, above named, in the harrow business in September, 1890, organized under the laws of the State of New York the 'National Harrow Company.' That corporation was duly legally incorporated, and after its incorporation it received from the said six firms the transfer of their separate United States letters-patent, licenses, contracts and privileges under patents. The defendant's president, Arthur O. Bement, became and continued a director of this corporation until its dissolution, which followed in a little over a

This corporation entered into some contracts with spring-tooth harrow manufacturers, which were decided by the Supreme Court of the State of New York to be illegal as against public policy, on account of restraints contained in the contracts, which extended beyond the lifetime of the patents. That case is reported in the New York Supplement, vol. 18, p. 224, Strait et al. v. National Harrow Company et al.

"Immediately following this decision, all of the contracts then in existence which were affected thereby were immediately canceled by the parties to such contracts.

"The defendant, E. Bement & Sons, in the fall of 1890, entered into a contract with the National Harrow Company, looking to the selling of its patents and rights under patents relating to the spring-tooth-harrow business; but this contract was abandoned, the conditions upon which it was executed not having been complied with, the contract became and was wholly void.

"The defendant had no contract with the National Harrow Company until about June 16 or 17, 1891, at which time several contracts were entered into between the defendant and the National Harrow Company of New York. Among other contracts the defendant executed and delivered assignments in writing of several United States letters-patent and license rights and privileges under United States letters-patent, all of which related to the defendant's float-spring-tooth-harrow business. Such contracts constituted an absolute sale of the property and privileges thereby transferred and the defendant agreed to accept in payment thereof the paid-up capital stock of the National Harrow Company of New York, and the value of the rights transferred were by agreement between the parties fixed and determined by arbitration, under which arbitration the defendant was awarded and the value was fixed at upward of $29,000. The defendant was dissatisfied with the amount of the award, and such dissatisfaction and difference was afterward adjusted by an agreement to issue to the defendant and the defendant to accept an additional amount of $16,000 of said capital stock. That by agreement, in the place of the said capital stock of the New York company, the defendant accepted and agreed to take the stock of the plaintiff in this action, and there has been issued to the defendant and the defendant has received the capital stock of this plaintiff in an amount upward of $45,000 in payment for the property and rights sold and transferred by the defendant to the National Harrow Company of New York. That said upward of $45,000 of stock was issued to the president of the defendant for defendant's benefit, and on said stock defendant has received several cash dividends.

"The transaction between the National Harrow Company of New York and this defendant had, in June, 1891, was intended by the parties to be an absolute sale by the defendant to the National Harrow Company of New York of the United States letters-patent and licenses under United States letters-patent relating to the float-spring-tooth-harrow business conducted by the defendant, and it was founded on a good, valuable and adequate consideration moving between the parties.

That, as a part of such transaction, the National Harrow Company of New York granted, issued and delivered to the defendant the license contracts A and B, which are attached to the complaint in this action and made a part thereof. Upon the consummation of the transaction in June, 1891, the controversy over patents and infringements existing between the first six firms named above, and the defendant and its customers, was settled. The papers which were executed in June, 1891, were all dated as of April 1, 1891, and were to take effect as of that date. At the date of the execution and delivery of the license contracts A and B, the National Harrow Company of New York was the owner by assignment and purchase of a large number of United States letters-patent, which it is claimed fully monopolized and covered the defendant's float-spring-tooth-harrow business.

"The sale by the defendant of its letters-patent and license rights and privleges to the National Harrow Company of New York, and the signing and delivering of license contracts A and B, were intended to and did, settle existing controversies with reference to the rights of the National Harrow Company of New York and the defendant.

"I decide that the contract entered into in June, 1891, including the contracts 'A' and 'B' between the National Harrow Company of New York and this defendant were and are good and valid contracts, founded on adequate considerations and were reasonable in their provisions; contracts 'A' and 'B' imposing no restraints upon the defendant beyond those whose the parties had a right, from the nature of the transaction, to impose and accept.

"In July, 1891, a corporation was organized under the laws of the State of New Jersey, known and designated as the National Harrow Company, which corporation is the plaintiff in this action. None of the parties organizing this corporation were in the spring-tooth-harrow business. The New Jersey corporation was duly and legally organized in conformity with the laws of that State, and was by those laws and its charter authorized to purchase United States letters-patent and to grant licenses under United States letters-patent and to conduct the manufacturing business, and had a variety of other rights and privileges under its charter and said statutes. That this corporation, the plaintiff,

still is a legal and valid corporation, entitled to hold and enjoy such of its property as it now or may hereafter own or acquire, and that it was not organized in hostility to any rule of public policy.

"That the National Harrow Company of New Jersey, this plaintiff, through its duly-constituted officers purchased from the National Harrow Company of New York all of its various United States letters-patent, and all contracts, licenses and privileges which the National Harrow Company of New York then owned and possessed, and also purchased a part of its other property, rights and privileges.

"That on the 9th of September, 1891, a formal transfer in writing was made from the National Harrow Company of New York to the National Harrow Company of New Jersey of the property and rights sold as aforesaid by the former company to the latter, which transfer was founded on a good, valuable and adequate consideration moving between the parties, and which transfer was sanctioned by the directors and stockholders of the New York corporation, and by the officers and directors of the National Harrow Company of New Jersey, this plaintiff, and separate assignments in writing were made of the various United States letters-patent from the New York corporation to the New Jersey corporation.

"I decide that this transfer was in all respects legal and valid, being founded on a good and valuable consideration, and that it vested in the plaintiff in this action all the rights, privileges and benefits accruing to the New York corporation under its contracts with the defendant, including contracts A and B, which contracts have been slightly modified by the parties as to price and terms of sale.

"The defendant's president, Arthur O. Bement, became a director and an active manager of the plaintiff, and continued as such down to September, 1893.

"The defendant made monthly verified reports to this plaintiff down to and including the 8th of September, 1893, of the harrows embraced in contracts A and B, by such reports stating the total harrows sold to be 13,900, on which defendant paid to the plaintiff a royalty of $13,900.

"The National Harrow Company of New York and this plaintiff have performed all of the stipulations and provisions in the contracts entered into between the National Harrow Company of New York and this defendant, including all the provisions of contracts A and B, and the plaintiff is now ready, willing and able to perform all of the stipulations and agreements to be performed on its part, as assignee of the National Harrow Company of New York.

"That the defendant, after having received and retained large pecuniary benefits under the contracts, has failed, neglected and refused, and still fails, neglects and refuses to keep and perform its contracts entered into, including the stipulations and provisions contained in contracts A and B, and since September, 1893, it has wholly repudiated contracts A and B, and refused to perform any of the stipulations contained therein which it agreed to do and perform, and it has broken and violated all of the stipulations and agreements contained in contracts A and B which it agreed to do and perform."

The referee then states with some detail the various violations of the license agreement by the defendant, and finds the defendant indebted to the plaintiff in the sum of over twenty thousand dollars. He then continues as follows:

"I decide that the plaintiff is a legal and valid corporation authorized to enforce its rights in courts having jurisdiction, and that all of the contracts in evidence were and are legal, valid and binding contracts, such as might reasonably be made under the circumstances, founded upon an adequate consideration, and that they embodied no illegal restraints, and are not repugnant to any rule of public policy as in restraint of trade, or tending to create a monopoly, trust or any other illegal combination; and that the contracts entered into between the defendant and the National Harrow Company of New York, including contracts A and B, are and were intended to be continuing contracts, and should be enforced according to their true intent and meaning as hereby interpreted."

The referee then held the plaintiff entitled to a judgment against the defendant, declaring the validity of the plaintiff corporation and its title to the contracts and their validity, and decreeing specific performance thereof and restraining future violations of the contracts by the defendant. Judgment in accordance with the report was entered, from which the defendant appealed to the appellate division of the supreme court.

Some difficulties regarding the form in which the case was presented to the court arose upon the argument, and it was therefore suspended and the case sent back to the referee for a resettlement, which was subsequently agreed upon by counsel for the respective parties, who entered into a stipulation in regard to what was to be reviewed by the courts above, and, among other things, it was agreed between counsel—

"that the foregoing record, as amended and corrected in this stipulation, contains all of the evidence given and proceedings had before the referee material to the questions to be raised on this appeal by the appellant, which questions to be raised by the appellant on this appeal are to be only as follows."

Those questions are eight in number, the fourth of which is—"whether or not the contracts A and B are valid under the act of Congress approved July 2, 1890, chapter 647 of the first session of the Fifty-first Congress."

This is the only Federal question raised and appearing in the record.

The case was thereupon argued before the appellate division, which reversed the judgment, and ordered a new trial, but it did not state in its order of reversal that the judgment was reversed on questions of fact as well as of law. The plaintiff then appealed to the court of appeals from the order granting a new trial, and after argument it was held by that court that it had no jurisdiction to review the facts, and that upon the findings of the referee there had been no error of law committed, and consequently the supreme court was wrong in reversing the judgment. The court therefore reversed the judgment of the supreme court, and affirmed the judgment entered upon the report of the referee.

Mr. Justice Peckham, after making the foregoing statement of facts, delivered the opinion of the court.

In this court we are concluded by the findings of fact made in a State court in a suit in equity, as well as in an action at law. (Dowers v. Richards, 151 U. S. 658, 666; Israel v. Arthur, 152 Id. 355; Egan v. Hart, 165 Id. 188; Hedrick v. Atchison, Topeka & Santa Fe Railroad Company, 167 Id. 673, 677.)

The only Federal question raised in the record is as to the validity of contracts A and B, with regard to the act of Congress on the subject of trusts. (26 Stat. 209.) That is a question of law, plainly raised in the record, and we are not precluded from its consideration by any action of the State courts. If, however, facts not found by the referee are necessary for the purpose of connecting those contracts with others not found in such report, we can not supply the omission to find those facts. The contention of the defendant is that the two contracts A and B are in truth a part and continuation of the agreement set forth in the defendant's answer, and that taken together they prove a purpose and combination on the part of all the dealers in patented harrows to control their manufacture, sale and price in all portions of the United States, and defendant avers that such a contract or combination was and is void, not only as against public policy, but also because it is a violation of the federal statute upon the subject of trusts and illegal combinations. Those former alleged contracts are not mentioned in the report of the referee excepting, as he stated they had been declared void as against public policy, and as being in restraint of trade because they extended beyond the life of the patents therein mentioned, and the referee found

that following this decision all of the contracts then in existence, which were affected thereby, were immediately canceled by the parties thereto.

The referee made no finding of any fact connecting the contracts A and B with prior contracts of a like nature including other parties, as alleged in the answer of the defendant. The referee did find, however, that the defendant had no contract with the National Harrow Company until June 16 or 17, 1891, at which time several contracts were entered into between the plaintiff and the National Harrow Company of New York, and among other contracts the plaintiff executed and delivered assignments in writing of several United States letters-patent and license rights and privileges under United States letters-patent, all of which relate to the defendant's float-spring-tooth-harrow business. He also found that such contracts constituted an absolute sale of the property and privileges thereby transferred, and that the defendant agreed to and did accept in payment thereof paid-up capital stock of the plaintiff. He further found that the transaction between the assignor of the plaintiff and the defendant in June, 1891, was intended by the parties to be an absolute sale by the defendant to such assignor of the United States letters-patent and licenses under such patents relating to the float-spring-tooth-harrow business conducted by the defendant, and that it was founded upon a good, valuable and adequate consideration between the parties; that as a part of such consideration the assignor of the plaintiff granted and delivered to the defendant the license contracts A and B, heretofore spoken of, and that upon the consummation of the transaction the controversy over patents and infringements existing between the first six firms named in the referee's report and the defendant and its customers was settled. The report also decided—

"that the contract entered into in June, 1891, including the contracts A and B between the National Harrow Company of New York and this defendant were and are good and valid contracts, founded on adequate considerations and were reasonable in their provisions; contracts A and B imposing no restraints upon the defendant beyond those which the parties had a right, from the nature of the transaction, to impose and accept."

The omission of the referee to find from the evidence that the contracts A and B were a continuation of former contracts held to have been void, and that there were in fact other manufacturers of harrows who had entered into the same kind of contracts with plaintiff as those denominated A and B, and that there was a general combination among the dealers in patented harrows to regulate the sale and prices of such harrows, furnishes no ground for this court to assume such facts. The contracts A and B are

to be judged by their own contents alone and construed accordingly.

The referee also decided that the plaintiff was a legal and valid corporation, authorized to enforce its rights in courts having jurisdiction, and that all the contracts in evidence were and are legal, valid and binding contracts, and such as might reasonably be made under the circumstances, and were founded upon a good, valuable and adequate consideration, and were reasonable in their provisions, and that they embodied no illegal restraints, and were not repugnant to any rule of public policy as in restraint of trade, and were not intended to create a monopoly, trust or illegal combination, and that the contracts entered into between the defendant and the National Harrow Company of New York, including the contracts A and B, are, and were, intended to be continuing contracts, and should be enforced according to their true intent and meaning as hereby interpreted.

When he speaks of all the contracts in evidence, the referee plainly means all the contracts in evidence between the parties to this action, for it was of such contracts only that he had been speaking. There were, in fact, other contracts than those designated A and B between these parties, and such other contracts had been put in evidence, and previously referred to by the referee. He, therefore, must have included what is termed the "escrow agreement" in his findings, that all the agreements made by defendant with the plaintiffs were valid. That agreement is set forth in the margin as follows:

ESCROW AGREEMENT.

"This memoranda of agreement, made and entered into this 1st day of April, A. D., 1891, by and between the National Harrow Company, a corporation of Utica, in the State of New York, and Edward Norris of the same place; and E. Bement & Sons of Lansing, in the State of Michigan.

"Whereas, the said National Harrow Company is the owner of a large number of letters-patent relating to float spring-tooth harrows, and is desirous of granting licenses thereunder to the following-named persons, firms and corporations, to wit: Chas. H. Childs & Company, D. B. Smith & Company, A. W. Stevens & Son, Childs & Jones, Syracuse Chilled Plow Company, Geo. W. Sweet & Company, Walker Manufacturing Company, Taylor & Henry, the Herndeen Manufacturing Company, D. C. & H. C. Reed & Company, L. C. Lull & Company, Williams Manufacturing Company, W. S. Lawrence, McSherry Manufacturing Company, D. O. Everest & Company, E. Bement & Sons, Hench & Dromgold, Farmers' Friend Manufacturing Company, Eureka Mower Company.

"And whereas, the said National Harrow Company has placed in the hands of said E. Norris in escrow, duly executed by it in duplicate, a certain contract and license for each of said persons, firms and corporations hereinbefore named, to be by the said E. Norris immediately presented to each of the above and foregoing named respective persons, firms and corporations, to be signed and executed by said respective persons, firms and corporations—

"Now, therefore, it is hereby understood and agreed by and between the parties hereto, that as the said licenses and contracts are signed and executed by the said respective persons, firms and corporations, they shall be held by said Norris, in escrow, for both parties until such time as all of said above-named persons, firms and corporations shall have signed, executed and delivered the same to said Norris, whereupon they shall become operative, and immediately thereafter the said Norris shall deliver one of the duplicates of each of said contracts and licenses to the said National Harrow Company and the other duplicate thereof to the respective licensees who have signed the same, in person or by mail.

"But in case any of the above-named persons, firms, and corporations shall neglect or refuse to sign, execute and deliver said respective contracts and licenses on or before the 1st day of June next, then and in such case said E. Norris shall, provided he shall be so directed, by a resolution duly adopted by the board of trustees of said National Harrow Company, make delivery of such of said contracts and licenses as have been signed and executed as above provided, at which time said contracts and licenses shall become operative, and in case the said National Harrow Company shall conclude not to accept any less number than the whole of such respective contracts and licenses, then and in such case the said Norris shall cancel each of said contracts and licenses, and they shall be null and void.

"Witness the signatures of the parties.

The National Harrow Co.,
By Chas. H. Childs, Pres't.
Edward Norris,
E. Bement & Sons,
By A. O. Bement, Pres't.

"Received of E. Bement & Sons a license and contract executed between the National Harrow Company and said E. Bement & Sons, which I agree to hold and deliver in accordance with an agreement between the said National Harrow Company and said E. Bement & Sons and myself, and hereto attached.

"Dated this 1st day of April, 1891.

"Edward Norris."

There is no finding by the referee that this agreement was ever signed by any one other than the parties to this action, or that any other person received the licenses from and made contracts with the plaintiff similar to the ones entered into between these parties. All that the referee finds is, that all the contracts in evidence were legal, by which was meant, as already stated, all the contracts in evidence between the parties to the action, which were in existence and uncanceled. In the absence of any finding as to the escrow agreement having been signed by others, it must be regarded as unimportant, and we are brought back to the question whether these contracts or licenses, A and B, irrespective of any contracts not found by the referee as in any way connected with, or forming a part thereof, are void as a violation of the act of Congress.

The plaintiff contends in the first place that only the attorney-general of the United States can bring an action under the statute, excepting that by § 7 of the act any person injured in his business or property, as provided for therein, may himself sue in any circuit court of the United States, in the district in which the defendant resides or is found. Assuming that the plaintiff is right so far as regards any suit brought under that act, we are nevertheless of opinion that any one sued upon a contract may set up as a defense that it is a violation of the act of Congress, and if found to be so, that fact will constitute a good defense to the action.

The first section of the act provides that—

"every contract, combination in the form of trust. or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal."

Every person making such a contract is deemed guilty of a misdemeanor, and on conviction is to be punished by fine or by imprisonment, or both. As the statute makes the contract in itself illegal, no recovery can be had upon it when the defense of illegality is shown to the court. The act provides for the prevention of violations thereof, and makes it the duty of the several district attorneys, under the direction of the attorney-general, to institute proceedings in equity to prevent and restrain such violations, and it gives to any person injured in his business or property the right to sue, but that does not prevent a private individual when sued upon a contract which is void as in violation of the act from setting it up as a defense, and we think when proved it is a valid defense to any claim made under a contract thus denounced as illegal.

This brings us to a consideration of the terms of the license contracts for the purpose of determining whether they violate the act of Congress. The first important and most material fact in

considering this question is that the agreements concern articles protected by letters-patent of the government of the United States. The plaintiff, according to the finding of the referee, was at the time when these licenses were executed the absolute owner of the letters-patent relating to the float-spring-tooth-harrow business. It was, therefore, the owner of a monopoly recognized by the constitution and by the statutes of Congress. An owner of a patent has the right to sell it or to keep it; to manufacture the article himself or to license others to manufacture it; to sell such article himself or to authorize others to sell it. As stated by Mr. Justice Nelson, in Wilson v. Rousseau, 4 How. 646, 674, in speaking of a patent:

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

Again, as stated by Mr. Chief Justice Marshall in Grant v. Raymond, 6 Pet. 218, 241:

"To promote the progress of useful arts, is the interest and policy of every enlightened government. It entered into the views of the framers of our constitution, and the power "to promote the progress of science and useful arts, by securing for limited times to authors and inventors, the exclusive right to their respective writings and discoveries,' is among those expressly given to Congress. This subject was among the first which followed the organization of our government. It was taken up by the first Congress at its second session, and an act was passed authorizing a patent to be issued to the inventor of any useful art, etc., on his petition, 'granting to such petitioner, his heirs, administrators or assigns, for any term not exceeding fourteen years ,the sole and exclusive right and liberty of making, using and vending to others to be used, the said invention or discovery.' The law further declares that the patent 'shall be good and available to the grantee or grantees by force of this act, to all and every intent and purpose herein contained.' The amendatory act of 1793 contains the same language, and it can not be doubted that the settled purpose of the United States has ever been, and continues to be, to confer on the authors of useful inventions an exclusive right to their inventions for the time mentioned in their patents. It is the reward stipulated for the advantages derived by the public for the exertions of the individual, and is intended as a stimulus to those exertions. The laws which are passed to give effect to this purpose ought, we think, to be construed in the spirit in which they have been made; and to execute the contract fairly on the part of the

United States, where the full benefit has been actually received; if this can be done without transcending the intention of the statute, or countenancing acts which are fraudulent or may prove mischievous. The public yields nothing which it has not agreed to yield; it receives all which it has contracted to receive. The full benefit of the discovery, after its enjoyment by the discoverer for fourteen years, is preserved; and for his exclusive enjoyment of it during that time the public faith is pledged."

In Heaton-Peninsular Company v. Eureka Specialty Company, 47 U. S. App. 146, 160, it is stated regarding a patentee:

"If he sees fit, he may reserve to himself the exclusive use of his invention or discovery. If he will neither use his device nor permit others to use it, he has but suppressed his own. That the grant is made upon the reasonable expectation that he will either put his invention to practical use or permit others to avail themselves of it upon reasonable terms, is doubtless true. This expectation is based alone upon the supposition that the patentee's interest will induce him to use, or let others use, his invention. The public has retained no other security to enforce such expectations. A suppression can endure but for the life of the patent, and the disclosure he has made will enable all to enjoy the fruit of his genius. His title is exclusive, and so clearly within the constitutional provisions in respect of private property that he is neither bound to use his discovery himself nor permit others to use it. The dictum found in Hoe v. Knap, 27 Fed. 204, is not supported by reason or authority."

It is true that in certain circumstances the sale of articles manufactured under letters-patent may be prevented when the use of such article may be subject within the several States, to the control which they may respectively impose in the legitimate exercise of their powers over their purely domestic affairs, whether of internal commerce or of police regulation. Thus an improvement for burning oil, protected by letters-patent of the United States, was condemned by the State inspector of Kentucky as unsafe for illuminating purposes under the statute requiring an inspection and imposing a penalty for the violation of the statute, and it was held that the enforcement of the statute was within the proper police powers of the State, and that it interfered with no right conferred by the letters-patent. (Patterson v. Kentucky, 97 U. S. 501.)

There are decisions also in regard to telephone companies operating under licenses from patentees giving them the right to use their patents for the purpose of operating public telephone-lines, but prohibiting companies from serving within such district any telephone company, and it has been held in the lower federal courts that such a prohibition was of no force; that it was incon-

sistent with the grant, because a telephone company, being in the nature of a common carrier, was bound to render an equal service to all who applied and tendered the compensation fixed by law for the service; that while the patentees were under no obligation to license the use of their inventions by any public telephone company, yet, having done so, they were not at liberty to place restraints upon such a public corporation which would disable it to discharge all the duties imposed upon companies engaged in the discharge of duties subject to regulation by law It could not be a public telephone company and could not exercise the franchise of a common carrier of messages with such exception to the grant. (See Missouri, ex rel., etc., v. Bell Telephone Company, 23 Fed. 539; State, ex rel., etc., v. Delaware, etc., Company, 47 Id. 633; and Delaware & Atlantic, etc., Company v. State of Delaware ex rel., etc., 3 U. S. App. 30.)

These cases are cited in the opinion of the court in the case of Heaton-Peninsular Company v. Eureka Specialty Company (supra.) Notwithstanding these exceptions, the general rule is absolute freedom in the use or sale of rights under the patent laws of the United States. The very object of these laws is monopoly, and the rule is, with few exceptions, that any conditions which are not in their very nature illegal with regard to this kind of property, imposed by the patentee and agreed to by the licensee for the right to manufacture or use or sell the article, will be upheld by the courts. The fact that the conditions in the contracts keep up the monopoly or fix prices does not render them illegal.

The contention that they do not affect interstate commerce, is not correct. We think the licenses do by their terms and by their plain meaning refer to, include and provide for interstate as well as other commerce. The contract called "Exhibit B" provides for the manufacture at Lansing, Michigan, and for the sale of the articles there made in territory lying south and west of Virginia and West Virginia and Pennsylvania and the referee finds that a number of harrows have been sold under that contract. The contracts plainly look to the sale, and they also determine the price of the article sold, throughout the United States, as well as to the manufacture in the State of Michigan. As these contracts do, therefore, include interstate commerce within their provisions, we are brought back to the question whether the agreement between these parties with relation to these patented articles is valid within the act of Congress. It is true that it has been held by this court that the act included any restraint of commerce, whether reasonable or unreasonable. (United States v. Trans-Missouri Freight Association, 166 U. S. 290; United States v. Joint Traffic Association, 171 Id. 505; Addystone Pipe, etc.,

Company v. United States, 175 Id. 211.) But that statute clearly does not refer to that kind of a restraint of interstate commerce which may arise from reasonable and legal conditions imposed upon the assignee or licensee of a patent by the owner thereof, restricting the terms upon which the article may be used and the price to be demanded therefor. Such a construction of the act we have no doubt was never contemplated by its framers.

United States v. E. C. Knight Company, 156 U. S. 1, does not bear upon the facts herein. That case related to a purchase of stock in manufacturing companies, by reason of which the purchaser secured control of a large majority of the manufactories of refined sugar in the United States. It was held by this court that the federal act relating to trusts and combinations affecting interstate commerce could not reach and suppress the creation of a monopoly in regard to the refining of sugar, and that the manufacturing of a commodity bore no direct relation to commerce between the States or with foreign nations. It was said by Mr. Chief Justice Fuller, for the court, while speaking of such manufacture: "Nevertheless it does not follow that an attempt to monopolize, or the actual monopoly of, the manufacture was an attempt, whether executory or consummated, to monopolize commerce, even though, in order to dispose of the product, the instrumentality of commerce was necessarily invoked."

In these contracts provision is expressly made, not alone for manufacture, but for the sale of the manufactured product throughout the United States, and at prices which are particularly stated, and which the seller is not at liberty to decrease without the assent of the licensor. (Addystone Pipe & Steel Company v. United States, 175 U. S. 211, 238.) These contracts directly affected, not as a mere incident of manufacture, the sale of the implements all over the country, and the question arising is whether the contracts which thus affect such sales are void under the act of Congress.

On looking through these licenses we have been unable to find any conditions contained therein rendering the agreement void because of a violation of that act. There had been, as the referee finds, a large amount of litigation between the many parties claiming to own various patents covering these implements. Suits for infringements and for injunction had been frequent, and it was desirable to prevent them in the future. The execution of these contracts did in fact settle a large amount of litigation regarding the validity of many patents as found by the referee. This was a legitimate and desirable result in itself. The provision in regard to the price at which the licensee would sell the article manufactured under the license was also an appropriate and reasonable condition. It tended to keep up the price of the

implements manufactured and sold, but that was only recognizing the nature of the property dealt in, and providing for its value so far as possible. This the parties were legally entitled to do. The owner of a patented article can, of course, charge such price as he may choose, and the owner of a patent may assign it or sell the right to manufacture and sell the article patented upon the condition that the assignee shall charge a certain amount for such article.

It is also objected that the agreement of the defendant not to manufacture or sell any other float-spring-tooth harrow, etc., than those which it had made under its patents before assigning them to the plaintiff, or which it was licensed to manufacture and make, under the terms of the license, except such other style and construction as it may be licensed to manufacture and sell by the plaintiff, is void under the act of Congress.

The plain purpose of the provision was to prevent the defendant from infringing upon the rights of others under other patents, and it had no purpose to stifle competition in the harrow business more than the patent provided for, nor was its purpose to prevent the licensee from attempting to make any improvement in harrows. It was a reasonable prohibition for the defendant, who would thus be excluded from making such harrows as were made by others, who were engaged in manufacturing and selling other machines under other patents. It would be unreasonable to so construe the provision as to prevent defendant from using any letters-patent legally obtained by it and not infringing patents owned by others. This was neither its purpose nor its meaning.

There is nothing which violates the act in the agreement that planitiff would not license any other person than the defendant to manufacture or sell any harrow of the peculiar style and construction then used or sold by the defendant. It is a proper provision for the protection of the individual who is the licensee, and is nothing more in effect than an assignment or sale of the exclusive right to manufacture and vend the article. In brief, after a careful examination of these contracts, we are unable to find any provision in them, either taken separately or in connection with all the others therein contained, which would render the contracts between these parties void as in violation of the act of Congress.

It must, however, be conceded that the escrow agreement above set forth looks to the signing, by the parties mentioned therein, of contracts similar to those between the parties to this suit, designated A and B, and containing like conditions relating to the patents respectively owned by such parties. But there is no finding by the referee that such contracts were in fact entered into by those other parties nor that they constituted a combina-

tion of most, if not all, of the persons or corporations engaged in the business concerning which the agreements between the parties to this suit were made. If such similar agreements had been made, and if, when executed, they would have formed an illegal combination within the act of Congress, we can not presume for the purpose of reversing this judgment, in the absence of any finding to that effect, that they were made and became effective as an illegal combination. As between these parties, we hold that the agreements A and B actually entered into were not a violation of the act. We are not called upon to express an opinion upon a state of facts not found. Upon the facts found there is no error in the judgment of the court of appeals, and it must, therefore, be affirmed.

Mr. Justice Harlan, Mr. Justice Gray and Mr. Justice White did not hear the argument and took no part in the decision of this case.

812. In RE BROSNAHAN, 4 McWary 1, 18 Fed. 62 (1883, C. C. W. D. Mo.). * * *

Miller, Justice.

The prisoner in this case is brought before us by virtue of a writ of habeas corpus issued under the authority of this court, and directed to John W. Rucker, in whose custody the petitioner stated himself to be. To this writ Mr. Rucker, at the time of producing the body of his prisoner, makes return that he holds him in custody by virtue of a precept to him directed as constable by A. W. Allen, a justice of the peace of Jackson county, Missouri, and he annexes a copy of the mittimus as a part of his return. From this it appears that a criminal proceeding had been instituted against Brosnahan for a violation of the statute of Missouri concerning the sale of oleomargarine, and that on being arrested and brought before the justice of the peace the latter had set the hearing or trial at some future day, several months off, and had fixed a reasonable sum as bail for the prisoner's appearance at that time. The prisoner refused to give bail, whereupon the magistrate made the order committing him to custody. The present writ of habeas corpus was thereupon sued out.

As the courts of the United States are of limited jurisdiction, and, in ordinary cases, can have no control of the courts or judicial officers of the states while engaged in enforcing their criminal laws, the counsel representing Rucker on behalf of the state deny the jurisdiction of this court in the case.

For the prisoner the jurisdiction is asserted on the following grounds:

"First, that the statute of Missouri is void, because the article, oleomargarine, the sale of which it forbids in Missouri, is made

and sold under a patent of the United States issued to Hyppolyte Mege, December 30, 1873, for a new and useful discovery under the patent laws on that subject; second, it is void because it impairs the obligation of the contract evidenced by that patent; third, it is void because it is a regulation of commerce among the several States; fourth, because it deprives a man of his property without due process of law, (§ 1, art. 14, of the amendments to the Constitution of the United States); fifth, because it is without any authority in the constitution of the state of Missouri, and is outside of any legislative power whatever.

The statute thus assailed is in the following words:

"An act to prevent the manufacture and sale of oleaginous substances, or compounds of the same, in imitation of the pure dairy product.

"Section 1. Whoever manufactures, out of any oleaginous substances, or any compounds of the same, other than that produced from unadulterated milk, or cream from the same, any article designed to take the place of butter or cheese produced from pure, unadulterated milk, or cream of the same or whoever shall sell or offer for sale the same as an article of food, shall, on conviction thereof, be confined in the county jail not exceeding one year, or fined not exceeding $1,000, or both." Approved March 24, 1881.

The acts of congress concerning the writ of habeas corpus have been brought together in chapter 13 of the revised statutes, and are included in §§ 751-766.

That which relates to the jurisdiction of the circuit courts is found in §§ 751 and 753:

"Sec. 751. The supreme court, and the circuit and district courts, shall have power to issue writs of habeas corpus."

"Sec. 753. The writ of habeas corpus shall in no case extend to a prisoner in jail, unless when he is in custody under or by color of the authority of the United States or is committed for trial before some court thereof, or is in custody for an act done or omitted in pursuance of the law of the United States, or of an order, process, or decree of a court or judge thereof, or *is in custody in violation of the constitution, or of a law or treaty of the United States,* or being a subject or citizen of a foreign state," etc.

The words italicized above, namely, "or is in custody in violation of the constitution, or of a law or treaty of the United States," confer the only power under which, in this case, jurisdiction can be exercised by the circuit court.

It is quite clear that if the Missouri statute is justly obnoxious to either of the four objections first named, it is void, and the person held for violating that statute is in custody in violation of the

constitution of the United States; and the power and duty of this court to discharge him are unquestionable.

We proceed to inquire if the law is so objectionable.

1. As to the effect of the patent. The patent is introduced in evidence, and proof is offered to show that the article sold by the prisoner, and for which sale he is prosecuted, is the article specified in Mege's patent, and that the prisoner has such authority as the patent confers to sell it. The validity of the patent is not disputed. Has the prisoner, then, a right to sell the article thus patented, notwithstanding the statute of Missouri which forbids such sale? The constitution, (art. 1, § 8, cl. 8,) gives congress power "to promote the progress of science and useful arts by securing for a limited time, to authors and inventors, the exclusive right to their respective writings and discoveries;" and the act of congress which is designed to give effect to this clause declares that in every case where a patent is issued under it, the patentee shall have the exclusive right to make, use, and sell the subject-matter of his patent, whatever it may be.

It is to be observed that no constitutional or statutory provision of the United States was, or ever has been, necessary to the right of any person to make an invention, discovery, or machine, or to use it when made, or to sell it to some one else. Such right has always existed, and would exist now if all patent laws were repealed. It is a right which may be called a natural right, and which, so far as it may be regulated by law, belongs to ordinary municipal legislation; and it is unaffected by anything in the constitution or patent laws of the United States.

The sole object and purpose of the laws which constitute the patent and copyright system is to give to the author and the inventor a monopoly of what he has written or discovered, that no one else shall make or use or sell his writings or his invention without his permission; and what is granted to him is the exclusive right; not the abstract right, but the right in him to the exclusion of everybody else.

For illustration, an author who had written or printed a book always has the right to do so, and to make and sell as many copies as he pleased; and he can do this though he takes out no copyright for his work. But if he wishes to have the benefit of the exclusive right to do this, he can get it by securing a copyright under the act of congress. All that he obtains, then, by this copyright, all that he asks for or needs, and all it was designed to confer on him, is to make the right which he had already in common with everybody else, an exclusive right in him—a monopoly in which no one can share without his permission.

But let us suppose that the book which he has thus copyrighted is an obscene and immoral book, which, by the law of the state in which it is published, may be seized and destroyed, and for that reason; does this statute, which forbids any one else but him to print or publish it, authorize him to do so? Can he violate the law because no one else can do it? Does the copyright confer on him a monopoly of vice, and an immunity from crime? Suppose a discovery of a cheap mode of producing intoxicating liquor, in regard to which the inventor obtains a patent for the product; does this authorize him to defy the entire system of state legislation for the suppression of the use of such drinks? The answer is that the purposes of the patent law and of the constitutional provision are answered when the patentee is protected against competition in the use of his invention by others; and when the law prevents others from infringing on his exclusive right to make, use, or sell, its object is accomplished. This proposition is fully supported by the supreme court in the case of Patterson v. Kentucky, 97 U. S. 501. That case also cites with approval the following language from the opinion of the supreme court of Ohio in the case of Jordan v. Overseers of Dayton, 4 Ohio 295:

"The sole operation of the statute [the patent law] is to enable him [the inventor] to prevent others from using the product of his labors, except with his consent. But his own right of using is not enlarged or affected. There remains in him, as in every other citizen, the power to manage his property or give direction to his laborers at his pleasure, subject only to the paramount claims of society, which require that his enjoyment may be modified by the exigencies of the community to which he belongs, and regulated by laws which render it subservient to the general welfare, if held subject to state control."

The principle is reaffirmed in Webber v. Virginia, 103 U. S. 344.

2. Does the Missouri statute impair the obligation of any contract? The only one to which we are referred as affected by it, is the contract founded in the patent between the United States and the patentee. Some reference is made to a contract between the public and the patentee. We know of no such contract in a case like this, except such as may be found to exist between the parties to it, namely, the United States on one side and the patentee on the other. If we concede such a contract to exist, it can extend no further than the right granted to the patentee under the patent laws. We have already shown that this is not the original or absolute right to make, to use, and to sell, which is a right not dependent on the patent, but the right to be protected against the manufacture, use, or sale of this product by

others without his permission. When the state of Missouri shall pass a law that everybody may manufacture, use, and sell oleomargarine, it will probably impair the obligation of the Mege patent. If it does not, it will certainly authorize the infringement of his right under the patent, and will be void for that reason. It will be, then, immaterial whether it impairs the obligation of his contract or not.

3. We are unable to see that it is a regulation of commerce among the several states. If it can be called a regulation of commerce at all, it is limited to the internal commerce of the state of Missouri. Being a criminal statute, there is no pretense that it can have any operation outside the boundary of the state. The person who manufactures or sells the article outside of the state is not liable to the penalties of law. The statute does not forbid its importation or exportation, the bringing of it into the state, or carrying it out of the state; nor is its use in the state forbidden to those who choose to use it even for food. It is only forbidden to manufacture it or to sell it for food, to take the place of butter for that purpose. For all other purposes it may be made and sold in the state, and for that purpose, or any other, it may be imported or exported without violating the law. If it could be seen that the law was directed by way of discrimination against the product of a sister state, while no such prohibition existed against the same product in Missouri, or was intended to prevent buying and selling between the states, or importation and exportation, whereby the citizens or the productions of a neighboring state were placed in a worse position in regard to that article than the citizens or the productions of Missouri, the argument would not be without force. Such is the doctrine laid down by the supreme court of the United States in Woodruff v. Parham, 8 Wall. 123; and in Hinson v. Lott, 8 Id. 148; and The State Freight Tax Case, 15 Wall. 232; U. S. v. Dewitt, 9 Wall. 41.

4. We are next to inquire whether the statute deprives the owner of this product of his property, within the meaning of the clause of the fourteenth amendment which says: "Nor shall any state deprive any person of life, liberty, or property without due process of law." The statute does not, in direct terms, authorize the seizure or taking of any property, not even that whose manufacture is forbidden. The party is not, in fact, deprived of this property by the statute, or by any proceeding which it authorizes. The personal punishment, by fine and imprisonment, which the statute imposes, must be inflicted according to the law of Missouri, which allows a trial by jury, with all the other forms which from time immemorial have been held

to be due process of law. The moneyed fine, then, and the liberty of which the party may be deprived, are undoubtedly imposed by due process of law.

If it be urged, as it has in some cases, that the effect of the statute upon the right to sell the property is such as to destroy its value, and therefore to deprive the owner of it, there are several answers to the proposition: First, the value of the property can hardly be so affected that the party may be said to be deprived of it, while it can readily be transported into some other state, and sold without restriction; secondly, and conclusively, that as to the product made or imported into the state after the passage of the statute, the statute was and must be taken as part of the due process of law, and deprived the party of nothing which he owned when it was passed, or which he had a right to make or acquire for sale as food at the time he did so make or buy it. The law in such case did not deprive him of his property. If he is injured in relation to that property, it is by his own action in buying or making it, with the statute before his eyes. That statute was, as to him and to this property, due process of law, of which he had due notice. Bartemeyer v. State, 18 Wall. 132. His injury or loss, if any, arises out of his determination to defy the law, and it is by the law and its mode of enforcement, which, existing at the time, is due process of law, that he must be tried.

5. The evidence in favor of the petitioner is abundant, and of the highest character, to prove that the article which he sells, and which he is forbidden to sell by the statute of Missouri, is a wholesome article of food prepared from the same elements in the cow which enable her to yield the milk from which butter is made, and when made by Mege's process is the equal in quality for purposes of food of the best dairy butter. No evidence is offered by counsel for Rucker or for the state to contradict this, because they say it is wholly immaterial to the issue before the court. A very able argument is made by counsel, whose ability commands our respect, to show that, such being the character of the article whose manufacture and sale is forbidden by the statute, the legislature of Missouri exceeded its powers in passing it. It is not so much urged that anything in the constitution of Missouri forbids or limits its power in this respect by express language, as that the exercise of such a power in regard to a property shown to be entirely innocent, incapable of any injurious results or damage to public health or safety, is an unwarranted invasion of public and private rights, an assumption of power without authority in the nature of our institutions, and an interference with the natural rights of the citizen and of the public, which does not come within the province of legislation.

The proposition has great force, and, in the absence of any presentation of the matters and circumstances which governed the legislature in enacting the law, we should have difficulty in saying it is unsound. Fortunately, as the case before us stands, we feel very clear that, even if well founded, this objection to the statute is one which we can not consider in this case.

As already stated, when a writ of habeas corpus is issued by the circuit court in behalf of one in custody of a state officer, under judicial proceedings in state courts and under state laws, the only inquiry we can make is, whether he is held in "violation of the constitution, or of a law of congress, or a treaty of the United States." The act in question may be in conflict with the constitution of the state, without violating the constitution, or any law or treaty of the United States. It may be in excess of the powers which the people of Missouri have conferred on their legislative body, and therefore void, without infringing any principle found in the constitution, laws, or treaties of the United States.

We have, in the four objections to this statute first considered, examined all the points in which it is supposed to conflict with the constitution and laws of the United States, and we know of no others, and no others have been suggested. The proposition now under consideration, if well taken, is one for the consideration of the state court when this case comes to trial. It is, in a habeas corpus case in the federal courts, excluded by the express language of the statute conferring jurisdiction in such cases. This court does not sit here clothed with full and plenary powers either of common law or of criminal jurisdiction. Its criminal jurisdiction is still more limited than its jurisdiction at common law and in chancery. It has, in common with the district court, jurisdiction of all offenses against the statutes of the United States. Such is not the case before us.

Section 753 goes further, and authorizes the court to issue writs of habeas corpus in all cases where a person is in custody in violation of the laws of the United States, including its constitution and its treaties. The prisoner in this case is not prosecuted for a crime or offense against the United States. We have, therefore, no general jurisdiction of the case.

We have endeavored to show that while held under a law of Missouri by Missouri officials, it is not in violation of, it is not forbidden by, the constitution, or any law or treaty of the United States; and the act of congress, under which alone we can exercise the special power of issuing writs of habeas corupus, permits us to go no further.

The return of the constable, Rucker, to the writ is sufficient, and the prisoner must be remanded to his custody; and it is so ordered.

McCrary, J., concurs.

PART XIV.

INFRINGEMENT.

Definition—Making, Using or Selling—Identity—Use—Machine—Process—Composition of Matter—Combination—Broad and Narrow Claims—Limitation of Claims—Equivalents—Omission—Addition—Transposition of Parts—Superiority or Inferiority—Improvement—Before Patent—After Expiration of Patent—Contributory—Repair and Reconstruction—By Government—Threats.

(For construction or interpretation of patents see Part IX, and for principles of novelty Part II. For discussion of license, etc., incidental to such cases as Gill v. United States, see Part XII.)

812a. STATUTES.

Sec. 4899. Every person who purchases of the inventor or discoverer, or, with his knowledge and consent, constructs any newly invented or discovered machine, or other patentable article, prior to the application by the inventor or discoverer for a patent, or who sells or uses one so constructed, shall have the right to use, and vend to others to be used, the specific thing so made or purchased, without liability therefor.

Sec. 4900. It shall be the duty of all patentees, and their assigns and legal representatives, and of all persons making or vending any patented article for or under them, to give sufficient notice to the public that the same is patented; either by fixing thereon the word "patented," together with the day and year the patent was granted; or when, from the character of the article, this cannot be done, by fixing to it, or to the package wherein one or more of them is inclosed, a label containing the like notice; and in any suit for infringement, by the party failing so to mark, no damages shall be recovered by the plaintiff, except on proof that the defendant was duly notified of the infringement, and continued, after such notice, to make, use, or vend the article so patented.

813. PLEADING AND PROOF IN ACTIONS FOR INFRINGEMENT.

Sec. 4920. In any action for infringement the defendant may plead the general issue, and, having given notice in writing to the plaintiff or his attorney thirty days before, may prove on trial any one or more of the following special matters:

First. That for the purpose of deceiving the public the description and specification filed by the patentee in the Patent Office was made to contain less than the whole truth relative to his invention or discovery, or more than is necessary to produce the desired effect; or,

Second. That he had surreptitiously or unjustly obtained the patent for that which was in fact invented by another, who was using reasonable diligence in adapting and perfecting the same; or,

Third. That it has been patented or described in some printed publication prior to his supposed invention or discovery thereof, or more than two years prior to his application for a patent therefor; or,

Fourth. That he was not the original and first inventor or discoverer of any material and substantial part of the thing patented; or,

Fifth. That it had been in public use or on sale in this country for more than two years before his application for a patent, or had been abandoned to the public.

And in notices as to proof of previous invention, knowledge, or use of the thing patented, the defendant shall state the names of the patentees and the dates of their patents, and when granted, and the names and residences of the persons alleged to have invented or to have had the prior knowledge of the thing patented, and where and by whom it had been used; and if any one or more of the special matters alleged shall be found for the defendant, judgment shall be rendered for him with costs. And the like defenses may be pleaded in any suit in equity for relief against an alleged infringement; and proofs of the same may be given upon like notice in the answer of the defendant, and with the like effect.

814. CARVER v. HYDE, 16 Peters (U. S.) 513, 10 L. ed. 1051 (1842).

The rib in question is not an invention to be used by itself, but an improvement upon that portion of the cotton-gin; and is to be used in connection with other parts of a machine which has been publicly known and used a long time. There must, therefore, be some mode of fastening and connecting it with the other machinery; and the effect produced by the rib necessarily depends, in a great degree, upon the mode in which it is arranged and connected with the saw and the other parts of the machine. He specifies the mode, and claims it as part of his invention. According to his statement, his improvement consisted in the form of the rib which increased the depth between the upper and lower surface, at the part where the cotton is drawn through the grate, in the sloping up so as to meet the upper or outer surface

above the saws, and in the smooth and uninterrupted passage produced by the manner in which it was connected with the frame. These three things he represents as constituting his improvement, and they are all combined together in his specification and claim, making together one invention to be used in connection with the other and old machinery of the cotton-gin. And the drawing which accompanies his patent, shows the manner in which the rib is sloped and arranged with the saw and annexed to the framework, in order to attain the object of the invention.

Now, the end to be accomplished is not the subject of a patent. The invention consists in the new and useful means of obtaining it. And if the defendant had, by a rib of a substantially different form, or differently arranged with the saw, or not fastened at all to the frame, made an improvement which more effectually secured the object intended to be accomplished by the plaintiff's patent, it would be difficult to maintain that it could not be lawfully used, because it produced the same result with the plaintiff's invention.

The usefulness of the rib depends altogether, as described in the specification, upon the manner of its connection with the periphery of the saw, and with the framework. And if, therefore, as was said by the circuit court, the rib made by the defendant was not fastened at all to the framework, or in a manner substantially different from the plaintiff's, or in a manner known and used before the plaintiff's invention, it was no infringement of his patent. And, whether the manner was the same, in substance, or not, was a question of fact for the jury; and as they found for the defendant, we must assume that it was substantially different.

The judgment of the circuit court is therefore affirmed.

815. ANDERSON v. COLLINS, 122 Fed. 451, 58 C. C. A. 669 (1903, Eighth Circuit).* * *

[The above are three of the ten figures of the Collins patent in suit.

A represents the hub of a wheel with a cup bearing B which has a central opening b through which the axle C projects. The bearing suriace d' of the cup B lies at an angle to the longitudinal axis of the axle C. D is a cone secured upon the axle C by screw-threads and having a conical or flaring bearing surface d at an angle of forty-five degrees from the longitudinal axis of the axle C. The cone D has an exteriorly screw-threaded hub d'. Upon this hub is secured a nut or ring D' which is provided with a conical or tapered face d^2 shown as formed at an angle of thirty degrees from the longitudinal axis of the axle C. E E are balls or roller elements resting in the race

formed between the surfaces d d^2 and upon which the surface b′ of the cup bearing B rest.

It will be observed that the roller elements E are rotatively confined between separating devices which consist of rollers F arranged parallel to the bearing surface b′ of the cup B. Each of the rollers F is rotatively mounted on a pin f, the ends of which project through apertures in two side plates F′, which constitute the sides of the housing for the roller elements. The outer margins of the plates F′ are held at suitable distances apart by spreading blocks or pins f′.

Fig. 1.

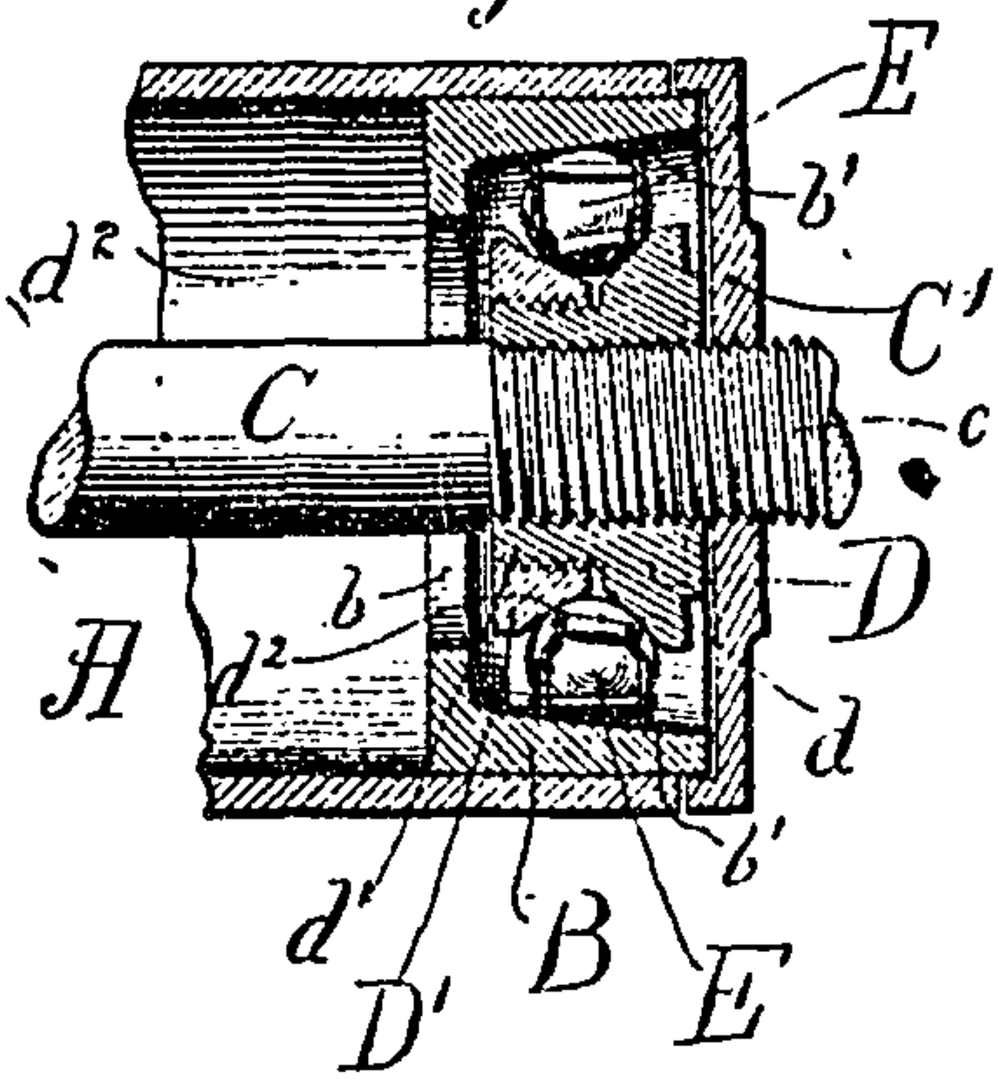


Fig. 4.

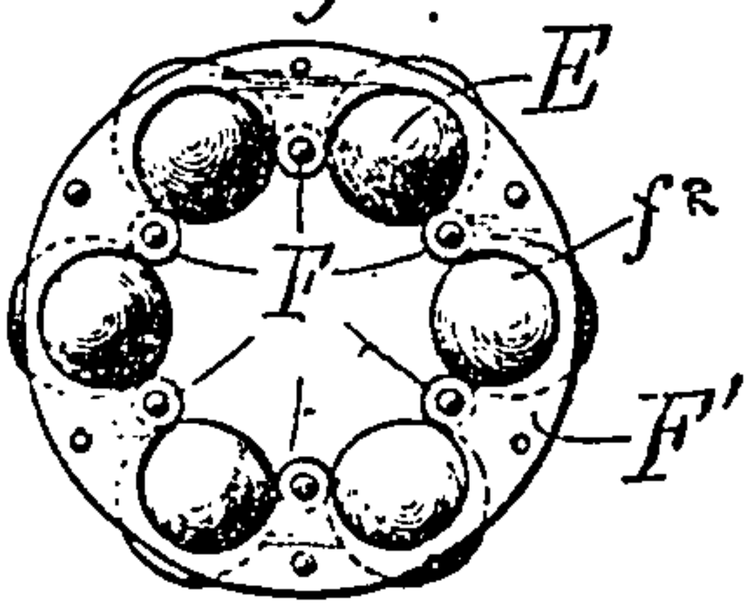
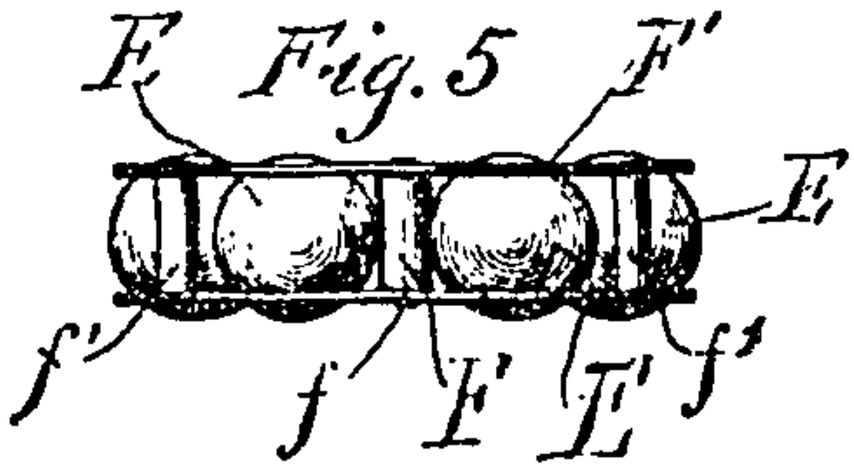


Fig. 5.



The following claims were selected by the court as representative of the subject-matter of the suit:

"8. A housing for the roller elements of a ball-bearing comprising two ring-plates, a plurality of ball-separating devices rotatably secured at intervals between the plates at or near their inner margins, said rings being provided with a socket or recess between each separating device, a plurality of roller elements in said sockets and means for securing the plates at a

suitable distance apart whereby said roller elements may partially project beyond the plane of the outer surfaces of said plates and also project peripherally between them as and for the purpose specified.

"9. In a ball-bearing, a housing comprising two ring-plates having suitable corresponding recesses, roller-bearing elements in said recesses, a roller-separating device between each pair of roller elements, and means for securing said parts in operative relation comprising rivets passing through adjacent and engaging marginal parts of the ring-plates, each plate having an annular bend therein, substantially as and for the purpose specified.]"

Fig. 1

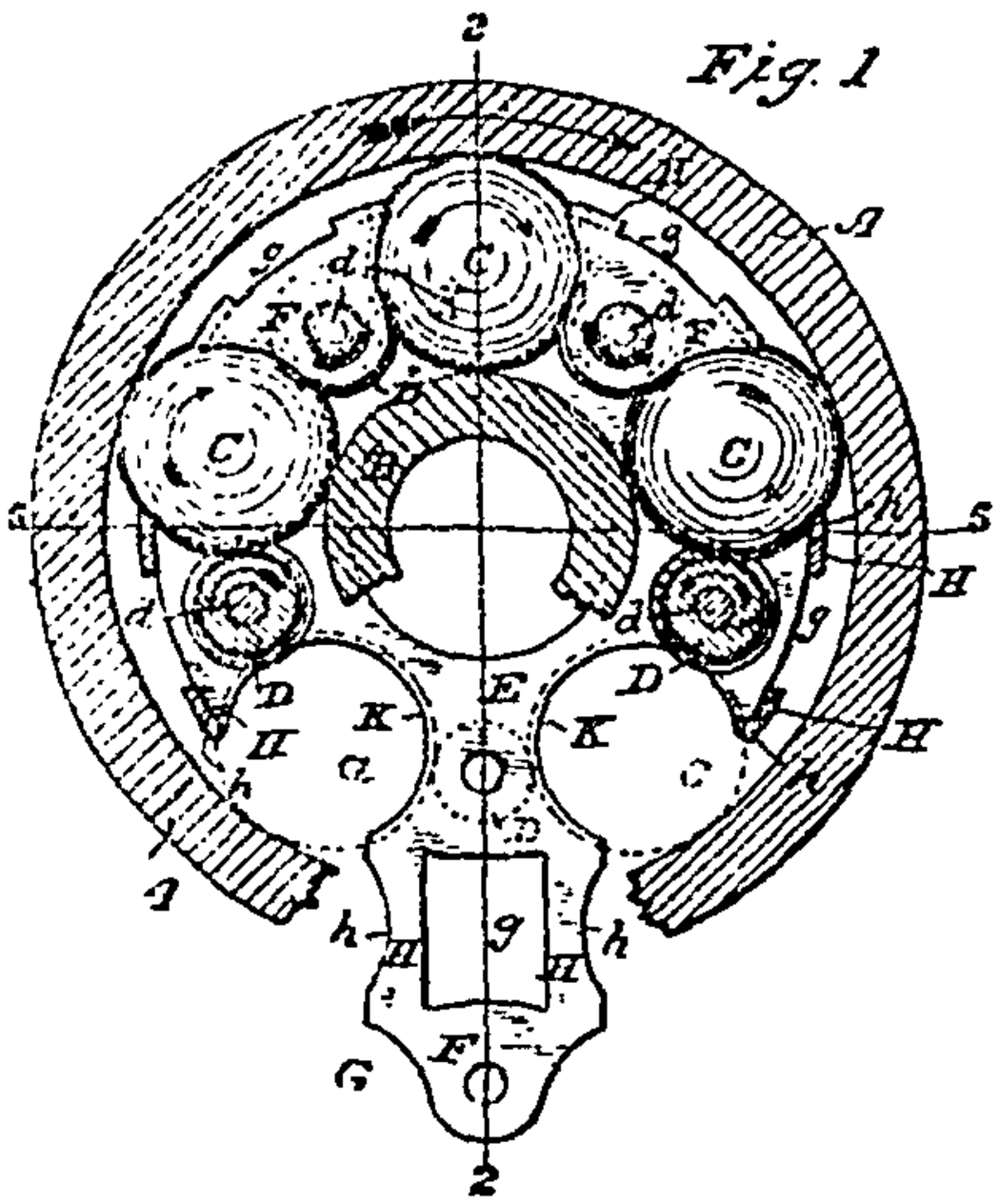


Fig. 2

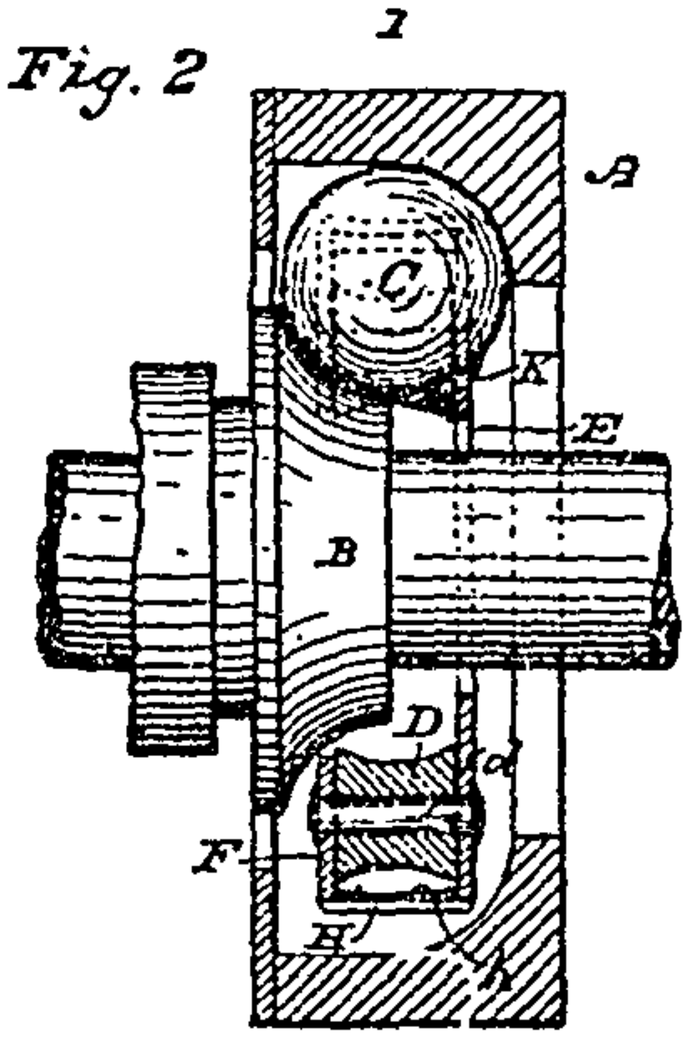
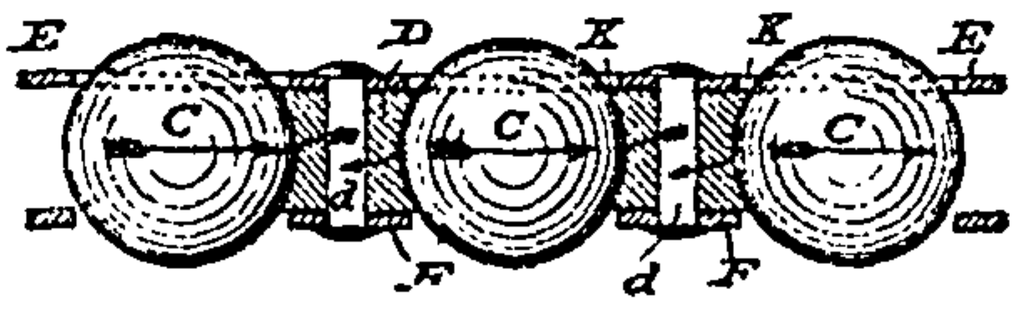


Fig. 3.



[The above figures fairly represent the subject-matter of the Burwell patent which practically presents the bearing made by the defendant.

In these drawings A is the ball-race or cup and B the cone of an ordinary ball-bearing. The balls C lie in contact with and roll upon the opposing surfaces of the cup and cone, respectively. Between each of these balls is located an anti-friction roller D, having concaved peripheries to conform to the

surfaces of the balls against which they bear. These rollers are mounted upon pins d, the ends of which are supported by a metallic cage or frame E. The cage E has brackets or arms F, which support the outer ends of the pins upon which the rollers are mounted. These brackets are made integral with the main body of the cage and are first bent at right angles at the outer periphery of the main body and then again at right angles toward the center of the cage so as to embrace the outer end of the anti-friction rollers, though for the purposes of this discussion the final shape is all that is important. The original shape of the bracket is shown at G in Fig. 1. It will be understood that they are to be bent into substantially L-shape form so that the part extending below in Fig. 1 will come up between two of the rollers D. The central portion of each arm is cut away for the purpose of lightness and resiliency, leaving an aperture g, with arms H H at each side of it, which support the outer end F of each bracket. The outer side of each of these arms is cut away or formed with a curved indenture h corresponding approximately to the curvature of the balls.

The purpose in this structure is to have the balls project between the separating devices without contact with the side of the cage or any portion of it when they are in working position between the cone and the cup, and this purpose is further carried out by cutting away the metal body of the cage to form circular openings K at the side of each ball. As in the Collins patent in suit, the balls are held in position laterally by the concave peripheries of the antifriction rollers between them, so that when the balls are in working position between the bearings of the cone and cup they are out of contact with the cage at every point, touching only the cone and also the surfaces of the antifriction rollers which hold the cage in proper position out of contact with the balls.

That is to say, in both cases it was the purpose to keep the balls from any frictional contact with any portion of the cage when they were at work or in working position and yet be enabled to remove all of the balls when the cage was taken out.]

Before Caldwell, Sanborn, and Thayer, Circuit Judges.

Sanborn, Circuit Judge: This is an appeal from a decree which adjudged the device described in the specification of letters patent No. 621,219, issued to George A. Burwell on March 14, 1899, to be an infringement of the fifth, seventh, eighth, ninth, and tenth claims of letters patent No. 595,696, issued to George J. S. Collins on December 21, 1897. The patented structure is a combination of old elements, and the decree is assailed upon the grounds that there was no invention in the combination, and that Burwell's device was not an infringement upon it. Both

structures are for housings or means for holding the roller elements in roller bearings in proper relations to each other while they are in operation, and for keeping them together in the same relation when they are removed from the roller race.

When Collins conceived his device, roller bearings were in common use. The main problem that was before those engaged in improvements in the art was to construct these bearings so that they would develop the least friction, and many machines had been made and patented in which an annular roller race between the journal and the journal box or the hub, main supporting rollers therein, and smaller separating rollers were common and familiar elements. On January 20, 1896, Collins had applied for a patent, which was subsequently issued to him on July 6, 1897, as No. 585,909, for an improvement in roller bearings, which disclosed a bearing consisting of an annular roller race in a journal box, main supporting balls, and separating devices therein. Between each two of the main supporting balls a separating device, consisting of two plates of triangular form, with a cylindrical roller between them at each angle, was so placed that when the wheel was in operation the balls could not touch each other, and there was no sliding contact among any of the parts, save only the trunnions of two of the little cylinders, which were extended so that their ends might come in contact with the side walls of the roller race, and thus prevent any sliding contact of the triangular plates therewith. This patent shows another separator, which consists of two cylindrical rollers, engaged at their ends with paralled side members and two small balls placed between the cylinders and their plates and the inner circumferential wall of the journal box. But in the structures shown in this patent the main supporting balls and the separating devices were not held together in any fixed relation to each other, and hence they could not be kept in their proper relation when removed from the roller race. There was no caging or housing to contain them and keep them in place.

The desideratum which Collins sought to reach in the combination of the patent here in suit was a housing or caging which would hold the main supporting balls and the cylinders or rollers which separated them in such a relation to each other and the cage that when in operation there would be no sliding friction between any of the walls of the roller race and any of its contents, that the balls and the separating devices should have a rolling, and not a sliding, contact, and that all the contents of the roller race could be removed bodily therefrom without disturbing their fixed relations to each other. * * *

Burwell's combination, which the defandant uses, accomplishes the same results by a similar caging, preferably made, the

patentee says in his specification, out of a single sheet of stamped metal, bent into the same form of housing which Collins constructed out of two annular rings.

Thus it will be seen that the same result is attained by practically the same means in the two combinations. There are, it is true, minor differences in the construction of the two housings. Collins' cage is made of two annular ring plates, while Burwell's is made of a single plate, so stamped and bent as to take the exact form and have the exact effect of the two plates of Collins. Collins' plates are held apart, and secured in fixed relation to each other at their outer margins, by spreading blocks or rivets, while Burwell accomplishes the same result by the arms, H, H, of his bracket, F, when it is bent in position. The supporting balls in the device of Collins have a greater diameter than the distance between the separating cylinders, so that the latter hold the balls in the cage; while the balls in Burwell's device have a less diameter than the distance between the cylinders, and are held in their cage by the corners of the overturned brackets in the housing. But these differences relate to mere details of construction. They are the result of the substitution for one mechanical device of its obvious equivalent. Collins' combination consisted of a cage, supporting balls, and separating devices so constructed that the housing should hold the other elements in such a fixed relation, both when within and when without the roller race, that when they were in operation the supporting balls should have no contact with each other, that their contact with the separating devices should be a rolling, and not a sliding, contact, and that no part of the combination should have a sliding contact with any of the walls of the race. Every essential element of this device is found in the combination used by the defendant. The latter accomplishes the same result by means which are the obvious mechanical substitutes of those described by Collins, and hence, in the eyes of the law, are the same means which he used. The use of a different, but mechanically equivalent, method or material to construct some of the elements of a patented combination will not avoid infringement where the principle or mode of operation is adopted, and the elements, when completed, perform the functions by the same means as, or by mechanically equivalent means to, those described in the patent. Ide v. Trorlicht, Duncker & Renard Carpet Co., 115 Fed. 137, 149, 53 C. C. A. 341; National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co., 106 Fed. 693, 711, 45 C. C. A. 544, 562; Watch Co. v. Robbins, 64 Fed. 384, 396, 12 C. C. A. 174, 187; New Departure Bell Co. v. Bevin Bros. Mfg. Co., (C. C.) 64 Fed. 859. The defendant has adopted the principle, the exact mode of operation, shown by the patent to Collins, and his device is

a plain mechanical equivalent of the combination described by the plaintiff. It is too slavish a copy in principle and in mechanical means to escape infringement if there was any novelty in Collins' combination and any invention in conceiving and perfecting it. * * * [Valid and infringed.]

816. SMITH v. RIDGELY, 103 Fed. 875, 43 C. C. A. 365 (1900).* * *

If the patent alleged to be infringed had been of a primary character, or one embodying a distinct and substantial advance in the art to which it relates, we should probably be able to find in the new Ridgely patents, and particularly in the last one, the equivalents of the elements combined in the patent now held by Smith, as was done by this court in reference to the important and very novel inventions in the cases of McCormick Harvesting Mach. Co. v. C. Aultman & Co., 37 U. S. App. 299, 16 C. C. A. 259, 69 Fed. 371, and Bundy Mfg. Co. v. Detroit Time-Register Co., 36 C. C. A. 375, 94 Fed. 524; but as the plaintiff's patent is sustained merely for the peculiar location of the spring in the trimmer, effecting the specific mode of operation resulting therefrom, we think the defendant's patents do not show an infringement thereof. To hold otherwise would be to admit that the plaintiff's spring device covered a spring located anywhere in the trimmer for the purpose of modifying the effect of pressure upon the head and blade. This we can not do, in view of the similar device in the Union paper trimmer. * * *

817. CIMIOTTI UNHAIRING CO. v. AMERICAN FUR REFINING CO., 198 U. S. 399, 49 L. ed. 1100 (1905).* * *

Mr. Justice Day delivered the opinion of the court.

This action was begun in the circuit court of the United States for the district of New Jersey for the purpose of enjoining the alleged infringement of certain letters patent of the United States, issued to John W. Sutton, and bearing date of May 22, 1888, No. 383,258, *for a certain new and useful invention or improvement upon machines for plucking furs.*

In the circuit court a decree was rendered granting an injunction (120 Fed. 672); upon appeal to the circuit court of appeals for the third circuit this judgment was reversed, and the cause was remanded to the circuit court with directions to dismiss the bill. 59 C. C. A. 357, 123 Fed. 869.

The case was brought here upon writ of certiorari to review the judgment of the circuit court of appeals.

The patent in controversy has been frequently sustained in the Federal courts (95 Fed. 474; 108 Fed. 82; 53 C. C. A. 2301, 115 Fed. 498; and 53 C. C. A. 161, 115 Fed. 507), and its validity

is not contested here. The question presented to us is one of infringement. The invention which is the subject-matter of the controversy relates to machinery for unhairing pelts, and particularly, and perhaps, exclusively, so far as practical use is concerned, sealskins or "coney" skins. The latter are skins of French or Belgian rabbits, which under the name of "electric" sealskins, have been put upon the market, and have been largely sold and used as substitutes for the genuine sealskin. It is said that only an expert can tell the difference between the finished coney and the genuine sealskin.

It is disclosed in the testimony that sealskins, before they are fit for the market, are required to be submitted to a process by which the long hairs, sometimes called "water hairs," are separated from the fur, and clipped or plucked from the pelt. Up to about the year of 1881 the removal of such hairs was effected by hand, the pelt being stretched over the finger, by blowing down on the fur a part was made, and the hairs were clipped out by means of scissors. This was necessarily a slow and laborious process. An improvement was made in this art by the Cimiottis, predecessors of the petitioner, by the introduction of an air blast for the purpose of separating the fur, which invention was the subject of a patent to them, number 240,007, under date of April 12, 1881. In 1888 the Sutton patent in suit was issued, in which was introduced a rotating brush apparatus for the purpose of separating the fur, as will be hereinafter more particularly shown. * * *

The great merit of this invention is said to consist in the use of the brush, applied by means of the mechanism shown, so as to brush down the fur, and permit the long hairs, which should be removed, and which rise at the edge of the stretcher bar, when the pelt is drawn over it, to be acted upon by the knives when the fur is brushed away, so as not to be injured.

In determining the construction to be given to the claim in suit, which is alleged to be infringed, it is necessary to have in mind the nature of this patent, its character as a pioneer invention or otherwise, and the state of the art at the time when the invention was made. It is well settled that a greater degree of liberality and a wider range of equivalents are permitted where the patent is of a pioneer character than when the invention is simply an improvement, may be the last and successful step, in the art theretofore partially developed by other inventors in the same field. * * *

While it may be admitted that the Sutton patent was a distinct step in the art, and is entitled to protection as a valuable invention, nevertheless it cannot be said to be a pioneer patent in any just sense. In the English Lake patent of 1881, of which

more will be said hereafter, there is doubtless a suggestion of the use of brushes for the purpose of separating the fur from the long hair to be removed. And so in the Covert patent of 1884, which was the subject of consideration by Judge Wheeler in the case of Ciniotti Unhairing Co. v. Mischke, 98 Fed. 297. In that case it was said that Covert's patent had been mechanically, but not commercially, successful, and that in lieu of a rotating separating brush, shown in Sutton's patent, Covert used a revolving cloth-covered cylinder, and it was held that this was not equivalent to the separating brush, and Sutton's invention was an advance upon anything theretofore shown. Of the Covert patent Judge Coxe, in the course of an able opinion sustaining the Sutton patent (Ciniotti Unhairing Co. v. American Unhairing Mach. Co., 53 C. C. A. 230, 234, 115 Fed. 498, 502), said:

"Covert came nearer than any one else to a successful machine. He had but one more step to take, and here he became bewildered and went astray. He missed the apparently simple arrangement of the rotary brush, which alone was necessary. It will not do to say that the prior art showed such a brush. Every element of the combination in controversy was unquestionably old, but there was nothing in the prior art to suggest a rotary brush working in the environment shown in the Sutton patent. There was nowhere a rotary brush making a 'part' on a keen-edged stretcher bar and brushing the fur down and out of the reach of the cutting knives during the moment necessary to the removal of the stiff hairs. It is the presence of this element in the combination which produces a new result and entitles its originator to protection."

In the same case, Judge Wallace, in his concurring opinion, says:

"I do not think the machine of the Sutton patent a prodigious advance upon that of the prior Covert patent, and I think a higher degree of merit has been attributed to it than it deserves; but it was enough of an advance to be patentable, and to deserve protection against an infringing machine which appropriates it."

Furthermore, it appears that while the Cimiottis acquired an exclusive license under the Sutton patent in 1888, the same was not put into commercial use until the introduction of coney skins as a substitute for sealskins, about the year 1890. During this time the Cimiottis were unhairing a large number of skins, and preferred to continue to use the air-blast machine of their own invention while paying tribute to Sutton. It was the introduction of the coney industry, in 1890, that gave stimulus to the use of such mechanisms as those used by the Cimiottis and the respondent in this case. We think it fair to say that this record discloses an invention of merit, entitled to some range of equiva-

lents in determining the question of infringement, but it is not one of those broad, initiative inventions where original thought has been embodied in a practical mechanism, which the courts have been ever zealous to protect, and to which a wide range of equivalents has been accorded.

Due weight is given to the Sutton patent when it is given credit for dispensing with the plate which Covert had in addition to the brush, and which he supposed would carry down the fur away from the cutting mechanism, but which Sutton has accomplished in giving, in a measure, at least, this added function to the brush of not only parting the fur, but carrying it down and away in preparation for the clipping by the knives. Any one who accomplishes the same purpose by substantially the same mechanism, using the elements claimed in Sutton's patent, may be held to be an infringer.

Sutton has taken the step which marks the difference between a successfully operating machine and one which stops short of that point, and that advance entitles him to the protection of a patent.

The argument here is confined, as to the alleged infringement, to the eighth claim of the Sutton patent, which is as follows:

"8. The combination of a fixed stretcher bar, means for intermittingly feeding the skin over the same, a stationary card above the stretcher bar, a rotary separating brush below the same, and mechanism, substantially as described, whereby the rotary brush is moved upward and forward into a position in front of the stretcher bar, substantially as set forth."

The elements of this claim are five in number: 1, a fixed stretcher bar; 2, means for intermittently feeding the skin over the same; 3, a stationary card above the stretcher bar; 4, a rotary separating brush below the same; 5, mechanism whereby the rotary brush is moved upward and forward into a position in front of the stretcher bar, "substantially as set forth."

In making his claim the inventor is at liberty to choose his own form of expression, and while the courts may construe the same in view of the specifications and the state of the art, they may not add to or detract from the claim. And it is equally true that, as the inventor is required to enumerate the elements of his claim, no one is an infringer of a combination claim unless he uses all the elements thereof. Shepard v. Carrigan, 116 U. S. 593-597, 29 L. ed. 723, 724, 6 Sup. Ct. 493; Sutler v. Robinson, 119 U. S. 530-541, 30 L. ed. 492-495, 7 Sup. Ct. 376; McClain v. Ortmayer, 141 U. S. 419-425, 35 L. ed. 800-802, 12 Sup. Ct. 76; Wright v. Yuengling, 155 U. S. 47, 39 L. ed. 64, 15 Sup. Ct. 1; Black Diamond Coal Min. Co. v. Excelsior Coal Co., 156 U. S.

611-617, 39 L. ed. 553-555, 15 Sup. Ct. 482; Walker, Patents, § 349. This principle is particularly important when we come to consider the "stationary card above the stretcher bar"—an element of the eighth claim. * * *

The Sutton device, as we have seen, has a stationary stretcher bar; the respondents' mechanism has a movable stretcher bar. The fixed stretcher bar, about which the other mechanism acts, is made a distinct feature of the eighth claim. It is not present in the respondents' mechanism, unless it is true, as argued, that the one is substantially the equivalent of the other. It is said to make no difference whether the knife and brush are carried to the stretcher bar or the stretcher bar is carried to the knife and brush. This might be true if the mechanisms were substantially the same, and there was a mere transposition or substitution of parts. Such changes would amount to an infringement. But in determining infringement we are entitled to look at the practical operation of the machines. The other elements of the eighth claim are to be used in connection with the apparatus shown in the Sutton patent, substantially as described. If the device of the respondents shows a substantially different mode of operation, even though the result of the operation of the machine remains the same, infringement is avoided. Brooks v. Fiske, 15 How. 212, 221, 14 L. ed. 665, 669; Union Steam-Pump Co. v. Battle Creek Steam-Pump Co., 43 C. C. A. 560, 104 Fed. 337, 343. In the latter case Judge Severens, who delivered the opinion of the court, after recognizing the doctrine that mere change of the location of parts, if the parts still perform the same function, did not take the structure without the bounds of the patent, said:

"If, however, such changes of size, form, or location effect a change in the principle or mode of operation such as breaks up the relation and co-operation of the parts, this results in such a change in the means as displaces the conception of the inventor, and takes the new structure outside of the patent."

And see Kokomo Fence Co. v. Kitselman, 189 U. S. 8, 47 L. ed. 689, 23 Sup. Ct. 521, in which case it was held that where the patent does not embody a primary invention, but only an improvement on the prior art, and the defendant's machines can be differentiated, the charge of infringement is not sustained.

In the case under consideration the respondents have dispensed with the fixed stretcher bar and have adopted a movable one, operated by an entirely different mechanism, capable of accomplishing a much larger amount of work within a given time. In the circuit court of appeals it was said to result in a double working capacity and product. It does not seem to us to be a mere transposition or substitution of parts; in the Sutton

patent, the stretcher bar being stationary, there are several mechanisms used for operating the movable brushes and the clipping knives; a different mechanism is used for operating the different parts which are to be brought to the fixed stretcher bar in carrying out the operation intended. In the respondents' machine the same application of power moves the stretcher bar and, by the co-operation of the feeding apparatus as above outlined feeds the machine by bringing the pelt forward, at the same time actuating the knives, in practically one operation. This seems to us to be a distinct mechanical departure, as well as an advance upon the Sutton machine, when considered in view of the results accomplished.

Moreover, if infringement could be otherwise sustained, the decree must be affirmed, because the eighth claim has made the stationary card, shown at "E" in the drawing, an essential part of the mechanism described. It may be that this card is unnecessary, and that it was dropped from the later patents issued to Sutton, but it is in this claim, and as was said by Judge Wallace in his dissenting opinion in Cimiotti Unhairing Co. v. Nearseal Unhairing Co., 53 C. C. A. 161, 115 Fed. 507, 509, "the patent industriously makes the stationary card, substantially as described, an element of the claim." Of this card the inventor said:

"Immediately above the stretcher bar B is arranged a stationary card, E, which is attached to the ends of the stretcher bar B by means of thumb-screws. (Not shown in the drawings.) The points of the teeth of the card E are close to but do not touch the surface of the skin, so that the hair and fur are both straightened as the skin is fed forward. The teeth of the card E hold down the fine fur, but permit the stiff hairs to stand up between the teeth, owing to the slow forward movement of the skin, which gives the hairs sufficient time to so adjust themselves."

He also says: "The card is set back from the edge of the stretcher bar to a distance a little more than one-half of the length of the fur, for the purpose of holding the fur and preventing it from moving forward until the forward motion of the skin takes place."

While it is said that the card does not touch the surface of the skin so that the hair and fur are both straightened as the skin is fed forward, it is true that the teeth of the card in some measure hold down the fine fur, and it is insisted that the mechanical equivalent of this card is found in respondents' machine in the compression bar, which also acts to hold down the fur before it is carried to the separating brush. But this bar has no carding feature to it, and cannot be made to perform the functions of a card; it has no separate teeth, and is not a card or the mechanical

equivalent of one shown and described and made a part of the eighth claim.

We think the Circuit Court of Appeals was right in the conclusion that the mechanism of the respondents was so materially different from the Sutton patent as to avoid the infringement alleged; and that an essential element of the eighth claim of the Sutton patent was not used by the respondents.

Decree affirmed.

818. KESSLER v| ELDRED, 206 U. S. 285, 51 L. ed. 1065 (1907).* * *

Statement of the Case.

Kessler, a citizen of Indiana, prior to 1898 had built up an extensive business in the manufacture and sale of electric cigar-lighters, and had customers throughout the United States. Eldred, a citizen of Illinois, and an inhabitant of the Northern District, was the owner of Patent No. 492,913, issued to Chambers on March 7, 1893, for an electric lamp-lighter. Eldred was a competitor of Kessler's and manufactured a similar form of lighter (entirely dissimilar from that described in the Chambers patent), so that it was not a matter of much importance to customers which lighter they bought. In 1898 Eldred began a suit against Kessler in the District of Indiana for the infringement of the Chambers patent. The bill alleged that Kessler's manufacture and sale of the Kessler lighter infringed all the claims. The answer denied that Kessler's lighter infringed any of the Chambers claims. On final hearing the circuit court found for Kessler on the issue of non-infringement and dismissed the bill. That decree was affirmed in 1900 by the Circuit Court of Appeals for the Seventh Circuit. (Eldred v. Kessler, 106 Fed. 509.)

Subsequently, Eldred brought suit on the same patent in the Northern District of New York against Kirkland, who was selling a similar lighter, but not of Kessler's make. The circuit court found for Kirkland on the issue of non-infringement and dismissed the bill. The Circuit Court of Appeals for the Second Circuit reversed that decree and held the Kirkland lighter to be an infringement. (Eldred v. Kirkland, 130 Fed. 342.)

In June, 1904, Eldred filed a bill for infringement of the same patent in the Western District of New York against Breitwieser, user of Kessler lighters, which were identical with those held in Eldred v. Kessler, to be no infringement of the Chambers patent. Many of Kessler's customers were intimidated by the Breitwieser suit, so that they ceased to send in further orders for lighters and refused to pay their accounts for lighters already sold and delivered to them. Kessler assumed the defense of the Breitwieser suit, and will be compelled in the proper discharge

of his duty to his customers to assume the burden and expense of all suits which may be brought by Eldred against other customers. In this state of affairs Kessler, a citizen of Indiana, in July, 1904, filed a bill against Eldred in the Circuit Court for the Northern District of Illinois, the State and district of Eldred's citizenship and residence, to enjoin Eldred from prosecuting any suit in any court of the United States against any one for alleged infringement of the Chambers patent by purchase, use or sale of any electric cigar-lighter manufactured by Kessler and identical with the lighter in evidence before the Circuit Court for the District of Indiana and the Circuit Court of Appeals for the Seventh Circuit in the trial and adjudication of the suit of Eldred against Kessler. From an adverse decree by the circuit court Kessler perfected an appeal to this Court.

Upon the foregoing facts the questions of law concerning which this court desires the instruction and advice of the Supreme Court are these:

First. Did the decree in Kessler's favor, rendered by the Circuit Court for the District of Indiana in the suit of Eldred against Kessler, have the effect of entitling Kessler to continue the business of manufacturing and selling throughout the United States the same lighter he had theretofore been manufacturing and selling, without molestation by Eldred through the Chambers patent?

Second. Did the decree mentioned in the first question have the effect of making a suit by Eldred against any customer of Kessler's for alleged infringement of the Chambers patent by use or sale of Kessler's lighters a wrongful interference by Eldred with Kessler's business?

Third. Did Kessler's assumption of the defense of Eldred's suit against Breitwieser deprive Kessler of the right, if that right would otherwise exist, of proceeding against Eldred in the State and district of his citizenship and residence for wrongfully interfering with Kessler's business?

Fourth. If Eldred's acts were wrongful, had Kessler an adequate remedy at law?

Mr. Justice Moody delivered the opinion of the court.

The industry of counsel has not discovered any decision on the exact questions presented by the certificate, and they agree that those questions are not settled by controlling authority. The decision of the case turns upon the effect of the judgment in the suit which Eldred brought against Kessler. Both manufactured and sold electric cigar-lighters. Eldred, being the owner of a patent issued to one Chambers for an electric lamp-lighter, brought a suit against Kessler, in which it was alleged by the

plaintiff and denied by the defendant that the cigar-lighters manufactured by Kessler infringed each and all of the claims of the Chambers patent. On the issue thus joined there was final judgment for Kessler. This judgment, whether it proceeds upon good reasons or upon bad reasons, whether it was right or wrong, settled finally and everywhere, and so far as Eldred, by virtue of his ownership of the Chambers patent, was concerned, that Kessler had the right to manufacture, use and sell the electric cigar-lighter before the court. The court, having before it the respective rights and duties on the matter in question of the parties to the litigation, conclusively decreed the right of Kessler to manufacture and sell his manufactures free from all interference from Eldred by virtue of the Chambers patent, and the corresponding duty of Eldred to recognize and yield to that right everywhere and always. After this conclusive determination of the respective rights and duties of the parties, Eldred filed a bill for an infringement of the same patent against Breitwieser, on account of his use of the same kind of Kessler cigar-lighter which had been passed on in the previous case, and Kessler had assumed the defense of that suit. Whether the judgment between Kessler and Eldred is a bar to the suit of Eldred v. Breitwieser, either because Breitwieser was a privy to the original judgment, or because the articles themselves were by that judgment freed from the control of that patent, we deem it unnecessary to inquire. We need not stop to consider whether the judgment in the case of Eldred v. Kessler had any other effect than to fix unalterably the rights and duties of the immediate parties to it, for the reason that only the rights and duties of those parties are necessarily in question here. It may be that the judgment in Kessler v. Eldred will not afford Breitwieser, a customer of Kessler, a defense to Eldred's suit against him. Upon that question we express no opinion. Neither it nor the case in which it is raised are before us. But the question here is whether, by bringing a suit against one of Kessler's customers, Eldred has violated the right of Kessler. The effect which may reasonably be anticipated of harassing the purchasers of Kessler's manufactures by claims for damages on account of the use of them, would be to diminish Kessler's opportunities for sale. No one wishes to buy anything, if with it he must buy a law-suit. That the effect to be anticipated was the actual effect of the Breitwieser suit is shown by the statement of facts. Kessler's customers ceased to send orders for lighters, and even refused to pay for those which had already been delivered. Any action which has such results is manifestly in violation of the obligation of Eldred, and the corresponding right of Kessler, established by the judgment. Leaving entirely out of view any

rights which Kessler's customers have or may have, it is Kessler's right that those customers should, in respect of the articles before the court in the previous judgment, be let alone by Eldred, and it is Eldred's duty to let them alone. The judgment in the previous case fails of the full effect which the law attaches to it if this is not so. If rights between litigants are once established by the final judgment of a court of competent jurisdiction those rights must be recognized in every way, and wherever the judgment is entitled to respect, by those who are bound by it. Having then by virtue of the judgment the right to sell his wares freely without hindrance from Eldred, must Kessler stand by and see that right violated, and then bring an action at law for the resulting damage, or may he prevent the infliction of the unlawful injury by proceedings in personam in equity? If Eldred succeeds in his suit against one of Kessler's customers, he will naturally bring suits against others. He may bring suits againt others, whether he succeeds in one suit or not. There may be and there is likely to be a multiplicity of suits. It is certain that such suits if unsucessful would at the some time tend to diminish Kessler's sales and to impose upon him the expense of defending many suits in order to maintain the right which by a judgment has already been declared to exist. If the suits are successful the result will be practically to destroy Kessler's judgment right. Moreover, though the impairment or destruction of Kessler's right would certainly follow from the course of conduct which Eldred has begun, it would be difficult to prove in an action at law the extent of the damage inflicted. An action at law would be entirely inadequate to protect fully Kessler's unquestioned right, and under these circumstances, though there may be no exact precedent, we think that the jurisdiction in equity exists. Nor do we see any good reason why Kessler's interposition for the defense in the suit of Eldred v. Breitwieser debars him from his remedy in equity.

It follows from the foregoing reasoning that the first and second questions certified should be answered in the affirmative, and the third and fourth in the negative, and it is so ordered.

819. TILGHMAN v. PROCTOR, 102 U. S. 708, 26 L. ed. 279 (1880).

[See No. 61.]

* * *

It only remains that we should express our views on the question of infringement. The defendants advance several reasons for the purpose of showing that their process does not conflict with that of Tilghman. First, because they do not use the apparatus described in the complainant's patent; but use a boiler in which the charge of fat and other materials is placed

and heated; and do not mix the fat and water in the manner pointed out in the specification of the patent, but, on the contrary, have inserted in the boiler a pump which forces the water as it settles to the bottom upwards to the top of the mass and pours it upon the upper surface whence it again finds its way down through the fat, thus keeping up a constant mixture. It is unnecessary to add anything further on the subject of the form of the apparatus used. The patentee is not confined to a metallic coil of pipe heated in a furnace; but his patent extends to and embraces any convenient vessel for holding the mixture, which is strong enough to sustain the pressure necessary to prevent the water from being converted into steam. The defendants use such a vessel, and use it for the purpose indicated and pointed out in the patent. The vessel which they use has the requisite strength to prevent the water from being converted into steam, and does effect that object. And as to the defendants using a different method from that suggested in the patent ants using a different method of fat and water, that is of no consequence. The keeping up of the mixture is the important thing. That is a necessary part of the process. They employ such a device for effecting this as is adapted to the form of vessel in which they heat the material. Using a boiler instead of a coil of pipe for this purpose, they are obliged to employ an additional or modified means for keeping up the mixture. They only employ such means as, in view of the change adopted in the form of the heating apparatus, and of the known appliances in use in analogous processes, would naturally suggest themselves to a mechanic skilled in the art. Or, if the mode of effecting the continued mixture adopted by the defendants should be deemed a new and useful improvement, they might perhaps have a patent for that peculiar device without being entitled to use Tilghman's process, on which it is but an improvement.

Another ground on which the defendants argue that they do not infringe the patent is, that they do not, in their process, use water alone in admixture with fat, but use also some portion of lime; that they formerly used seven per cent. of lime, and now use four per cent. But they do not use lime in the manner and to the extent in which it is used for dissolving fats by the saponifying process. That requires twelve or fourteen per cent. Even if the saponifying process partly takes place, they use Tilghman's process for effecting the balance of the operation. They use water in admixture with fat, heated to a high degree, far above the boiling-point, and yet subjected to such pressure as to prevent the water from being converted into steam; and though they may also use other things at the same time, which other things may facilitate the operation, or

render a less degree of heat necessary than would be required when water alone is used, and thus actually improve the process of Tilghman; yet this process is included in their operation, and forms the basis of it. It is idle, therefore, to say that they do not infringe Tilghman's patent. It is unnecessary to determine what precise part the lime used by the defendants plays in their process; whether, as the complainant contends, it saponifies the fat to a certain extent, leaving the remainder to be acted upon by the water alone purely after the process of Tilghman; or whether, as the defendants contend, the lime produces a more perfect and active commixture of the fat and water, or predisposes the fat to unite with the requisite elements of water necessary for producing glycerine and the fat acids—in either case the process of Tilghman, modified or unmodified by the supposed improvement, underlies the operation performed in the defendants' boilers.

Another ground assumed by the defendants to avoid the charge of infringement is, that they do not heat the mixed mass in the manner pointed out in Tilghman's specification; but, instead of heating the containing vessel by an outside application of heat, they heat the contents by the introduction of superheated steam. But we think that this does not alter the essential character of the process. The heating by steam is clearly an equivalent method to that of heating by an external fire. The patent does not prescribe any particular method of applying the heat, except when using the pipe and coil apparatus described in the specification; and, even in the use of this apparatus, the outward application of the heat to the pipe is suggested incidentally and as a matter of convenience rather than as an essential requisite. The patentee showed one method in which the heat could be applied. That was all that was necessary for him to do. If it could be applied in any number of different methods, it would not affect the validity of the patent as a patent for a process. The method of heating the mixture by the introduction of steam may be attended with some beneficial results, in producing an agitation, or automatic circulation helpful to the perfection of the admixture of the water and fat; and so far it may be an improvement on heating from without. Suppose this to be so, as before said, the introduction of an improvement gives no title to use the primary invention upon which the improvement is based.

Finally, the defendants argue that they only use a low degree of heat and pressure compared with that pointed out by the patent, namely, only about 310° Fah. instead of 612°. The precise degree of heat, as we have seen, is not of the essence of the patent. The specification only claims that a

high degree of heat, such as would be sufficient to melt lead, is most effective and rapid in producing the desired result; but suggests a trial of the apparatus employed with different degrees of heat so as to ascertain that which is best for each particular kind of fat. "By starting the apparatus," the language is, "at a low heat, and gradually increasing it, the temperature giving products most suitable to the intended application of the fatty body employed can easily be determined." It is probably true, as contended for by the defendants, that by the use of a small portion of lime, the process can be performed with less heat than if none is used. It may be an improvement to use the lime for that purpose; but the process remains substantially the same. The patent cannot be evaded in that way. The matter may be stated thus: Tilghman discovers a process of decomposing fats by mixing them with water, and heating the mixture to a high temperature under a pressure that prevents the formation of steam. It is a new process, never known before. The defendants seeing the utility of the process, and believing that they can use a method somewhat similar without infringing Tilghman's patent, put a little lime into the mixture, and find that it helps the operation, and that they do not have to use so high a degree of heat as would otherwise be necessary. Still, the degree of heat required is very high, at least a hundred degrees above the boiling-point; and a strong boiler or vessel is used in order to restrain the water from rising into steam. Can a balder case be conceived of an attempted evasion and a real infringement of a patent?

And as to the low degree of heat used in the operations of the defendants, this must also be said: that, with the reduction of the temperature, the time of perfecting the operation is more than proportionally increased. Tilghman was aware of this result, and pointed it out in his patent. He expressly says: "The decomposing action of the water becomes more powerful as the heat is increased." What can be done in minutes by the application of a very high degree of heat, requires hours to do at the temperature used by the defendant. But the process is still the same, and the defendants fail to evade the patent.

We pass by the fact that the defendants first took a license from the patentee, and under it and under his directions erected substantially the same apparatus which they are yet using. Receiving what they regarded as additional light, they refused to continue the payment of a royalty, and put the complainant to his legal remedy.

It is our opinion that the patent is for a process, that it is a valid patent, and that the defendants infringe it. * * *

820. AMERICAN FIBRE-CHAMOIS CO. v. PORT HURON MFG. CO., 72 Fed. 516, 18 C. C. A. 670 (1896, Sixth Circuit, Patent No. 511,789).* * *

Before Taft and Lurton, Circuit Judges, and Hammond, J.:

Taft, Circuit Judge, after stating the facts, delivered the opinion of the court.

McLauchlin's original application in Canada and in the United States mentioned but two steps. One was the dampening with gelatin, or similar adhesive solution, and the other was the pounding to crush the fibre. No mention was made of crumpling. Not until May 23, 1893, did the patentee describe crumpling as one step in his process. The witnesses for complainant all say that, with the crumpling step omitted, the process would be a failure. Now, it is conceded that in 1890 the Port Huron Paper-Clothing Company was publicly using, with McLauchlin's knowledge and consent, a process of pounding moist, crumpled, fibre sheets, and the same process now used by defendant. Unless, therefore, the crumpling was in some way included in the process described in the original specification, there was danger, under the decisions in Globe Nail Co. v. Superior Nail Co., 27 Fed. 450, 454, and Kittle v. Hall, 29 Fed. 513, that the application for the process patented must be treated as filed May 23, 1893, and more than two years after the process as patented (if that includes dampening with water only) had been in public use in this country, and that thus the patent would be avoided. To obviate this danger the appellant makes the following admission in the brief of its counsel: * * *

The validity of the patent is thus rested on the novelty of dampening the fibre before its treatment. The question, therefore, is whether it was known to the art that the moistening of the fibre would facilitate and aid in the softening of paper by crumpling and pounding, without injury. We think the patents in this record, the evidence, and the concessions of counsel at the argument, show clearly that it had been known, prior to McLauchlin's conception of his process, which he fixes as in 1889, that paper might, without injury, be crinkled or crumpled in a softening process while in a moistened state, and that the dampness aided the process. * * *

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

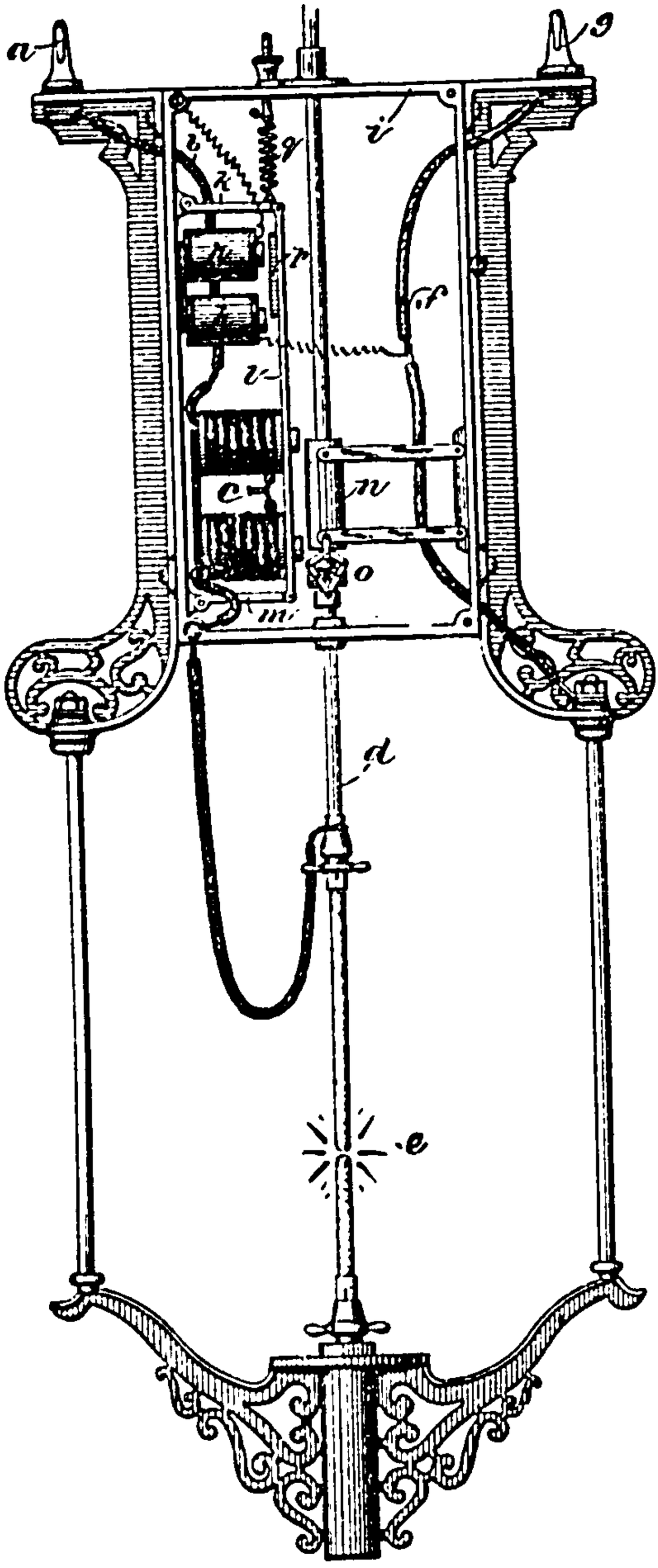
patent has little merit, in view of common knowledge and the prior art. We do not discover, in spite of the considerable evidence in the record of its existence, any great difference in character between the old Mudge Company's product and that of complainant. We think the sudden and peculiar demand for some material of this kind in the sheet form in which it was put upon the market in 1894 explains its great sale, rather than any marked improvement in its mode of manufacture. Nothing herein is intended to decide that the patent, as construed above, is valid. That question does not here arise. All we decide is that, unless it is construed as above, it is not valid.

The conduct of the complainant in harassing purchasers of the product of this process with threats of litigation, when no possible ground for an action existed against them, whether the patent be valid or not (Goodyear v. Railroad Co., Fed. Cas. No. 5,563; Boyd v. McAlpin, Id. 1,748; Brown v. District of Columbia, 3 Mackey, 502, 3 Rob. Pat. 927), savors of an attempt to use the process of the courts to win customers by unfair means, and thus to reap a harvest that must be of limited duration. It does not indicate that confidence in the validity of the patent which presses to a full investigation of rights, and a comprehensive and decisive conclusion. In the case at bar, complainant attempted to dismiss its bill after the cause was at issue. In order to prevent this, and secure a hearing and decision of the case, defendant was compelled to file a cross-bill. Complainant took no evidence until after defendant had begun the taking of its evidence. Such a course certainly does not commend the cause of a suitor to a court of equity. The decree of the circuit court dismissing the bill is affirmed, with costs.

821. WESTERN ELECTRIC CO. v. SPERRY, 59 Fed. 295, 8 C. C .A. 129 (1894, Seventh Circuit).

[The inventor thus describes the operation and incidentally the relation of the parts:

"The operation of my lamp as thus described is as follows: As soon as the circuit is closed, the armature n is raised by the lifting-magnet and the clutch o lifts the rod, thus separating the carbons and establishing the arc, as shown. The action of the magnet h will at the same time draw upon its armature against the tension of spring q. The spring q must therefore be adjusted to sustain its armature-lever and the parts it supports after the lifting-magnet has raised the rod. The armature n will move as the magnet c moves. It has also a compensating motion up and down as the strength of the magnet c increases and diminishes. As the resistance of the arc increases, the regulating-magnet becomes more strongly magnetized, and the


a
g
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b
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q
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armature p is drawn downward, and also piece l, which carries the lifting-magnet c. The lifting-armature n, it is evident, will descend at the same time, thus compensating and feeding as the current varies or the carbons burn away. It will thus be seen that the current in the shunt of the arc acts to change the position of the lifting-magnet and its armature. This action is in no way opposed to the action of the current which is passing through the coils of the lifting-magnet. Increase of the current in the shunt lowers the armature p and the lifting-magnet c just the same without reference to the magnetic force of the lifting-magnet—that is to say, armature n is attracted by the main-circuit magnet and assumes a definite position with relation thereto, which position it holds no matter what changes may take place in the strength of the shunt-magnet. Armature n, through the attraction of the main-circuit magnet, is connected through magnetic action with armature-lever k l m, and the movements of this armature-lever in responding to the changes taking place in the electro-magnet in the shunt of the arc are communicated to armature n, its lever, and to clutch o. Thus it will be seen that clutch o is carried and controlled by the pivoted armature-lever k l m and the pivoted armature-lever upon which said clutch is supported. The compensation and feeding of my lamp is thus more delicate and reliable than in lamps heretofore known or used."

The claims of the patent are as follows:

"I claim as my invention—

1. In an electric-arc lamp, the combination, with an electro-magnet in the shunt of the arc and its armature, of an electro-magnet in the main circuit and its armature, said electro-magnet in the main circuit being carried upon a movable support, said support being controlled by the armature of the electro-magnet in the shunt of the arc, whereby the position of the main-circuit electro-magnet and its armature is caused to vary in response to the variations in the strength of the current passing through the electro-magnet in the shunt of the arc.

2. In an electric-arc lamp, the combination, with a clutch suspended upon suitable movable supporting parts, an armature forming part of said movable supporting parts, an electro-magnet in the main circuit with its poles presented to said armature, a regulating mechanism pivoted to the lamp-frame and carrying the main magnet, and an electro-magnet in the shunt of the arc with its poles presented to an armature carried by said regulating mechanism, whereby the position of the carbon-feeding mechanism is varied as the strength of the magnet in the shunt varies independently of the action or electrical condition of the magnet in the main circuit.

3. In an electric-arc lamp, an electro-magnet in the shunt of the arc, a pivoted armature-lever responding to the changes in the strength of said shunt-magnet, in combination with a magnet in the main circuit and a pivoted armature-lever responding to the changes in strength of said main-circuit magnet, a carbon rod, and clutch for the same, said clutch being carried and controlled by the said armature-levers, whereby the movements of either armature-lever may be communicated to the clutch to feed and regulate the lamp.]"

[Sperry No. 405,440 has, as the court states, eighteen claims. The first two claims indicate the function and purpose as well as the principal parts of the structure as it relates to the Scribner patent. They read as follows:

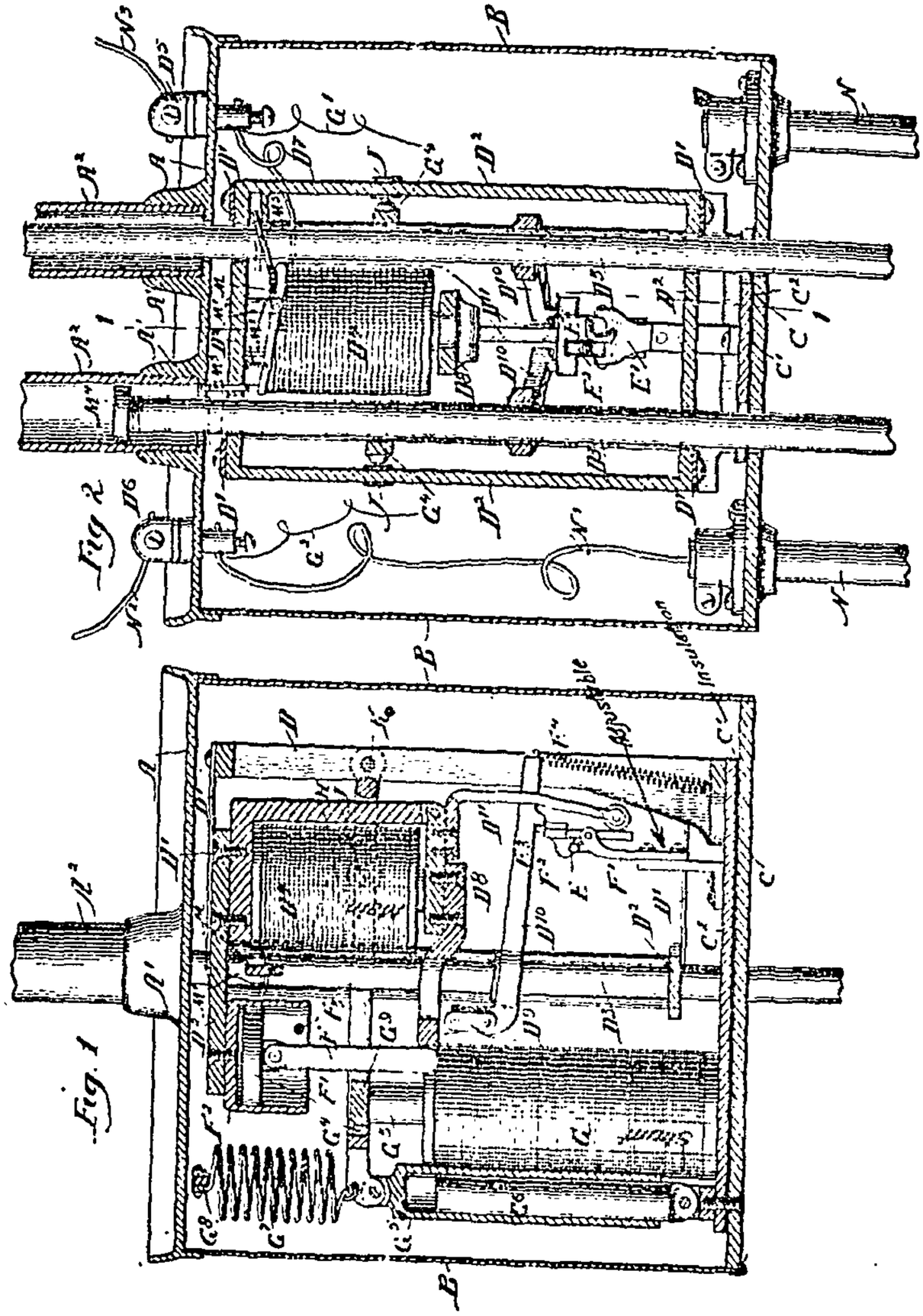
"1. In an arc lamp, the combination of a main-circuit electro-magnet or solenoid with a moving frame on which it is supported, a carbon-rod-clamping device moved by said electro-magnet or solenoid, and a shunt-magnet or solenoid adapted to move said frame.

2. In an arc lamp, the combination of a main-circuit electro-magnet or solenoid with a moving frame on which it is supported, a carbon-rod-clamping device moved by said electro-magnet or solenoid, and a shunt-magnet or solenoid adapted to move said frame, said moving frame suspended on spring-bars."

In the above figures selected from the five figures of the patent the carbon tubes A^2 are shown passing through the thimble A′ on the frame. D^4 is the electro-magnet or solenoid carried by a moving frame D^2. D^8 is a pivoted armature for the magnet or solenoid to which is connected by the links D^9 and carbon clamp D^{10}, which surrounds the carbon rod, and as its angle is changed clamps or releases the carbon rod. A trip D^{11} engages the lower end of a pivoted variable stop E. From the end of the armature D^8 extends a link F to a piston F′ in a dash-pot F^2. G is a derived or short circuit magnet or solenoid connected with the poles D^5 and D^6 by connectors G′ and G^2. It contains a movable core G^3 pivoted to a lever G^4, and is governed by a dash-pot and other connections G^5 and G^6, etc. The various additional details are intended to supply and regulate the current to the two magnets.

The specification briefly concludes as follows:

"The entire device consisting of the parallel moving frame supported on elastic bars and containing the main-circuit electro-magnet or solenoid and carbon-rod clamp is described as a carbon-separating device, since its office is to seize and separate the carbons in the first instance. The entire frame is then bodily moved by means of the derived-circuit electro-magnet or solenoid for the purpose of feeding the carbons."


Fig. 2
Fig. 1
Insulation
Impassable
Shunt

It will be observed that the first two claims of the Sperry patent correspond substantially to the claims of the Scribner patent and that in both the relation of the magnet which operates the carbon-rod clamps and the shunt magnet moving the regulating magnet are substantially the same.]

Before Fuller, Circuit Judge, and Woods and Jenkins, Circuit Judges.

Woods, Circuit Judge:

Upon questions already considered, the court is content with its opinion. The petition for a rehearing treats mainly of a proposition which was not presented either to this court or the court below. Indeed, it was not directly in issue, and, being of the nature of matter in abatement, perhaps could have been made an issue only by a special plea. It is claimed now that the question is before us because of the statement made by the court in its opinion, in respect to the question of infringement, that "the first claim of the Sperry patent, and other claims not quoted, are essentially the same as the first and second claims of the patent in suit." By this expression of a fact, which was obvious upon the face of the two patents, it is said this court has decided, and made it to appear for the first time, that "these are conflicting patents;" and, that being so, it is insisted that the holder of the patent last issued cannot sue the owner of the first patent without first obtaining a cancellation of the earlier patent by a decree under section 4918 of the Federal Revised Statutes. Of the cases cited, only the decision in Roll-Paper Co. v. Knopp, 44 Fed. 609, supports the proposition. In effect it is decided in that case that, when two patents for one invention have been issued, the owner of the second, without first having obtained or without seeking by his bill the relief provided by the statute, cannot sue for an accounting and to enjoin infringement by the owner of the first patent. The following extract from the opinion shows the reasoning on which the decision is based:

"In the ordinary case of a bill for infringement filed by the holder of a senior patent against the holder of a junior patent, the claims whereof conflict, it is no defense that the defendant is acting under a patent. The reason of the rule, as I apprehend, is that by the grant of the first letters the government exhausts its power to grant to another person a monopoly of the same invention. Hence, the holder of the prior patent is at liberty to treat the subsequent patent as utterly void, in so far as it conflicts with the earlier grant. Rob. Pat., § 370. But there is an obvious distinction between such a case and one where the defendant proceeded against holds the prior grant, and is operating thereunder in good fatih. Ordinarily, a prior grantee of a right, privilege, or estate cannot be proceeded against as a

trespasser by a subsequent grantee of the same grantor, even though the prior grant is for some reason voidable, until the proper steps have been taken to have the invalidity of the prior grant judicially ascertained and declared. The principle last referred to seems to be applicable to the case at bar. * * * It has been held that a count for infringement and a count under section 4918 may be joined in the same bill, and I can see no objection to that course of procedure. Leach v. Chandler, 18 Fed. 262; Holliday v. Pickhardt, 29 Fed. 853; Swift v. Jenks, 29 Id. 642."

We are not able to concur in that view. The analogy between letters patent for inventions and grants of ordinary rights, privileges, or estates is not perfect, and fails, we think, at the turning point of the present question. By an ordinary grant there is a transfer of title or estate or ownership from one to another; and the grantor, having parted with what he had, can give nothing by a second deed. The second deed is therefore necessarily ineffective, at law at least, until the first has been set aside; and the holder of the first deed, having the legal if not equitable title, cannot be a trespasser. But, by granting letters patent for an invention, the government makes no transfer to the patentee of a right, privilege, or estate theretofore vested in itself. The essential right is in the inventor before he obtains a patent. By making one grant, therefore, the government does not lose power to make another. The letters constitute, under the law, simply prima facie evidence of the patentee's right to the invention described, as being his own discovery; but whether or not he was in fact the first inventor is left an open question between the patentee and other persons, whether they have patents for the same invention or not. Whether one patentee or the other, when he makes or uses the invention, is an infringer or trespasser depends upon the inquiry whether the one or the other was the first inventor, and not whether he was the first to obtain a patent, and this inquiry may as well be made in the ordinary suit in equity as in the proceeding provided by the statute. Indeed, in practical effect, a decree in one procedure is not different from the other. The questions of validity and priority, as "between the parties to the suit and those deriving title under them," are settled, whether the decree be in one form or the other.

If it be true, as stated, that "the holder of the prior patent is at liberty to treat the subsequent patent as utterly void, in so far as it conflicts with the earlier grant," and for that reason "cannot be proceeded against as a trespasser" until his patent has been canceled, then the cases in which "it has been held that a count for infringement and a count under section 4918 may

be joined in the same bill" must be wrong, because the second count of such a bill would refute the charge of trespass or infringement contained in the first count. It would follow, too, that after an adjudication had been obtained under the statute, establishing the validity of the second patent, the owner of it could have no remedy for prior infringements, committed when the respondent was protected by his own patent and was entitled to treat the complainant's patent as void. The only escape from this would seem to be in the proposition that the adjudication under the statute should be deemed to relate back, but the rule is familiar that things rightly done will not be made wrongful by the doctrine of relation.

The statute, in terms, is applicable alike to all parties concerned. "Whenever there are interfering patents, any person interested in any one of them," it is provided, "may have relief against the interfering patentee, * * * and the court, on notice to adverse parties, and other due proceedings had according to the course of equity, may adjudge and declare either of the patents void in whole or in part," etc. It is conceded that a junior patentee cannot plead his patent as a defense. To the holder of the senior patent, therefore, the remedy of the statute is cumulative, and we are able to see no controlling or good reason for saying that to the other party it is exclusive or restrictive.

Rehearing denied.

822. BELKNAP v. SCHILD, 161 U. S. 10, 40 L. ed. 599 (1896).* * *

Mr. Justice Gray, after stating the case, delivered the opinion of the Court.

A recapitulation of the principles heretofore affirmed by this Court, touching the liability of the United States, and of their officers and agents, to suit in the judicial tribunals, will go far toward disposing of this case.

It should be premised that our law differs from that of England as to the right of the Government to use, without compensation, an invention for which it has granted Letters Patent.

In England, the grant of a patent for an invention is considered as simply an exercise of the royal prerogative, and not to be construed as precluding the Crown from using the invention at its pleasure; and therefore a petition of right cannot be maintained against the Crown for using a patented invention; although a private person or corporation, that has contracted to supply the Government with articles embodying the invention may be sued for infringement of the patent. (Feather v. The Queen, 6 B. & S. 257; Dixon v. London Small Arms Co., L. R. 10 Q. B. 130, and 1 App. Cas. 632.)

But, in this country, Letters Patent for inventions are not granted in the exercise of prerogative, or as a matter of favor, but under article 1, section 8, of the Constitution of the United States, which gives Congress power—

"to promote the progress of science and useful arts, by securing for limited terms to authors and inventors the exclusive right to their respective writings and discoveries."

The patent act provides that every patent shall contain a grant to the patentee, his heirs and assigns, for a certain term of years, of—

"the exclusive right to make, use and vend the invention or discovery throughout the United States. (Rev. Stat. 4884.)"

And this Court has repeatedly and uniformly declared that the United States has no more right than any private person to use a patented invention without license of the patentee or making compensation to him. (United States v. Burns, 12 Wall. 246, 252; Cammeyer v. Newton, 11 O. G. 287, 94 U. S. 225, 235; James v. Campbell, 21 O. G. 337, 104 U. S. 356, 358; Hollister v. Benedict Manufacturing Co., 113 U. S. 59, 67; United States v. Palmer, 128 U. S. 262, 270-272.)

The United States, however, like all sovereigns, cannot be impleaded in a judicial tribunal, except so far as they have consented to be sued. This doctrine has been affirmed by this Court in cases too numerous to be cited; and was clearly stated by Mr. Justice Field, delivering judgment in the case of The Siren, as follows:

"It is a familiar doctrine of the common law, that the sovereign cannot be sued in his own courts without his consent. The doctrine rests upon reasons of public policy; the inconvenience and danger which would follow from any different rule. It is obvious that the public service would be hindered, and the public safety endangered, if the supreme authority could be subjected to suit at the instance of every citizen, and consequently controlled in the use and disposition of the means required for the proper administration of the government. The exemption from direct suit is, therefore, without exception. This doctrine of the common law is equally applicable to the supreme authority of the nation, the United States. They cannot be subjected to legal proceedings, at law or in equity, without their consent; and whoever institutes such proceedings must bring his case within the authority of some act of Congress. Such is the language of this Court in United States v. Clarke, 8 Pet. 444. The same exemption from judicial process extends to the property of the United States, and for the same reasons. As justly observed by the learned judge who tried this case, there is no distinction between suits against the Government directly, and suits against its property. (7 Wall. 152-154.)"

So much of this statement as regards suits against the United States, or against their property, was repeated by the present Chief Justice in the recent case of Stanley v. Schwalby, 147 U. S. 508, 512.

It necessarily follows that, unless expressly permitted by act of Congress, no injunction can be granted against the United States. (United States v. McLemore, 4 How. 286; Hill v. United States, 9 How. 386; Case v. Terrell, 11 Wall. 199.)

The United States, by successive acts of Congress, have consented to be sued upon their contracts, either in the Court of Claims, or in a circuit or district court of the United States. (Acts of February 24, 1855, ch. 122, sec. 1, 10 Stats., 612; March 3, 1863, ch. 92, sec. 2, 12 Stats. 765; Rev. Stats., sec. 1059; act of March 3, 1887, ch. 359, secs. 1, 2, 24 Stats. 505; United States v. Jones, 131 U. S. 1, 15, 16.) The United States may accordingly be sued by a patentee for their use of his invention under a contract made with him by the United States or by their authorized officers. (United States v. Burns, 12 Wall. 246; United States v. Palmer, 128 U. S. 262; United States v. Berdan Co., 156 U. S. 552.)

But the United States have not consented to be liable to suits, founded in tort, for wrongs done by their officers, though in the discharge of their official duties. (Gibbons v. United States, 8 Wall. 269; Morgan v. United States, 14 Wall. 531, 534; Langford v. United States, 101 U. S. 341; United States v. Jones, 131 U. S. 1, 16, 18; German Bank v. United States, 148 U. S. 573, 579, 580; Hill v. United States, 149 U. S. 593.) The United States, therefore, are not liable to a suit for an infringement of a patent, that being an action sounding in tort. (Schillinger v. United States, 69 O. G. 1505, 155 U. S. 163; United States v. Berdan Co., 156 U. S. 552.)

A public officer is not personally liable on a contract, although under his own hand and seal, made by him in the line of his duty, by legal authority, and on account of the Government, and enuring to its benefit, and not to his own. (Hodgson v. Dexter, 1 Cranch 345. See, also, Macbeath v. Haldimand, 1 T. R. 172; Unwin v. Wolseley, 1 T. R. 674; Palmer v. Hutchinson, 6 App. Cas. 619.)

But the exemption of the United States from judicial process does not protect their officers and agents, civil or military, in time of peace, from being personally liable to an action of tort by a private person whose rights of property they have wrongfully invaded or injured, even by authority of the United States. (Little v. Barreme, 2 Cranch 169; Bates v. Clark, 95 U. S. 204.) Such officers or agents, although acting under order of the United States, are therefore personally liable to be sued for their own

infringement of a patent. (Cammeyer v. Newton, 11 O. G. 287, 94 U. S. 225, 235. See, also, Feather v. The Queen, 6 B. & S. 257, 297; Vavasseur v. Krupp, 9 Ch. D. 351, 355, 358.)

The extent to which officers or agents of the Government may be restrained by injunction from doing unlawful acts to the prejudice of private rights is illustrated by the decisions of this Court regarding injunctions from the courts of the United States to officers and agents of a State which, by the Constitution of the United States, is as exempt as the United States are from private suit. (Hans v. Louisiana, 134 U. S. 1.)

In a suit to which the State is neither formally nor really a party, its officers, although acting by its order and for its benefit, may be restrained by injunction, when the remedy at law is inadequate, from doing positive acts, for which they are personally and individually liable, taking or injuring the plaintiff's property, contrary to a plain official duty requiring no exercise of discretion, and in violation of the Constitution or laws of the United States. (Osborn v. Bank of United States, 9 Wheat, 738, 868, 871; Board of Liquidation v. McComb, 92 U. S. 531, 541; Allen v. Baltimore & Ohio Railroad, 114 U. S. 311; Pennoyer v. McConnaughy, 140 U. S. 1.)

But no injunction can be issued against officers of a State, to restrain or control the use of property already in the possession of the State, or money in its treasury when the suit is commenced; or to compel the State to perform its obligations; or where the State has otherwise such an interest in the object of the suit as to be a necessary party. (Louisiana v. Jumel, and Elliott v. Wiltz, 107 U. S. 711, 720-728; Cunningham v. Macon & Brunswick Railroad, 109 U. S. 446, 454-457; Hagood v. Sothern, 117 U. S. 52, 70; In re Ayers, 123 U. S. 443; North Carolina v. Temple, 134 U. S. 22; McGahey v. Virginia, 135 U. S. 662, 684.)

In support of the decree below, much reliance was placed upon United States v. Lee, 106 U. S. 196; Stanley v. Schwalby, 147 U. S. 508; and The Virginia Coupon Cases, 114 U. S. 269.

In United States v. Lee, the decision of the Court, speaking by Mr. Justice Miller, was that the owner of land held and occupied by the United States for public uses, but under a defective title, might maintain, against the officers in possession of the land under authority of the United States, an action of ejectment, notwithstanding the interposition of the Attorney-General in behalf of the United States.

A year afterward Mr. Justice Miller, again delivering the opinion of the Court, after mentioning a different class of cases, said:

"Another class of cases is where an individual is sued in

tort for some act injurious to another in regard to person or property, to which his defense is that he has acted under the orders of the Government. In these cases he is not sued as, or because he is, the officer of the Government, but as an individual, and the court is not ousted of jurisdiction because he asserts authority as such officer. To make out his defense he must show that his authority was sufficient in law to protect him."

After citing several cases to this point, he added:

"To this class belongs also the recent case of United States v. Lee, 106 U. S. 196, for the action of ejectment in that case is, in its essential character, an action of trespass, with the power in the Court to restore the possession to the plaintiff as part of the judgment. And the defendants Strong and Kaufman, being sued individually as trespassers, set up their authority as officers of the United States, which this Court held to be unlawful, and therefore insufficient as a defense. The judgment in that case did not conclude the United States, as the opinion carefully stated, but held the officers liable as unauthorized trespassers, and turned them out of their unlawful possession. (Cunningham v. Macon & Brunswick Railroad, 109 U. S. 446, 452.)"

This statement of the decision in United States v. Lee was repeated in Stanley v. Schwalby, in which the point decided was that the statute of limitations, or adverse possession, might be pleaded in defense of an action of trespass to try title against officers of the United States. (147 U. S. 508, 518.)

In Cunningham v. Macon & Brunswick Railroad above cited, a bill in equity to foreclose a second mortgage of a railroad, and to set aside as invalid a sale and conveyance of the road to the State of Georgia under a foreclosure of the first mortgage, was filed by holders of bonds secured by the second mortgage against the governor and the treasurer of the State, as well as against the railroad company and its directors; and was ordered to be dismissed for want of jurisdiction, because, as was said in the opinion—

"it may be accepted as a point of departure unquestioned, that neither a State nor the United States can be sued as defendant in any court in this country without their consent, except in the limited class of cases in which a State may be made a party in the Supreme Court of the United States by virtue of the original jurisdiction conferred on this court by the Coustitution. This principle is conceded in all the cases, and whenever it can be clearly seen that the State is an indispensable party to enable the Court, according to the rules which govern its procedure, to grant the relief sought, it will refuse to take jurisdiction.

"In the case now under consideration, the State of Georgia is

an indispensable party. It is in fact the only proper defendant in the case. No one sued has any personal interest in the matter, or any official authority to grant the relief asked. No foreclosure suit can be sustained without the State, because she has the legal title to the property, and the purchaser under a foreclosure decree would get no title in the absence of the State. The State is in the actual possession of the property, and the Court can deliver no possession to the purchaser The entire interest adverse to plaintiff in this suit is the interest of the State of Georgia in the property, of which she has both the title and possession. (109 U. S. 451, 457.)

In the cases cited by the appellee, reported under the head of The Virginia Coupon Cases, 114 U. S. 269, where a collector of taxes due to the State of Virginia refused to receive coupons of the State tendered in payment of such a tax, because forbidden to do so by a statute of the State, which was unconstitutional and void as impairing the obligation of the contract made by the State with the holders of such coupons in the statute under which they were issued, the Court, speaking by Mr. Justice Matthews, held that the collector was liable to an action of detinue, or of trespass, for distraining personal property for non-payment of the tax; or, where the remedy at law was inadequate might be restrained by injunction from making the distraint. (Poindexter v. Greenhow, 114 U. S. 270; Chaffin v. Taylor, 114 U. S. 309; Allen v. Baltimore & Ohio Railroad, 114 U. S. 311.)

But where the Circuit Court of the United States, at the suit of one who had tendered such coupons in payment of his taxes, issued an injunction against the attorney-general and other attorneys of the State of Virginia to restrain them from bringing any action in behalf of the State to recover such taxes, and, upon their bringing such actions, committed them for contempt in disobeying the injunction, they were discharged by this Court on writs of habeas corpus. Mr. Justice Matthews, again delivering its opinion, and fully reviewing the previous cases, said that from the decision in Cunningham v. Macon & Brunswick Railroad, above cited—

"the inference is, that where it is manifest, upon the face of the record, that the defendants have no individual interest in the controversy, and that the relief sought against them is only in their official capacity as representatives of the State, which alone is to be affected by the judgment or decree, the question then arising, whether the suit is not substantially a suit against the State, is one of jurisdiction;"

and added that actions had been sustained against officers acting in behalf of a State—

"only in those instances where the act complained of, considered

apart from the official authority alleged as to its justification, and as the personal act of the individual defendant, constituted a violation of right for which the plaintiff was entitled to a remedy at law or in equity against the wrong-doer in his individual character;"
and that the eleventh amendment of the Constitution, declaring that—
"the judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State, or by citizens or subjects of any foreign State"—
must be held—
"to cover, not only suits brought against a State by name, but those also against its officers, agents and representatives, where the State, though not named as such, is, nevertheless, the only real party against which alone in fact the relief is asked; and against which the judgment or decree effectively operates;"
and therefore concluded that the suit in which the injunction was granted was in substance and in law a suit against the State of Virginia, and consequently the circuit court was without jurisdiction to entertain it, the order of injunction and the commitments for contempt were null and void, and the imprisonment of the officers was without authority of law. (In re Ayers, 123 U. S. 443, 489, 502, 506, 507.)

When the matter of the Virginia coupons was last brought before this Court, Mr. Justice Bradley, delivering its unanimous opinion, summed up, as the result of the previous decisions, so far as concerns the subject now under consideration—
"that no proceedings can be instituted by any holder of said bonds or coupons against the Commonwealth of Virginia, either directly by suit against the Commonwealth by name, or indirectly against her executive officers to control them in the exercise of their official functions as agents of the State;"
but that any holder—
"who tenders such coupons in payment of taxes, debts, dues and demands due from him to the State, and continues to hold himself ready to tender the same in payment thereof, is entitled to be free from molestation in person or goods on account of such taxes, debts, dues or demands, and may vindicate such right in all lawful modes of redress—by suit to recover his property, by suit against the officer to recover damages for taking it, by injunction to prevent such taking where it would be attended with irremediable injury, or by a defense to a suit brought against him for his taxes or the other claims standing against him. (McGahey v. Virginia, 135 U. S. 662, 684.)

And this summary was repeated and approved in Pennoyer v. McConnaughy, 140 U. S. 1, 15.

It only remains to apply the principles established by the former decisions to this suit under the patent act of the United States.

That act not only provides that—

"damages for the infringement of any patent may be recovered by action on the case;"

but also provides that—

"the several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for an infringement, the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby; and the court shall assess the same, or cause the same to be assessed under its direction. (Rev. Stat. 4919, 4921.)"

This bill in equity was filed by the owner of Letters Patent for an improvement in caisson-gates, and alleged that the defendants infringed the patent by manufacturing and using such gates. The defendants filed a plea to the whole bill, and the Attorney-General in behalf of the United States filed a suggestion, the single ground of each of which was that the only caisson-gate that the defendants had any relation with was not made by them, and was not used by them for their own benefit, but was made and used by the United States in a dry-dock at a navy-yard, and the defendants only operated and used it as officers, servants and employes of the United States. The fact so pleaded and suggested could not, consistently with the previous decisions, above cited, prevent the defendants from being held liable to the patentee for their own infringement of his patent. There was no error, therefore, in overruling the plea of the defendants, and the suggestion of the Attorney-General.

But the circuit court erred in awarding an injunction against the defendants.

As this Court, when deciding that things manufactured under Letters Patent of the United States were subject to be taxed by a State like other property, said:

"The right of property in the physical substance, which is the fruit of the discovery, is altogether distinct from the right in the discovery itself. (Patterson v. Kentucky, 97 U. S. 501, 506.)"

Title in the thing manufactured does not give the right to use the patented invention; no more does the patent right in the invention give title in the thing made in violation of the patent.

In an English case, quite analogous to the case at bar, where shells, bought and owned by a foreign sovereign, were brought

to England to be put on board his ships of war, the court of appeal held that his agents, if they used the shells in England in infringement of an English patent, might be liable in damages to the patentee, but that the court could not restrain the delivery of the shells to the sovereign to whom they belonged. Lord Justice Brett said: "The patent law has nothing to do with property;" and Lord Justice Cotton expressed the same idea more fully, as follows:

"The property in articles which are made in violation of a patent is notwithstanding the privilege of the patentee, in the infringer if he would otherwise have the property in them. The court, in a suit to restrain the infringement of a patent, does not proceed on the footing that the defendant proved to have infringed has no property in the articles; but, assuming the property to be in him, it prevents the use of those articles, either by removing that which constitutes the infringement, or by ordering, if necessary, a destruction of the articles so as to prevent them from being used in derogation of the plaintiff's rights, and does this as the most effectual mode of protecting the plaintiff's rights—not on the footing that there is no property in the defendant. The court cannot proceed to give that relief, and interfere with the articles, unless it has before it the person entitled to the articles in question, and has as against this person power to adjudicate that the articles are made or used in infringement of the plaintiff's rights. (Vavasseur v. Krupp, 9 Ch. D. 351, 358, 360.)"

In the present case, the caisson-gate was a part of the dry-dock in a navy-yard of the United States, was constructed and put in place by the United States, and was the property of the United States, and held and used by the United States for the public benefit. If the gate was made in infringement of the plaintiff's patent, that did not prevent the title in the gate from vesting in the United States. The United States, then, had both the title and the possession of the property. The United States could not hold or use it, except through officers and agents. Although this suit was not brought against the United States by name, but against their officers and agents only, nevertheless, so far as the bill prayed for an injunction, and for the destruction of the gate in question, the defendants had no individual interest in the controversy; the entire interest adverse to the plaintiff was the interest of the United States in property of which the United States had both the title and the possession; the United States were the only real party, against whom alone in fact the relief was asked, and against whom the decree would effectively operate; the plaintiff sought to control the defendants in their official capacity, and in the exercise of their official functions, as

representatives and agents of the United States, and thereby to defeat the use by the United States of property owned and used by the United States for the common defense and general welfare; and therefore the United States were an indispensable party to enable the court, according to the rules which govern its procedure, to grant the relief sought; and the suit could not be maintained without violating the principles affirmed in the long series of decisions of this Court, above cited.

There was also error in the final decree awarding profits to the plaintiff as against the defendants.

In a suit in equity for the infringement of a patent, the ground upon which profits are recovered is that they are the benefits which have accrued to the defendants from their wrongful use of the plaintiff's invention, and for which they are liable, ex aequo et bono, to the like extent as a trustee would be who had used the trust property for his own advantage. The defendants, in any such suit, are therefore liable to account for such profits only as have accrued to themselves from the use of the invention, and not for those which have accrued to another, and in which they have no participation. (Elizabeth v. Pavement Co., 97 U. S. 126, 138-140; Root v. Railway Co., 21 O. G. 1112, 105 U. S. 189; Tilghman v. Proctor, 43 O. G. 628, 125 U. S. 136, 144-148; Keystone Co. v. Adams, 66 O. G. 654, 151 U. S. 139, 147; Coupe v. Royer, 70 O. G. 779, 155 U. S. 565, 583.)

In the leading case of Elizabeth v. Pavement Co., a suit in equity for the infringement of a patent for an improvement in wooden pavements was brought against a city, as well as against the contractor who had laid down the pavements. It being shown that the city had made no profits from the use of the invention, but that the contractor had, this Court held that profits could be recovered against the contractor only, and not against the city. *Mr. Justice Bradley, in delivering judgment, said:*

"One thing may be affirmed with reasonable confidence, that if an infringer of a patent has realized no profit from the use of the invention, he cannot be called upon to respond for profits; the patentee, in such case, is left to his remedy for damages. (97 U. S. 138.)"

In the case at bar, there was no evidence that the defendants themselves had made any profits whatever from the use of the plaintiff's invention; but the only gains, profits and advantages, upon which the report of the master and the decree of the court were based, were those which had accrued to the United States from the saving in the cost of the gate; and the master found that no damages, in addition to such gains, profits and advantages, had been proved.

The necessary result is that, even if the validity of the patent

and its infringement by the defendants are assumed, the plaintiff, upon this record, is not entitled to an injunction, to profits, or to damages.

The finding of the master, that no damages, in addition to profits, had been proved, does not indeed necessarily imply that the plaintiff had not sustained damages, independent of any profits. But no ground for equitable relief, by injunction, by account of profits, or otherwise, being shown, the proper remedy of the plaintiff against the defendants for such damages is by action at law. (Elizabeth v. Pavement Co., and Root v. Railway Co., above cited.)

The question whether the United States might be liable, in a suit against them in the Court of Claims, or other court of concurrent jurisdiction, as upon a contract, for their use of the caisson-gate, if an infringement of the plaintiff's patent, does not arise, and cannot be decided, in this case.

In order that the rights of all parties interested in the controversy may be preserved, the entry in this case will be: "Decree of the circuit court reversed, and case remanded to that court with directions to dismiss the bill, without prejudice to an action at law against the defendants, or to a suit against the United States."

Mr. Justice Peckham, not having been a member of the Court when this case was argued, took no part in the decision.

Mr. Justice Harlan dissenting.

I am unable to concur in the disposition which has been made of this case.

As stated in the opinion of the majority, this Court has frequently held that the United States has no more right than any private person to use a patented invention without license of the patentee or without making or securing compensation to him. It is not claimed that the defendants used the plaintiff's patent under a license from him, or that compensation or provision for compensation has been made. The Government is, therefore, under an implied obligation to compensate the plaintiff. That obligation arises from the Constitution, which declares that private property shall not be taken for public use without just compensation. Upon this point the Court in United States v. Great Falls Mfg. Co., 112 U. S. 645, 657 said:

"Such an implication being consistent with the constitutional duty of the Government, as well as with common justice, the claimant's cause of action is one that arises out of implied contract, within the meaning of the statute which confers jurisdiction upon the Court of Claims of actions founded 'upon any contract, expressed or implied, with the Government of the United States.'"

The same principle was recognized in Great Falls Mfg. Co. v. Attorney-General, 124 U. S. 581, 597; United States v. Alexander, 148 U. S. 186, 191, and Schillinger v. United States, 69 O. G. 1505, 155 U. S. 163, 174, 175. In this view—the defendants being public officers who derive no personal advantage from the use by the Government of the plaintiff's invention—the prayer for an injunction might well have been denied upon the ground that there was an adequate and complete remedy by a suit against the United States as upon implied contract. But the Court does not proceed distinctly on that ground.

If the plaintiff cannot sue the United States to recover compensation for the use of his invention, actually appropriated by the Government for public use, then the only adequate remedy for him would be an injunction against the individual officers, who are proceeding without his license, and without any provision having been made for his being compensated. This must be so, unless the Court is prepared to hold that there is no remedy, under the Constitution, for the protection of private rights against illegal invasion by officers of the Government. In United States v. Lee, 106 U. S. 196, this Court said that when the citizen—

"in one of the courts of competent jurisdiction, has established his right of property, there is no reason why deference to any person, natural or artificial, not even the United States, should prevent him from using the means which the law gives him for the protection and enforcement of that right;"

that—

"no man in this country is so high that he is above the law; no officer of the law may set that law at defiance with impunity; all the officers of the Government, from the highest to the lowest, are creatures of the law, and are bound to obey it."

If the United States may appropriate to public use the invention of a patentee, without his consent, and without liability to suit, as upon implied contract, for the value of the use of such invention; if, as the Court holds, a public officer acting only in the interest of the public, is not individually liable for gains, profits and advantages that may accrue to the United States from such use; and if the officer who thus violates the rights of the patentee cannot be restrained by injunction, then the Government may well be regarded as organized robbery so far as the rights of patentees are concerned.

Instead of leaving open the question whether the United States was liable to suit, as upon implied contract, the prayer for injunction, if denied, should have been denied upon the ground, and only upon the ground, that the plaintiff had a complete and adequate remedy by a suit against the Government.

823. GILL v. UNITED STATES, 160 U. S. 426, 40 L. ed. 480 (1896).* * *

Mr. Justice Brown, after stating the facts in the foregoing language, delivered the opinion of the court.

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

The principle is really an application or outgrowth of the law of estoppel in pais, by which a person looking on and assenting to that which he has power to prevent is held to be precluded ever afterwards from maintaining an action for damages. A familiar instance is that of one who stands by while a sale is being made of property in which he has an interest, and makes no claim thereto, in which case he is held to be estopped from setting up such claim. The same principle is applied to an inventor who makes his discovery public, looks on, and permits others to use it without objection or assertion of a claim for a royalty. In such case he is held to abandon his inchoate right to the exclusive use of his invention, to which a patent would have entitled him, had it been applied for before such use. As was said by Mr. Justice Story in Pennock v. Dialogue, 2 Pet. 1, 16: "This inchoate right, thus once gone, cannot afterwards be resumed at his pleasure, for where gifts are once made to the public in this way they become absolute." "It is possible," said the trial court, in charging the jury, "that the inventor may not have intended to give the benefit of his discovery to the public, and may have supposed that by giving permission to a particular individual to construct for others the thing patented he could not be presumed to have done so. But it is not a question of intention which is involved in the principle we have laid down, but of legal inference, resulting from the conduct of the inventor, and affecting the interests of the public. It is for the jury to say whether the evidence brings this case within the principle which has been stated." This language was quoted with approval in Grant v. Raymond, 6 Pet. 218. So, also, in Shaw v. Cooper, 7 Pet. 292, 323, it was held directly that, "whatever may be the intention of the inventor, if he suffers his invention to go into public use, through any means whatsoever, without the immediate assertion of his right, he is not entitled to a patent."

The application of this principle to a single individual whom

the patentee has permitted to make use of his invention without claiming compensation therefor first arose in McClurg v. Kingsland, 1 How. 202. In this case the patentee, Harley, was employed by the defendants at their foundry upon weekly wages. While so employed, he invented the patented improvements, making experiments in the defendants' foundry, and wholly at their expense. The result proving useful, his wages were increased. He continued in their employment, during all of which time he made rollers for them, spoke about procuring a patent, and finally made an application, which was granted. He assigned the patent to the plaintiffs, after the defendants had declined his proposition that they should take out a patent, and purchase his right. He made no demand upon them for compensation for using his improvement, and gave them no notice not to use it, until a misunderstanding had arisen, when he left their employment, and made an agreement with plaintiffs to assign his right to them. The defendants continuing to make the rollers on his plan, the action was brought by the plaintiffs, without any previous notice by them. It was held that the facts above stated justified the presumption of a license to use the invention, and that the charge of the court that the defendants might continue to use it without liability to the plaintiffs was correct.

In the case of Solomons v. U. S., 137 U. S. 342, 11 Sup. Ct. 88, one Clark, who was in the employ of the government as chief of the bureau of engraving and printing, conceived the idea of a self-canceling stamp, and prepared a die or plate therefor, making use of the services of the employes of the bureau and the property of the government. While his application for a patent was pending, he assigned his rights to the appellant, Solomons, in payment of an account between them. On taking out the patent the appellant notified the commissioner of internal revenue that he was the owner of the patent, and demanded compensation for the use of the stamp on whisky barrels. It further appeared that Mr. Clark, as chief of the bureau, had been assigned the duty of devising a stamp for this purpose, and it was not understood or intimated that the stamp which he was to device should be patented, or become his personal property. Indeed, before the final adoption of the stamp, he said that the design was his own, but he should make no charge to the government therefor, as he was employed on a salary by the government, and had used its machinery and other property in the perfection of the stamp. It was held that, having been employed and paid to devise a new stamp, the invention, when accomplished, became the property of the government, and that the patentee had practically sold in advance whatever he might be able to accomplish in that direction.

A similar case was that of Lane & Bodley Co. v. Locke, 150 U. S. 193, 14 Sup. Ct. 78, in which an engineer and draftsman at a fixed salary, in the employ of the defendants, and using their tools and patterns, invented a stop valve, which the firm used with his knowledge in certain elevators constructed by them until its dissolution, and after that a corporation organized by the firm used it in the same way, and with the like knowledge. It was held that the patentee, having made no claim for remuneration for the use of the patent, saying that he did not desire to disturb his friendly relations with the firm, might be presumed to have recognized an obligation to permit them to use the invention.

In McAleer v. U. S., 150 U. S. 424, 14 Sup. Ct. 160, there was an express license by an employe in the treasury department to such department and its bureaus of a right to make and use machines containing the improvements of the patentee to the end of the patented term, and it was held that this agreement could not be varied by parol evidence that it was to terminate upon the discharge of the patentee from the employment of the government.

In Keyes v. Mining Co., 158 U. S. 150, 15 Sup. Ct. 772, a person in the employ of a smelting company invented a new method of withdrawing molten metal from a furnace, took out a patent for it, and permitted his employer to use it without charge so long as he remained in its employ, which was about 10 years. It was held that there was at least an implied license to use the improvement without payment of royalties during the continuance of his employment, and also a license to use the invention upon the same terms and royalties fixed for other parties, from the time the patentee left the defendant's employment.

An attempt is made to differentiate the case under consideration from those above cited in the fact, stated in the third finding, that the invention in this case, until it was reduced to paper, in the form of an intelligible drawing, was made out of the hours of labor at the arsenal, and during the time which properly belonged to the patentee; and that, by finding 4, "the claimant did not use any property of the defendants or the services of any of the employes of the defendants in making or developing or perfecting the inventions themselves." This, however, must be taken in connection with the further finding that "the cost of preparing patterns for the iron and steel castings, and of preparing working drawings, and of constructing working machines was borne exclusively by the government," and that in each case one or more machines or articles of manufacture embodying the invention had been constructed, and was in operation or use in the arsenal, with the claimant's knowledge and

consent, before he filed an application for a patent. The inference to be deduced from the findings is, in substance, that, while the claimant used neither the property of the government nor the services of its employes in conceiving, developing, or perfecting the inventions themselves, the cost of preparing the patterns and working drawings of the machines, as well as the cost of constructing the machines themselves that were made in putting the inventions into practical use, was borne by the government, the work being also done under the immediate supervision of the claimant.

There is an assumption by the claimant in this connection that, if he did not make use of the time or property of the government in conceiving and developing his ideas, the fact is an important one as distinguishing this case from those above cited. In view of the finding that he did make use of the property and labor of the government in preparing patterns and working drawings and constructing his working machines, the distinction is a very narrow one—too narrow, we think, to create a difference in principle, or to prevent the application of the rule announced in those cases. In Solomons' Case the finding was that, while employed as chief of the bureau of engraving and printing, Clark conceived the idea of a self-canceling stamp, and under his direction the employes of that bureau, using government property, prepared a die or plate, and put into being the conception of Mr. Clark.

In every case the idea conceived is the invention. Sometimes, as in the case of McClurg v. Kingsland, a series of experiments is necessary to develop and perfect the invention. At other times, as in the case under consideration, and apparently in the Solomons Case, the invention may be reduced to paper in the form of an intelligible drawing, when nothing more is necessary than the preparing of patterns and working drawings, and the embodiment of the original idea in a machine constructed accordingly. Now, whether the property of the government and the services of its employes be used in the experiments necessary to develop the invention, or in the preparation of patterns and working drawings, and the construction of the completed machines, is of no importance. We do not care, in this connection, to dwell upon the niceties of the several definitions of the word "develop" as applied to an invention. The material fact is that in both this and the Solomons Case the patentee made use of the labor and property of the government in putting his invention into the form of an operative machine; and whether such employment was in the preliminary stage of elaborating and experimenting upon the original idea, putting that idea into definite shape by patterns or working drawings, or finally em-

bodying it in a completed machine, is of no consequence. In neither case did the patentee risk anything but the loss of his personal exertions in conceiving the invention. In both cases there was a question whether machines made after his idea would be successful or not, and, if such machines had proven to be impracticable, the loss would have fallen upon the government.

In this connection, too, it should be borne in mind that the fact, upon which so much stress has been laid by both sides, that the patentee made use of the property and labor of the government in putting his conception into practical shape, is important only as furnishing an item of evidence tending to show that the patentee consented to and encouraged the government in making use of his devices. The ultimate fact to be proved is the estoppel, arising from the consent given by the patentee to the use of his inventions by the government, without demand for compensation. The most conclusive evidence of such consent is an express agreement or license, such as appeared in the McAleer Case; but it may also be shown by parol testimony, or by conduct on the part of the patentee proving acquiescence on his part in the use of his invention. The fact that he made use of the time and tools of his employer put at his service for the purpose, raises either an inference that the work was done for the benefit of such employer, or an implication of bad faith on the patentee's part in claiming the fruits of labor which technically he had no right to enlist in his service.

There is no doubt whatever of the proposition laid down in Solomons' Case, that the mere fact that a person is in the employ of the government does not preclude him from making improvements in the machines with which he is connected, and obtaining patents therefor, as his individual property; and that in such case the government would have no more right to seize upon and appropriate such property than any other proprietor would have. On the other hand, it is equally clear that, if the patentee be employed to invent or devise such improvements, his patents obtained therefor belong to his employer, since in making such improvements he is merely doing what he was hired to do. Indeed, the Solomons Case might have been decided wholly upon that ground, irrespective of the question of estoppel, since the finding was that Clark had been assigned the duty of devising a stamp, and it was understood by everybody that the scheme would proceed upon the assumption that the best stamp which he could devise would be adopted, and made a part of the revised scheme. In these consultations it was understood that he was acting in his official capacity as chief of the bureau of engraving and printing, but it was not understood or intimated that the stamp he was to devise would be patented, or become his personal property.

In fact, he was employed and paid to do the very thing which he did, viz.: to devise an improved stamp; and, having been employed for that purpose, the fruits of his inventive skill belonged as much to his employer as would the fruits of his mechanical skill. So, if the inventions of a patentee be made in the course of his employment, and he knowingly assents to the use of such inventions by his employer, he cannot claim compensation therefor, especially if his experiments have been conducted or his machines have been made at the expense of such employer.

The following remarks of the court in the Solomons Case (page 346, 137 U. S., and page 88, 11 Sup. Ct.) are pertinent in this connection: "So, also, when one is in the employ of another in a certain line of work, and devises an improved method or instrument for doing that work, and uses the property of his employer and the services of other employes to develop and put in practical form his invention, and expressly assents to the use by his employer of such invention, a jury, or a court trying the facts, is warranted in finding that he has so far recognized the obligations of service flowing from his employment, and the benefits resulting from the use of the property and the assistance of the coemployes of his employer, as to have given to such employer an irrevocable license to use such invention."

The acquiescence of the claimant in this case in the use of his invention by the government is fully shown by the fact that he was in its employ; that the adoption of his inventions by the commanding officer was procured at his suggestion; that the patterns and working drawings were prepared at the cost of the government; that the machines embodying his inventions were also built at the expense of the government; that he never brought his inventions before any agent of the government as the subject of purchase and sale; that he raised no objection to the use of his inventions by the government; and that the commanding officer never undertook to incur a legal or pecuniary obligation on the part of the government for the use of the inventions or the right to manufacture thereunder. It further appeared that from time to time his wages were advanced from four to six dollars a day, and while it was never stipulated by the commanding officer, or understood by the claimant, that the advance of wages was a consideration for the use of the inventions, the practical ability of the claimant as an inventor, and the value of his inventions to the government, did operate on the minds of the officers in estimating the claimant's services and ordering his advancement.

Clearly, a patentee has no right, either in law or morals, to persuade or encourage officers of the government to adopt his

inventions, and look on while they are being made use of year after year without objection or claim for compensation, and then to set up a large demand, upon the ground that the government had impliedly promised to pay for their use. A patentee is bound to deal fairly with the government, and, if he has a claim against it, to make such claim known openly and frankly, and not endeavor silently to raise up a demand in his favor by entrapping its officers to make use of his inventions. While no criticism is made of the claimant, who was a simple mechanic, and, as found by the court of claims, "a faithful, intelligent, and capable employe, whose services were of great value to the government," and whose conduct was "fair, honest, and irreproachable," and while the government appears to have profited largely by his inventive skill, we are of opinion, for the reasons above stated, that the appeal in his behalf should be addressed to the generosity of the legislative, rather than to the justice of the judicial, department.

It may be added, in this connection, that the inventions which the claimant suggested to the commanding officer to adopt were mere undeveloped conceptions of his own, that had never been embodied in a machine; that it was uncertain at this time whether he could or would obtain patents for them. If he did not obtain patents, their use was open to anybody. Under such circumstances, it is impossible to say that an officer of the government, conceiving that he had full authority to make use of them, agreed by their adoption to pay for the value of the use of such machines under patents that might be applied for and granted in the future.

We are clearly of opinion that the case is covered by our former decisions, and that the judgment of the court below must be affirmed.

[For general discussion of implied license, shop-right, etc., see Part XII.]

824. CHAFFEE v. BOSTON BELTING CO., 22 How. (U. S.) 217, 16 L. ed. 240 (1850).* * *

Under that provision, it has been repeatedly held by this court, that a party who had purchased a patented machine, and was using it during the original term for which the patent was granted, might continue to use the machine during the extended term. Bloomer v. McQuewan et al., 14 How. 549; Wilson v. Rosseau, 4 How. 646. That rule rests upon the doctrine that the purchaser, in using the machine under such circumstances, exer-

cises no rights created by the act of congress, nor does he derive title to it by virtue of the franchise or the exclusive privilege granted to the patentee.

When the patented machine rightfully passes to the hands of the purchaser from the patentee, or from any other person by him authorized to convey it, the machine is no longer within the limits of the monopoly. According to the decision of this court in the cases before mentioned, it then passes outside of the monopoly, and is no longer under the peculiar protection granted to patented rights. By a valid sale and purchase, the patented machine becomes the private individual property of the purchaser, and is no longer protected by the laws of the United States, but by the laws of the State in which it is situated. Hence it is obvious, that if a person legally acquires a title to that which is the subject of letters patent, he may continue to use it until it is worn out, or he may repair it or improve upon it, as he pleases, in the same manner as if dealing with property of any other kind.

* * *

825. GOODYEAR SHOE MACHINERY CO. v. JACKSON, 112 Fed. 146, 50 C. C. A. 159 (1901, First Circuit).* * *

[In this case three patents were involved. The changes which were made may be indicated by consideration of the Fowler and Warren patent No. 564,986, from which the above figure is taken. The opinion referring to this patent says:

"It relates to what is known as a 'pull off.' In these machines the thread is held under tension, and the needle was obliged to pull off the thread against such tension. The pull off is a device to relieve the needle of this work. Pull offs were known at the date of this invention, as appears by the specification of the patent, which refers to several prior devices of this kind. This invention resided in the simplicity of the construction of the pull off mechanism, and it consisted in so timing the operation of the machine that the pull off operated when the needle held the thread under strain at the completion of its backward stroke. The specification says:

"'Our present invention is an improved machine for doing this, its main novelty being that the pull-off mechanism does its work after the needle has completed its loop-drawing stroke and while the needle holds a loop of thread in its hook under the strain requisite to set the stitch, instead of relying upon a thread-brake to hold the thread against the action of the pull-off truck.'"

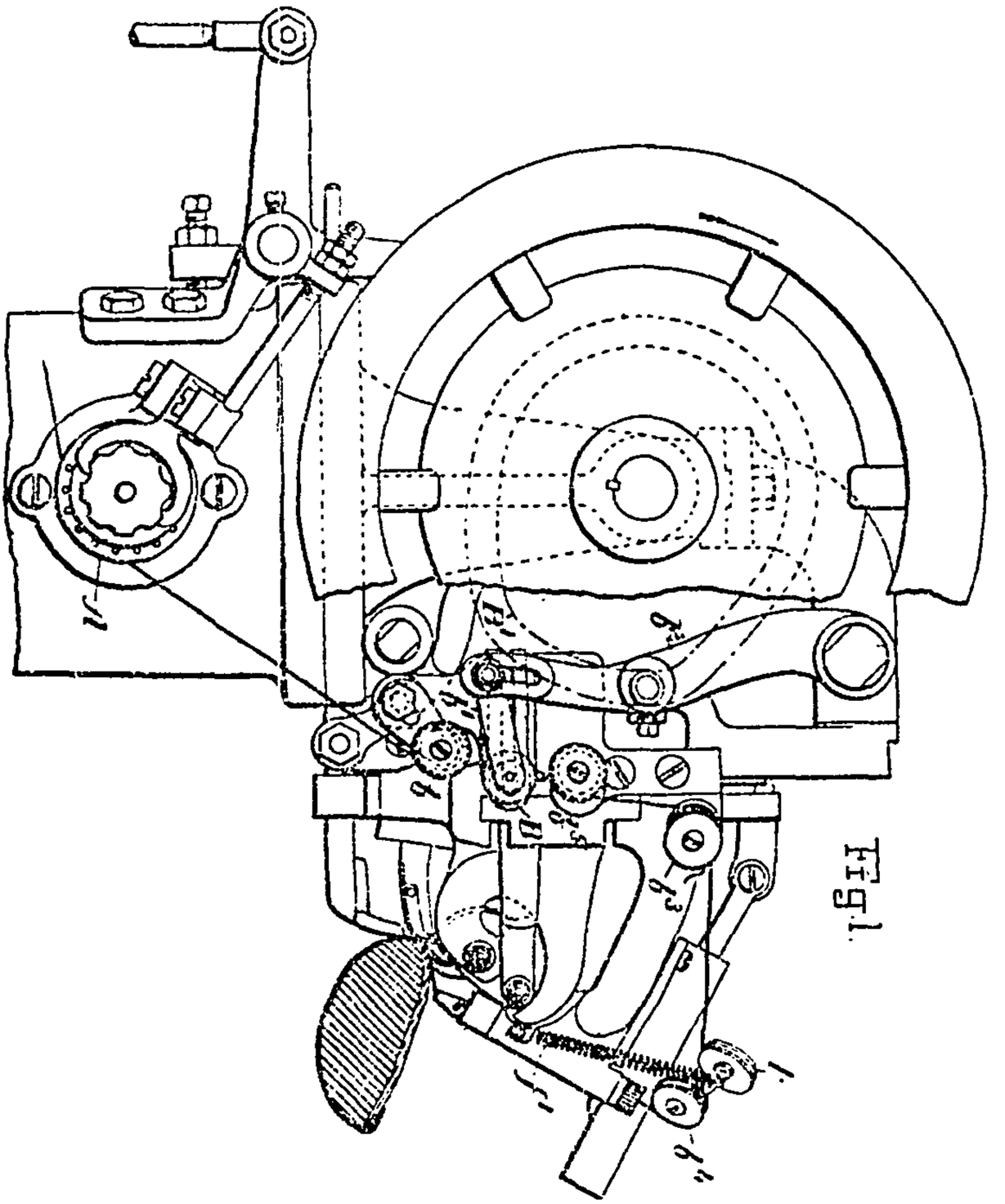


Fig. 1.

The specification is a good example of a presentation of a single specific feature so well ascertained that the distinction over the art may be accurately set forth.

The following from the specification sufficiently defines the above figure of the patent:

"The position of the parts when the stitch is set is shown in Fig. 1; that is, the needle is at the end of its back stroke and the last stitch has been set and the thread drawn taut from the hook of the needle through the last needle-hole in the work, through the looper, over truck b^4 under the slack-taking truck F, over truck b^3, in front of trucks b^5 and b, and in rear of pull-off truck B, to tension A. The needle is thus holding the thread, so that when the pull-off truck B is moved back by its cam B', acting through lever b^2 and arm b', the thread will be pulled off from the thread-supply through tension A, and cam B' is about to cause pull-off truck B to make its pull-off stroke, while the needle holds the thread under strain in its hook."

The claim is also an interesting example of what is sometimes mistaken for a "functional" claim, but which clearly presents the feature of invention. It reads as follows:

"In a chain-stitch hook-needle sewing-machine the combination of tension; looper; hook-needle; a pull-off mechanism between the needle and the tension; and actuating mechanism timed to cause the pull-off mechanism to make its pulling-stroke after the hook-needle has completed its loop-drawing stroke and while the loop is held under strain by the hook of the needle; substantially as described."

As will be observed from the opinion the defendants in this case had changed or replaced the very feature which gave point to the combination, but were held by both courts to have done no more than repair the machine.

In the other patents it will be observed that the parts replaced were cams. That is, familiar mechanical elements.]

Before Colt and Putnam, circuit judges, and Webb, district judge.

Colt, Circuit Judge.

There is presented on this appeal the single question of legitimate or illegitimate repair by the purchasers of a patented machine. The defendants, in rather a small way, were engaged in the business of general jobbing and repair work, and several purchasers sent their machines to the defendants' shop for repairs. In repairing the machines, the defendants made and replaced a number of parts, and the contention is that these repairs constituted an infringement of three of the complainant's patents for attachments to these machines.

It is admitted by counsel that the case stands the same as if the suit had been brought directly against the purchasers. This limits the issue strictly to the right of the purchasers to make these repairs, and eliminates any question of possible contributory infringement by the defendants by reason of making and selling parts of these machines.

But, although the case stands the same as if suit had been brought directly against the purchasers, the complainant's brief and argument have proceeded largely upon the assumption that infringement by the purchaser of a patented machine is closely allied to contributory infringement, in that both kinds of infringement relate to making a part of a patented invention, as distinguished from making the whole; and this has led the complainant to base infringement mainly upon the circumstance that the purchasers, in repairing their machines, replaced one of the material elements of the patented combinations. The fact is, however, that the two kinds of infringement are fundamentally different.

Infringement is the unlawful making or selling or using of a patented invention. Contributory infringement is "the intentional aiding of one person by another in the unlawful making or selling or using of the patented invention;" and this is usually done by making or selling a part of the patented invention with the intent and purpose of so aiding. The essence of contributory infringement lies in concerting or planning with others in an unlawful invasion of the patentee's rights. Howson, Contrib. Infringe. Pat. 1; Thomson-Houston Electric Co. v. Kelsey Electric Ry. Specialty Co., (C. C.) 72 Fed. 1016; Thomson-Houston Electric Co. v. Ohio Brass Co.,(C. C.)78 Fed. 139; Wallace v. Holmes, 9 Blatchf. 65 Fed. Cas. No. 17,100; Renwick v. Pond, 10 Blatchf. 39, Fed. Cas. No. 11,702; Saxe v. Hammond, 1 Ban. & A. 629, Fed. Cas No. 12,411; Richardson v. Noyes, 2 Ban. & A. 398 Fed. Cas. No. 11,792; Schneider v. Pountney (C. C.) 21 Fed. 399; Travers v. Beyer (C. C.) 26 Fed. 450, 23 Blatchf. 423; Snyder v. Bunnell (C. C.) 29 Fed. 47; Celluloid Mfg. Co. v. American Zylonite Co. (C. C.) 30 Fed. 437; Singer Mfg. Co. v. Springfield Foundry Co. (C. C.) 34 Fed. 393; Schneider v. Missouri Glass Co. (C. C.) 36 Fed. 582; Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co., 25 C. C. A. 267, 77 Fed. 288, 35 L. R. A. 728.

Infringement by the purchaser of a patented machine consists in the substantial rebuilding of such machine. A contributory infringer necessarily only makes or sells a part of the patented invention. The purchaser of a patented machine, in order to infringe, must make or reproduce, in substance, the whole patented invention. To prove infringement, in one case, it is only necessary to show a partial infringement in aid of an unlawful

complete infringement, while in the other case a substantially full and complete infringement must be established. The rule that a person may be guilty of contributory infringement by making or selling a material element of the patented combination has no application to infringement by the purchaser of a machine embodying such patented combination. A purchaser stands in no different position from an ordinary infringer, except in the circumstance that he has bought a patented machine, and, consequently, his infringement does not consist in the construction of a wholly new machine, but in the reconstruction of such machine after it is worn out or substantially destroyed. The essence of the infringement is the same in both cases.

The ordinary infringer makes the entire patented machine; the infringing purchaser begins with what remains of the patented machine, and rebuilds it. To show infringement in the case of an ordinary infringer, where the patented invention comprises several elements in combination, it is necessary to prove that the alleged infringing machine contains all the elements (or their equivalents) which make up the combination, although some of the elements may not be material, or of the essence of the invention. To show infringement by the purchaser in such a case, the same strictness of proof is not required, for the reason that it may not be necessary for him to make the immaterial or unessential elements of the patented combination, because they may not be worn out or destroyed in his machine when the work of reconstruction begins. A practical reconstruction of the patented machine, and not necessarily a literal reconstruction of the patented combination, is all that is required to constitute infringement by the purchaser. For example, where the patent is for an improved lamp, and the whole invention resides in the burner, but the claim is for the combination of the burner and a chimney, in an ordinary suit for infringement it must be shown that the defendant made or used or sold the patented combination, namely, the burner and chimney; while in a suit for infringement against a purchaser of the lamp it would only be necessary to prove that he replaced the old burner with a new one, because, manifestly, that would constitute a substantial reconstruction of the patented invention. If a person other than the purchaser should make or sell the burner with the intent and purpose of its use by another in combination with the chimney, it would be a clear case of contributory infringement. Wallace v. Holmes, 9 Blatchf. 65, Fed. Cas. No. 17,100.

In approaching the question of infringement by the purchaser of a patented machine, it is important to bear in mind what the patentee sold and the purchaser bought. The patentee has parted

with his machine and the monopoly that goes with it, and the purchaser has bought the machine with the right to use the patented invention until the machine is worn out or destroyed. When the machine is worn out, or substantially destroyed, his right to use the patented invention ceases; and when he rebuilds his machine, and thereby makes substantially a new machine, it becomes subject to the patentee's monopoly, the same as in the case of any other person who unlawfully makes the patented machine. When the patented machine has passed outside the monopoly by a sale and purchase, the patentee has no right to impose any restrictions on its use for his own benefit. He can not forbid the further use of the machine because it is out of repair in consequence of the wearing out or breaking of some of its parts, and so oblige the purchaser to buy a new machine. The purchased machine has become the individual property of the purchaser, and is like any other piece of property which he owns. He may sell it, or he may use it so long as its usefulness lasts, and then throw it away, or dispose of it for junk. He may prolong its life and usefulness by repairs more or less extensive, so long as its original identity is not lost. He is only prohibited from constructing a substantially new machine. He can not, under the pretext of repairs, build another machine. Wilson v. Simpson, 9 How. 109, 13 L. ed. 66; Adams v. Burke, 17 Wall. 453, 21 L. ed. 700; Chaffee v. Belting Co., 22 How. 217, 223, 16 L. ed. 240; Mitchell v. Hawley, 16 Wall. 544, 546, 547, 21 L. ed. 322; Hobbie v. Jennison, 149 U. S. 355, 363, 13 Sup. Ct. 879, 37 L. ed. 766; Cotton-Tie Co. v. Simmons, 106 U. S. 89, 1 Sup. Ct. 52, 27 L. ed. 79; Aiken v. Print Works, 2 Cliff. 435, Fed. Cas. No. 113; Morgan Envelope Co. v. Albany Paper Co., 152 U. S. 425, 435, 14 Sup. Ct. 627, 38 L. ed. 500; Gottfried v. Brewing Co., 5 Ban. & A. 5 Fed. Cas. No. 5,633; Davis Electrical Works v. Edison Electric Light Co., 8 C. C. A. 615, 60 Fed. 276; Id. (C. C.) 58 Fed. 878.

A purchaser, then, may repair, but not reconstruct or reproduce, the patented device or machine. Repair is "restoration to a sound, good, or complete state after decay, injury, dilapidation, or partial destruction." Reconstruction is "the act of constructing again." Reproduction is "repetition," or "the act of reproducing." These definitions are instructive in bringing home to the mind that repair carries with it the idea of restoration after decay, injury, or partial destruction, and that reconstruction or reproduction carries with it the idea of a complete construction or production over again.

But the difficult question still remains, what is legitimate repair, and what is reconstruction or reproduction as applied to a particular patented device or machine? When does repair destroy the identity of such device or machine and encroach upon

invention? At what point does the legitimate repair of such device or machine end, and illegitimate reconstruction begin.

It is impracticable, as well as unwise, to attempt to lay down any rule on this subject, owing to the number and infinite variety of patented inventions. Each case, as it arises, must be decided in the light of all the facts and circumstances presented, and with an intelligent comprehension of the scope, nature, and purpose of the patented invention, and the fair and reasonable intention of the parties. Having clearly in mind the specification and claims of the patent, together with the condition of decay or destruction of the patented device or machine, the question whether its restoration to a sound state was legitimate repair, or a substantial reconstruction or reproduction of the patented invention, should be determined less by definitions or technical rules than by the exercise of sound common sense and an intelligent judgment.

When the patent is for a single thing, like a knitting needle, for example, and not for a device or machine composed of several things or elements combined, it is obvious that the replacement of an old needle by a new one in a knitting machine is not repair, but a reproduction of the patented thing. Aiken v. Manchester Print Works, 2 Cliff. 435, Fed. Cas. No. 113; Morgan Envelope Co. v. Albany Paper Co., 152 U. S. 425, 435, 14 Sup. Ct. 627, 38 L. ed 500; Wilson v. Simpson, 9 How. 109, 124, 13 L. ed. 66.

When the patent is for a device embracing the combination of several elements, a purchaser will infringe by reconstructing the device after it has fulfilled its purpose and is substantially destroyed. Where, for instance, the patent was for a cotton-bale tie, consisting of a band and buckle, and "licensed to use once only," it is manifest that the severance of the band at the cotton mill was intended to operate as a destruction of the tie, and that to roll and straighten the pieces of the band and rivet the ends together, at the same time using the old buckle, was a reconstruction of the tie, and not repair. Cotton-Tie Co. v. Simmons, 106 U. S. 89, 1 Sup. Ct. 52, 27 L. ed. 79.

Again, where the subject of the patent was an electric lamp, and the invention resided in the discovery that an attenuated carbon filament, if operated in a high vacuum, would withstand disintegration, and the claim was for the combination of carbon filaments with a receiver made entirely of glass, and conductors passing through the glass, from which receiver the air is exhausted, it is plain that, when the filament is destroyed, and the vacuum is destroyed by making a hole in the receiver, and nothing remains but a perforated glass bulb and the conductors, the lamp is practically destroyed, and that to replace the old filament with a new one, and again exhaust the air in the receiver, and

again seal it, is substantially the making of a new lamp. Davis Electrical Works v. Edison Electric Light Co., 8 C. C. A. 615, 60 Fed. 276; Id. (C. C.) 58 Fed. 878.

Where the patent is for a machine, which commonly embraces the combination of many constituent elements, the question of infringement by the purchaser will turn upon whether the machine is only partially worn out or partially destroyed, or is entirely worn out, and so beyond repair in a practical sense. In the case of a patent for a planing machine composed of many parts it was held that the replacement of the rotary knives, "the effective ultimate tool" of the machine, was repair, and not reconstruction. Wilson v. Simpson, 9 How. 109, 13 L. ed. 66. In that case the supreme court rested its decision on two grounds: (1) The right of the owner to replace a material part of the patented combination; and (2) the right to replace a part of the machine which it was known would quickly wear out, such replacement being necessary to a continued use of the machine, and therefore contemplated by the patentee when the machine was sold. The decision in that case contains a careful discussion of the rights of a purchaser of a patented machine, and of the fundamental grounds on which those rights are based, and of the difference between repair and reconstruction:

"When the material of the combination ceases to exist, in whatever way that may occur, the right to renew it depends upon the right to make the invention. If the right to make does not exist, there is no right to rebuild the combination. But it does not follow, when one of the elements of the combination has become so much worn as to be inoperative, or has been broken, that the machine no longer exists for restoration to its original use by the owner who has bought its use. When the wearing or injury is partial, then repair is restoration, and not reconstruction. * * * Repairing partial injuries, whether they occur from accident or from wear and tear, is only refitting a machine for use; and it is no more than that though it shall be a replacement of an essential part of a combination. It is the use of the whole of that which a purchaser buys when the patentee sells to him a machine; and when he repairs the damages which may be done to it it is no more than the exercise of that right of care which every one may use to give duration to that which he owns, or has a right to use as a whole. * * * And what harm is done to the patentee in the use of his right of invention, when the repair and replacement of a partial injury are confined to the machine which the purchaser has bought?

"Nothing is gained against our conclusion by its being said that the combination is the thing patented, and that, when its intended result can not be produced from the deficiency of a part

of it, the invention in the particular machine is extinct. It is not so. Consisting of parts, its action is only suspended by the want of one of them, and its restoration reproduces the same result only, without the machine having been made anew."

The opinion then proceeds to discuss specifically the patented machine in controversy:

"It does not permit an assignee of the first term of a patent, after its renewal and extension, to make other machines, or to reconstruct it, in gross, upon the frames of machines which the assignee had in use when the renewal and extension of the patent took effect. But it does comprehend and permit the resupply of the effective ultimate tool of the invention, which is liable to be often worn out, or to become inoperative for its intended effect, which the inventor contemplated would have to be frequently replaced anew, during the time that the machine, as a whole, might last. * * * The right of the assignee to replace the cutter knives is not because they are of perishable materials, but because the inventor of the machine has so arranged them as a part of its combination that the machine could not be continued in use without a succession of knives at short intervals. Unless they were replaced, the invention would have been but of little use to the inventor or to others. The other constituent parts of this invention, though liable to be worn out, are not made with reference to any use of them which will require them to be replaced. These, without having a definite duration, are contemplated by the inventor to last so long as the materials of which they are formed can hold together in use in such a combination. No replacement of them at intermediate intervals is meant or is necessary. They may be repaired as the use may require. With such intentions they are put into the structure. So it is understood by a purchaser, and beyond the duration of them a purchaser of the machine has not a longer use. But if another constituent part of the combination is meant to be only temporary in the use of the whole, and to be frequently replaced, because it will not last as long as the other parts of the combination, its inventor can not complain, if he sells the use of his machine, that the purchaser uses it in the way the inventor meant it to be used, and in the only way in which the machine can be used. Such a replacement of temporary parts does not alter the identity of the machine, but preserves it, though there may not be in it every part of its original material."

Each of the purchasers in the suit at bar bought from the Lincoln Sewing Machine Company, who then owned the patents in issue, machines called the "Lincoln Machine," an in-seam sewing machine designed to unite the sole and upper of a turned shoe, or the sole and welt of a welt shoe. There are always found

in such a machine a needle, a looper, and a tension for forming the stitch, and their actuating mechanism; guiding devices for guiding the work, and their actuating mechanism; and feeding devices for feeding the work, and their actuating mechanism. The hooked needle pierces the work with a forward and upward movement, and a double line of thread is left outside of the upper or welt, and a single line in the channel. The needle is first forced through the work; the thread is then led into the throat of the needle hook by the looper, and the needle is drawn back through the hole, pulling the loop of thread. The work is then moved along the length of one stitch, and the needle is again thrust through the work, again threaded, and again drawn back, pulling a second loop of thread through the work and through the first loop; and this process is repeated for each stitch. The thread is drawn from the spool, and extends from the spool to the work through the machine. In these machines the needle holes are approximately parallel to the surface of the sole, and the feeding instrument was either the needle itself or a puncturing instrument which made the holes substantially coincident with the holes made by the needle. This kind of feed was found objectionable in sewing around the pointed or sharply-curved toe of a shoe. This objection was overcome by a feeding instrument which penetrated the work substantially at right angles to the hole made by the needle.

The first Fowler & Warren patent in issue—No. 545,625, dated September 3, 1895—covers this improved feed. The specification, after reciting the defects in the old machines, says:

"The object of our invention is to adapt this class of machines to work where the direction of the seam changes abruptly; and our invention consists in the combination with the needle of a feeding instrument which penetrates the work substantially at right angles to hole made by the needle. * * * The feeding instrument has the usual four motions, but its penetrating and withdrawing motions are at right angles to the needle holes, instead of being parallel or in line with the needle holes, as heretofore."

At the end of the specification the patentees set forth their invention as follows:

"What we claim as our invention is: In a sewing machine, the needle; mechanism for actuating it to cause it to penetrate the between substance; the feeding point; mechanism for actuating it to cause it to move endwise and penetrate the between substance in a path at right angles to the path of the needle; and mechanism to move the feed point sidewise after it has penetrated and while it is in the between substance, for feeding the work leaving the shoe free to be turned upon the feeding

as an axis during the feeding operation—all combined, and operating substantially as and for the purpose specified."

It will be observed that the patentees do not claim their particular kind of feed for penetrating the work at right angles as their invention, but this feed in combination with the needle and mechanism for actuating it, and mechanism to move the feed point sidewise after it has penetrated and while it is in the work.

When the purchaser bought a Lincoln machine, he bought a machine which embodied all the elements in the patented combination, with the right to use that combination as a whole until it was worn out. He had the right to repair partial injuries to the combination arising from wear and tear, and so refit the machine for use, though it involved the replacement of an essential part of the combination. To prove that the purchaser of a Lincoln machine infringed this patent, it must be shown that the repairs on his machine involved a substantial reconstruction or reproduction of the patented combination which was sold to him, and which became his absolute property.

The complainant rests its charge of infringement upon the fact that the purchaser, in repairing his machine, replaced, in the feeding device, the cam which, with its connections, gives the vertical movement to the needle. The remaining repairs, so far as they relate to this patent, are admitted to have been immaterial. It is manifest, however, that a broken or wornout cam effected only a partial destruction of the patented combination composed of three separate groups of mechanism, and that the replacement of the old cam with a new one was not a substantial rebuilding of the combination. If the patented invention had been for this particular form of cam, or had been simply for an improved feed, and the whole invention had resided substantially in the cam, the case would have presented a different aspect.

The second Fowler & Warren patent in suit is No. 560,705, dated May 26, 1896, and it is stated to be for "a new and useful welt guide mechanism for sewing machines." The improvement is for a welt guide which moves in the curved path of the needle, in place of the old welt guide, which only moved to and from the work in a straight line; so that, when the welt guide was a little too far in or a little too far out, the point of intersection was not in the bottom of the groove in the welt held in the welt guide, but a little to one side.

The invention claimed is as follows:

"What we claim as our invention is: In a curved needle sewing machine a welt guide; its holder; a carrier for the welt guide holder; and means for moving the holder with relation to its carrier and for moving the carrier toward and from the

curved needle, to cause a point in the welt guide to move in the arc in which the curved needle moves—all combined and operating substantially as described."

Here again we have a combination patent embracing a number of essential elements. The purchaser of a Lincoln machine bought the whole of this combined mechanism, and was entitled to use it until its usefulness had ceased by reason of decay or destruction. The charge of infringement of this claim is substantially limited to the replacement of the cam which moves the carrier to and from the curved needle. But this cam is only one of the material elements of the patented combination; and, further, it only moves the carrier back and forth in a straight line, and is not productive of the curved movement of the welt guide, which is the essential feature of this invention. As for the carrier of the welt guide, which it is also said the purchaser replaced, this again is only one of the elements of the combination. On the whole, we fail to find in these repairs anything like a substantial rebuilding of the patented combination.

The remaining Fowler & Warren patent in issue is No. 564,986, granted August 4, 1896. This patent is for a new and useful improvement "in means for providing slack thread" in this class of sewing machines. It relates to what is known as a "pull off." In these machines the thread is held under tension, and the needle was obliged to pull off the thread against such tension. The pull off is a device to relieve the needle of this work. Pull offs were known at the date of this invention, as appears by the specification of the patent, which refers to several prior devices of this kind. This invention resided in the simplicity of the construction of the pull off mechanism, and it consisted in so timing the operation of the machine that the pull operated when the needle held the thread under strain at the completion of its backward stroke. The specification says:

"Our present invention is an improved machine for doing this, its main novelty being that the pull off mechanism does its work after the needle has completed its loop drawing stroke, and while the needle holds a loop of thread in its hook under the strain requisite to set the stitch, instead of relying upon a thread brake to hold the thread against the action of the pull off truck."

The patentees state their invention as follows:

"What we claim as our invention is: In a chain stitch, hook needle sewing machine the combination of tension, looper, hook needle, a pull off mechanism between the needle and the tension, and actuating mechanism timed to cause the pull off mechanism to make its pulling stroke after the hook needle has

completed its loop drawing stroke, and while the loop is held under strain by the hook of the needle; substantially as described."

There was sold to the purchaser of a Lincoln machine this patented combination, and he had the right to prolong its life and usefulness by any repairs which fell short of a reconstruction of substantially the whole combination. It cannot be said, therefore, that the replacement by the purchaser of the cam or the pull off lever which moves the pull off truck constituted an infringement of the patent, although it may be this cam was the characteristic and most essential element in the combination. The breaking or wearing out of this cam resulted in only a partial destruction of the patented combination, and its replacement by a new cam was plainly a restoration, and not a substantial reconstruction of the combination.

Under the general principles governing the rights of the parties in this class of cases, we are of the opinion that the purchasers of the Lincoln machines, by repairing their machines to the extent disclosed by the evidence, have not infringed any of the patents in suit.

The decree of the circuit court is affirmed, and the costs of appeal are awarded to the appellees.

826. BULLOCK ELEC. & MFG. CO. v. WESTINGHOUSE ELEC. & MFG. CO., 129 Fed. 105, 63 C. C. A. 607 (1904, Sixth Circuit).* * *

The plaintiff in error was adjudged to be in contempt because, pending the injunction, it made and shipped to a customer in Canada the motor of the patent, with the expectation and intent that it would be there used in the devices of the combination claims and in the practice of the method of transmitting electrical power protected by the claim of the method patent. Was this, as matter of law, a contempt of the authority of the court?

The injunction forbid "the making, using, or selling of any apparatus embodying the inventions recited or specified" in the claims of the three patents heretofore set out. The monopoly of a patent extends to the making or selling, as well as the using, of the patented device within the United States. Adams v. Burke, 17 Wall. 453, 456, 21 L. ed. 700; Heaton-Peninsular Button Fastener Co. v. Eureka Specialty Co., 77 Fed. 288, 291, 35 C. C. A. 267, 35 L. R. A. 728; Dorsey Rake Co. v. Bradley M. Co., 12 Blatchf. 202, Fed. Cas. No. 4,015.

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

and used in a country to which the protection of the laws of the United States did not extend. The patentee is entitled to monopolize the making of his device in the United States as well as a monopoly of there selling or using it. Dorsey Harvester Co. v. Bradley Co., 12 Blatchf. 202, Fed. Cas. No. 4,015; Ketchum Harvester Co. v. Johnson Co., (C. C.) 8 Fed. 586; Adrian Platt Co. v. McCormack Co., (C. C.) 55 Fed. 288. Gould v. Sessions, 67 Fed. 163, 14 C. C. A. 366, is not in conflict, for in that case the only question concerned the alleged violation of an injunction against the future making, selling, or using of the patented article.

The articles sold in supposed violation of the temporary injunction had been made before the injunction was granted, and pending the injunction were shipped to Canada and there sold. There had been, therefore, no violation of the injunction, because there had been no making or selling or using of the patented device after the allowance of the injunction, within the limits of the United States. But it is elementary that neither the making, selling, nor using of one element of a combination is infringement. Prouty v. Ruggles, 16 Pet. 336, 10 L. ed. 985; The Corn Planter Patent, 23 Wall. 181, 224, 23 L. ed. 161; Rowell v. Lindsay, 113 U. S. 97, 101, 5 Sup. Ct. 507, 28 L. ed. 906. In the corn planter patent Mr. Justice Bradley said:

"Where a patentee, after describing a machine, claims as his invention a certain combination of elements, or a certain device, or part of the machine, this is an implied declaration as conclusive, so far as that patent is concerned, as if it were expressed that the specific combination or thing claimed is the only part which the patentee regards as new. True, he or some other person may have a distinct patent for the portions not covered by this; but that will speak for itself. So far as the patent in question is concerned, the remaining parts are old or common and public."

In Rowell v. Lindsay, Mr. Justice Wood said:

"The patent of the plaintiffs is for a combination only. None of the separate elements of which the patent is composed are claimed as the invention of the patentee; therefore none of them, standing alone, are included in the monopoly of the patent."

It must follow, therefore, that, unless there be something to take this case out of the general rule, the making or selling or using of a single element of a combination patent does not per se constitute an infringement of a combination claim. Neither can it be said, in a legal sense, that any one element of a combination patent is an "apparatus embodying the invention,"

within the meaning of the injunction which the defendant is supposed to have disobeyed.

It may be true, as claimed, that the Tesla motor constitutes the real essence of the three Tesla inventions covered by the claims of the patents in suit. Tesla, however, neglected to claim the motor as a separable device. He deliberately elected to claim it only as he claimed the other elements of his combination claims, and thereby abandoned any claim to its novelty or to a monopoly of its use, except as a part of one or other of his combination claims. The method claim is not for any apparatus at all. The mere fact that the Bullock Company made and sold such a motor does not per se constitute an infringement of such a method claim. We are not now dealing with the question of contributory infringement for that will be considered later. What we decide is that the mere fact that one has made and sold an apparatus adapted to be used in following the methods of Tesla's method claim does not constitute infringement. He is not entitled to extend that claim so as to include apparatus adapted to its practice. A licensee thereunder may practice the method with any motor adapted to such method, and we see no reason, if the motor itself is not patented, why such a licensee might not supply himself with a motor adapted to so operate from any manufacturer.

But the Circuit Court found that after the granting of the injunction pendente lite the defendant company made and shipped to one John McDougal, of the Caledonia Iron Works, Montreal, Canada, a motor made according to the description of the Tesla patents in suit, and that this was done with the intent and expectation that the motor would be there installed and used in the devices of the patents in suit. Judge Thompson held upon these facts that the defendants "had not only infringed the plaintiff's patents by contributing to the device set up in Canada, but directly infringed the claim of patent No. 382,280."

But did the defendants infringe either of the combination claims, or disobey the injunction of the court, by making and sending to Canada a single element of those claims with the intention and for the purpose of being there used in one or other of the combinations of the patent? The monopoly of the patents did not extend to Canada. The patented devices were open to be there made or sold or used because the monopoly of the patent is limited to the United States and its territories. Unless, therefore, the making and selling of a single element of a patented device, within the limits of the United States, with the intention that it shall be sent without the United States, and there used in association with the other elements of the com-

bination, constitutes infringement, the defendants did not disobey the order of the court. But unless the making and sale of the single element was with the intention and purpose of aiding and abetting another to infringe there would be no contributory infringement under the well-settled law upon that subject.

No better definition of contributory infringement can be found than that given by Judge Taft when speaking for this court in Thompson-Houston Electric Co. v. Ohio Brass Works, 80 Fed. 712, 721, 26 C. C. A. 107, where that learned judge said:

"It is well settled that when one makes and sells one element of a combination covered by a patent with the intention and for the purpose of bringing about its use in such a combination he is guilty of contributory infringement, and is equally liable to the patentee with him who in fact organizes the complete combination. * * * An infringement of a patent is a tort analogous to trespass or trespass on the case. From the earliest times, all who take part in a trespass, whether by actual participation therein, or by aiding and abetting it, have been held to be jointly and severally liable for the injury inflicted. There must be some concert of action between him who does the injury and him who is charged with aiding and abetting, before the latter can be held liable. When that is present, however, the joint liability of both the principal and accomplice has been invariably enforced."

The intent and purpose that the element made and sold shall be used in a way that shall infringe the combination in which it is an element constitutes the necessary concert of action between him who furnished the single part and he who actually does the injury by the assembling and using of all the parts in such a way as to be an infringement. This principle runs through all the cases upon contributory infringement. Heaton-Peninsular Button Fastener Co. v. Eureka Specialty Co., 77 Fed. 288, 297, 25 C. C. A. 267, 35 L. R. A. 728; Saxe v. Hammond, Fed. Cas. No. 12,411; Wallace v. Holmes, 9 Blatchf. 65, Fed. Cas. No. 17,100; Thomson-Houston Co. v. Kelsey Electric Co., 75 Fed. 1005, 22 C. C. A. 1; German-American Filter Co. v. Loew Filter Co., (C. C.) 103 Fed. 303, affirmed (C. C. A.) 107 Fed. 949.

In Snyder v. Bunnell, (C. C.) 29 Fed. 47, Judge Coxe gave his emphatic approval to the principle laid down by Judge Shipley in Saxe v. Hammond, cited above, where it was said that "the mere manufacture of a separate element of a patented combination, unless such manufacture be proved to have been conducted for the purpose and with the intent of aiding infringement, is not in and of itself infringement." That the single element was made and sold was with the intent and purpose of

aiding another in infringing must appear, or the necessary concert of action will be missing. This may be shown presumptively, as it is when the article is incapable of any other use than an infringing one. If, on the other hand, it be adapted to other uses "the intention to assist in infringement must be otherwise shown affirmatively." Thomson-Houston Co. v. Ohio Brass Works, 80 Fed. 712, 723, 26 C. C. A. 107. These principles we think determine this case.

The finding that the intent and purpose in making and selling this motor was that it should be used in the patented devices in Canada is a finding against any infringing purpose. It would not be an infringement to put the motor to the use intended, because that use was beyond the protection of the patent. The defense is as complete as if the intent had been to furnish the motor to one having a license to make, sell, and use. In neither case would there be an intent to assist in an infringement, and without such intent the plaintiff in error was not infringing the patents or disobeying the order of the court.

What we have said applies as well to the method patent as to the combination claims. There must be shown an intent to assist another in an infringing use of the patented method. There being no intent to provide means by which another might unlawfully use the Tesla method, there is no contributory infringement.

The judgment, for these reasons, must be reversed, with directions to discharge the rule to show cause. * * *

827. *THOMSON-HOUSTON v. KELSEY*, 75 Fed. 1005, 22 C. C. A. 1 (1896, Second Circuit).* * *

Shipman, J.:

The Circuit Court of the United States for the District of Connecticut, after an exhaustive investigation of the validity and alleged infringement of letters-patent No. 495,443, dated April 11, 1893, and issued to the administrators of Charles J. Van Depoele, decreed that the Winchester Avenue Railroad Company had infringed claims 6, 7, 8, 12, and 16 of the patent. The complainant in the suit was the Thomson-Houston Electric Company, the assignee of the patentees. The combination covered by these claims and now used generally by the electric railroads of the country consisted generally in an electric railway having an overhead conductor and a car for said railway provided with a contact device carried by the car so as to form a unitary structure therewith and consisting of a trailing arm, hinged and pivoted to the car so as to bridge the space between it and the conductor, and move freely both laterally and vertically, and said arm carrying at its outer end a contact device capable of

being pressed upward by a suitable tension device into engagement with the under side of the conductor.

The important and distinctive part of the invention was the trailing arm hinged and pivoted to the car, and moving laterally and vertically, with a contact device at its outer end capable of being pressed upward by a suitable tension device into engagement with the under side of the conductor. The novel element of "the overhead, underrunning, spring-pressed, laterally-swinging contact-arm" was of great utility and has superseded pre-existing attempts at trolley-road equipment. The "trolley-stand," so called, is the means by which the trailing arm is hinged and pivoted to the car with a capacity for lateral and vertical movement and is pressed upward by some suitable spring. No particular form of stand was included in the Van Depoele invention, for any one of a number of forms would answer the purpose.

The defendant, the Kelsey Electric Railway Specialty Company, manufactures a particular form of trolley-stand, for which Letters Patent have been issued, which it has advertised for sale, and has also in its advertisements represented itself as a dealer in trolley-poles and overhead-trolley equipments. Its trolley-stand consisted in the main of a base secured to the car-roof, a frame revolubly mounted upon the same, so as to receive the end of a trolley-arm, and springs by which tension upon the arm is produced. The Thomson-Houston Electric Company having brought suit against the Kelsey Company for infringement of this Van Depoele patent, the Circuit Court for the District of Connecticut granted a motion for an injunction pendente lite against its making or selling any apparatus embodying the subject matter of or any trolley bases devised or intended to be used in infringement of those claims of said patent which were found to have been infringed in the Winchester case. The present appeal is from this order.

The question, as presented in the affidavits and briefs, relates particularly to the manufacture and sale of trolley-stands. As evidence of an intention to infringe the complainant relied upon the language of the defendant's advertisement, which offered for sale the stands and overhead-trolley equipment generally. The defendant admits that it has sold trolley-stands directly or indirectly to electric companies which purchased their equipment originally from the complainant's licensees, either by way of repair or because the purchasers wanted an improved stand. It denies that it has knowingly sold to an infringer of the patent in suit or to be used for the purpose of infringement. The circuit judge was of opinion that the defendant was selling stands capable of and designed for an un-

lawful use, and that, inasmuch as they are useful only for the purpose of performing functions involved in the operation of the patent, there was a presumption of an intention that these stands should be so used, which was not dispelled by the affidavits.

The question being one of contributory infringement, the appellant urges that there was not sufficient evidence that the defendant had concerted or was concerting or intended to concert with any person for the infringement of the complainant's patent, and that consequently the injunction order either ought not to have been issued or was too sweeping in its terms.

What contributory infringement is and why it should be enjoined was clearly shown in Wallace v. Holmes, 9 Blatchf. 65, the earliest case in this country upon the subject, and upon which the subsequent cases of contributory infringement rest. The complainant's patent in that case was for an improved lamp, which consisted of an improved burner or metallic portion and a glass chimney. The defendant made and sold the improved burner, which must be used with a chimney, and in order to make sales exhibited the burners with chimneys to customers, and the circuit judge thought that a concert with others to use the patented article, as a whole, was a certain inference from the obvious facts in the case and the efforts of the defendant to solicit sales by showing the operation of the whole patented article. The willingness of the defendant in this case to aid other persons in any attempts which they may be disposed to make toward infringement is also apparent. Its trolley-stands are designed to be used in the patented system and to be the means of enabling the trailing pole to perform its distinctive and novel part in the combination. It sufficiently appears from the defendant's advertisements and affidavits that it was ready to sell to any and all purchasers, irrespective of their character as infringers. A proposed concert of action with infringers, if they presented themselves, is fairly to be inferred from the obvious facts of the case, and an injunction order is the proper remedy against wrongful acts which are proposed or are justly to be anticipated. But the defendant says also that the order which was granted is capable of too sweeping an interpretation, because it has a right to supply purchasers who have acquired the right to use the patented combination with its trolley-stands, either by way of repair or because the stands which were furnished to them were not adapted to the needs of the cars upon which they were placed, and it invokes the principle which was stated in Chaffee v. Boston Belting Company, 22 How. 217, as follows:

"If a person legally acquires a title to that which is the subject of Letters Patent, he may continue to use it until it is worn out, or he may repair it or improve upon it, as he pleases, in the same manner as if dealing with property of any other kind."

The complainant, which is utilizing its patent-rights by the manufacture and sale of trolley-railroad equipments, and desires to compel purchasers to continue to supply themselves with its form of stands, replies that the defendant's sales are not for the purpose of repair, but are for the reconstruction of the patented combination, and that a reconstruction of a destroyed or worn-out combination is an infringement. This proposition is true, and examples of the cases to which it is applicable are found in Cotton-Tie Company v. Simmons, 106 U. S. 89, and Davis Electrical Works v. Edison Electric Light Co., 60 Fed. 276. In the Cotton-Tie case the continued use of patented ties, which consist of a band and buckle, was purposely destroyed by the purchaser by cutting the band after he had received the bale around which the tie was placed, and the parts were sold as waste material. A new purchaser bought the several parts, mended the bands, replaced the buckles, sold them to be used as ties, and was held to be an infringer.

In the Edison case the reconstruction was equally extensive. The infringer made a hole in the bulb of an Edison incandescent electric lamp, in which the carbon filament had been worn out, put in a new filament having its ends cemented in platinum sleeves, fused a tube of glass into the open end of the bulb, exhausted the air, and sealed the bulb. Inasmuch as "the filament duly charged is the light-giving thing," the work of the infringer was the manufacture of a new lamp.

The complainant, recognizing that the facts in these cases are not analogous to those in the record now before us, urges that in order to constitute reconstruction of a patented device it is not necessary that the structure should have been destroyed intentionally or that the vital and peculiar element of the invention should have been worn out by use, but that the substitution of an important member of a patented combination which was intended to be permanent in place of the corresponding member which had been accidentally broken or had been worn out is reconstruction, and that there is a recognized distinction between such a substitution and the replacing of fragile members whose life is necessarily short. Reliance is placed upon the case of Wilson v. Simpson, 9 How. 108, which involved

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the replacement by the purchaser of the parts of a patented machine which must from their nature be temporary is permissible, while in no event is the replacement permissible of a part which it was hoped would be permanent. The case related to the right of a purchaser of a Woodworth planing-machine to replace cutters which ordinarily had a life of only sixty or ninety days, and, as a necessity, the opinion dwells upon that fact; but the decision did not make it a sine qua non and did not intend to say that temporary cutters can be replaced and that an element intended to be permanent but accidentally broken in thirty days after it was purchased cannot be replaced. The distinction which the court was endeavoring to point out, and which it thought was well illustrated in the Woodworth planer, was the difference between the repair or replacement of a single element of a combination and the manufacture of a new machine in place of one which had become useless. The court says:

"We admit, for such is the rule in Wilson v. Rousseau, 4 Howard 646-647, that when the material of the combination ceases to exist, in whatever way that may occur, the right to renew it depends upon the right to make the invention. If the right to make does not exist, there is no right to rebuild the combination. But it does not follow, when one of the elements of the combination has become so much worn as to be inoperative, or has been broken, that the machine no longer exists, for restoration to its original use, by the owner who has bought its use. When the wearing or injury is partial, then repair is restoration, and not reconstruction. Illustrations of this will occur to any one, from the frequent repairs of many machines for agricultural purposes. Also from the repair and replacement of broken or worn-out parts of larger and more complex combinations for manufactures. In either case, repairing partial injuries, whether they occur from accident or from wear and tear, is only refitting a machine for use. And it is no more than that, though it shall be a replacement of an essential part of a combination. It is the use of the whole of that which a purchaser buys, when the patentee sells to him a machine; and when he repairs the damages which may be done to it, it is no more than the exercise of that right of care which every one may use to give duration to that which he owns, or has a right to use as a whole."

This distinction is both natural and founded upon right reason and gives to the patentee all the benefits to which he is entitled by the grant of the patent. While it is not intended that a trolley-stand should be broken or should lose its useful capacity, either calamity may befall it, and the right to replace the injured part by a new stand from any person who can supply the article should be conceded by the owners of the patent.

It is not intended to permit the unauthorized substitution of the vital and distinctively new part of an invention in place of one worn out by use, as the substitution of a new filament in an Edison incandescent lamp or the substitution of a new for an old burner in the Wallace case, supra; but the trolley-stand is not the vital element of the invention, though a portion of it is an element of the combination. It is the means, and in most cases the non-patented means, for there are numerous forms of these bases, by which the pole is permitted to perform its functions.

The defendant also says that in order to obtain the use of an improved trolley-stand purchasers from the complainant are sometimes willing to discard its stands and substitute another form which has its own advantages. For example, the trolley-stand which is sold by the defendant is said to be less elevated above the top of the car than the stand of the complainant, and therefore it is said that the Norwalk Street Railway Company found it necessary to change the stands which were furnished by the complainant because of the low bridges recently constructed by a steam-railroad company over the tracks of the street electric road. A refusal to permit such a substitution is equivalent to a declaration that the street-railway company cannot be permitted to improve its stands except by the consent of the complainant. If a purchaser from the complainant chooses, the c[illegible]after his purchase, to substitute a stand which is better made and better adapted to his peculiar needs, he has the right to do so; but it will be urged that such a permission opens the door to infringement and permits a spoliation of the conceded rights of the complainant. It does throw upon the defendant the duty of careful investigation into the objects of the purchasers of its stands and of an abandonment of indifference as to whether they are seeking to trench upon the rights of the owners of the patent, or else a liability to suffer the consequences of a violation of the injunction order.

The order is directed to be modified, without costs of this court, by adding the words:

"It is not intended to enjoin the defendant against the sale of trolley-stands by way of replacement of broken stands or stands worn by use, or of substitution for trolley-stands previously sold by the complainant to purchasers from it, but this permission does not give authority to reconstruct or rebuild a combination which has been sold by the complainant."

Wallace, J.:

This case presents, in my view, an utterly unwarranted attempt on the part of the complainant to enlarge the monopoly which it had acquired as the owner of the patents in suit and to

dominate exclusively the manufacture and sale of articles which its patents do not cover and which others have a legal and moral right to make and sell. The preliminary injunction by which the defendants are restrained from making or vending their trolley-stands was granted without a particle of evidence that they had ever infringed any of the claims of the complainant's patents and, as I think, without the slightest evidence that they threaten to do so. They are as much entitled to make and sell their trolley-stands as they are to make and sell the rails, the poles, the wires, the screws, the paint, or any other article which may be required for use by those who own and operate electric railways in which the improvements covered by the patents of the complainant are utilized. The country is crowded with electric railways which utilize these improvements; but the improvements do not consist in the trolley-stand. They consist in various combinations of parts of which a trolley-stand in some form is one. These railways are generally owned and operated by corporations, a great number of which buy their outfit from the complainant, and thereby acquire the right to use the patented combinations during the life of the organized parts. Concededly they have a right to repair their trolley-stands, to substitute new ones for those old or worn out, or to substitute a better and improved kind for those originally bought of the complainant. The defendants have an equal right to make and sell the stands to such owners for that purpose.

The injunction was granted upon the theory that a case of contributory infringement had been shown. The only evidence of contributory infringement consists in the fact that the defendants are making, advertising, and selling their trolley-stands to the public. That they are concerting with infringers with a view to assist them in appropriating, without compensation, the inventions patented by the complainant there is not a particle of evidence. Being entitled to sell their article, they are under no obligation before selling it to inquire whether the purchaser intends to make an illegal use of it. Privity with a wrong-doer is not to be inferred from the exercise of a legal right. The man who sells a gun or a knife would be guilty of an impertinence if he should inquire of the purchaser whether he intends to use it legitimately, and is under no duty to do so. The same rule applies to one who makes or sells an article which is not patented, but which may be used by the purchaser to work an infringement of a patent if he so chooses. One who assists another to infringe a patent is of course a tort-feasor, and whether he is called a contributory infringer or merely an infringer is only a matter of nomenclature; but he does not assist or con-

cert with another to infringe merely because he sells him an article which may be used to effect an infringement. In other words, participation in a wrong is not established by doing a lawful act without evidence of an unlawful intention.

I think the order granting the preliminary injunction should be reversed.

828. MORGAN ENVELOPE CO. v. ALBANY PAPER CO., 152 U. S. 425, 38 L. ed. 500 (1894).* * *

This was a bill in equity to recover damages for the infringement of three letters patent issued to Oliver H. Hicks, of Chicago, and assigned to the appellant, viz.: Patent No. 325,410, issued September 1, 1885, for a "package of toilet paper," known as the "Oval Roll" or "Oval King" package; (2) patent No. 325,174, issued August 25, 1885, for a "toilet-paper fixture;" (3) patent No. 357,993, issued February 15, 1887, for an "apparatus for holding toilet paper." These are known as the "Oval King" fixtures.

* * *

Mr. Justice Brown, after stating the facts in the foregoing language, delivered the opinion of the court.

Prior to the inventions covered by the patents in this case, toilet paper had been put up in packages of sheets cut to a convenient size, sometimes attached together by a wire, or in cylindrical rolls of continuous length, either perforated transversely at proper intervals for the convenient detachment of the sheets, or in similar rolls not perforated, but designed to be cut by a device having a sharp edge to which the rolls were attached. All these methods proved to be objectionable on account of the temptation offered to greed or wastefulness, in the facility with which unnecessary amounts of paper could be detached, which were either carried off or allowed to fall on the floor. Where perforated paper was employed in roll form, the litter was increased by the dropping of small particles of paper intended to have been removed by the perforating machine, but which remained attached until the paper was unwound, when they fell upon the floor, and became very difficult to remove.

1. In the specification of his patent No. 325,410, which is for a package of toilet paper, the patentee states that he had in view to furnish a toilet paper in the form which would prevent in a large measure this vast amount of wastage. "In carrying out this object, I have put up one or more lengths of paper in the form of a continuous band (as contradistinguished from a roll) of oblong or oval shape; the short, rounded ends of the bundle thus produced serving as guides for determining the proper points at which the paper has to be separated in order to produce sheets of a size desirable for use, and affording also

the most advantageous surfaces upon which to tear the paper. The band I make of a thickness calculated to produce sheets severed at the point stated of practical and economical lengths from the time the bundle is opened until it is consumed."

The band he makes of an oblong or oval shape, so that it may be mounted in a fixture shown in a previous patent for that purpose, or used detached from the fixture, one hand of the user being slipped into the interior, and the other hand being employed to grasp the pendant end of the paper, and, by drawing the paper tightly over one of the short, rounded ends of the bundle, causing it to separate at that point, and produce a sheet of convenient length. His claim was for "a bundle of paper consisting of one or more lengths, formed into a continuous band, whose internal diameter is greater than the thickness of the paper, substantially as described." The invention in question, as described in the specification and illustrated in the drawings annexed to the patent, is for a band of paper rolled in an oval instead of the usual cylindrical shape, with a view of affording a convenient method of tearing off sheets of a proper size, the fracture in each case being at the end of the roll. It is difficult to see, however, how any waste is thereby prevented, since it is nearly, if not quite, as easy to unwind long strips of this paper from an oblong as from a cylindrical roll. So, too, if the patent were construed as for an oblong roll, the fact that, from time immemorial, cotton and woolen goods and silks have been almost universally wound about a flat board or core, precisely as described in the patent, would indicate that there is no novelty in the oblong or oval shape, and that the patent, if supported at all, must be for the different purpose for which toilet paper is wound in this form.

Upon examining the claim, however, in connection with the original application, it appears that, if the patent involved any invention at all, it is not limited to bands of oval or oblong shape, since the claim contained in the original application was for "a bundle of toilet paper consisting of one or more lengths of paper formed into a flexible continuous band of oblong or oval shape, the short rounded ends of such band serving as guides for determining the proper points at which the paper is to be separated in order to produce sheets of a size desirable for use, and affording, also, the most advantageous surfaces upon which to tear the paper, substantially as described." This claim, which corresponds with the specification and drawings, and was Hicks' real invention, was rejected as indefinite, because it failed to point out any construction over an ordinary paper roll, and was also rejected upon a prior patent to one Peacock. The patentee thereupon amended his application by changing

his claim to "a bundle of paper consisting of one or more lengths, formed into a continuous band, whose internal diameter [by which we understand the internal diamater when rolled into a cylindrical form] is greater than the thickness of the paper, substantially as described."

If this claim be good, it would seem to follow that any band of paper wound in such manner that the internal diameter is greater than the thickness of the paper would be an infringement, whatever be its shape, or for whatever purpose used. The size of the roll, too, is not made material, except that it must bear a certain relation to its inner diameter. Certainly it would apply to all toilet paper, even if wound in a cylindrical form, as the language of the claim, though not of the specification, indicates that it should be. It would also follow that, even if the roll of paper, when purchased, had an internal diameter less than the thickness of the paper, such internal diameter would become relatively greater with the progressive using of the paper, until its thickness was so far reduced as to become less than the internal diameter, when it would fall within the description of the claim. Indeed, it is difficult to see what function is performed by a band of paper so constructed, or what difference it makes whether the internal diameter is greater or less than the thickness of the paper, unless the paper be made in an oval form.

It is insisted in this connection, however, that under the words, "substantially as described," the patentee is entitled to claim a band of oval or oblong shape. and that, looking at his specification and drawing in connection with the claim, it is obvious that the latter should be so limited. But, the patentee having once presented his claim in that form, and the patent office having rejected it, and he having acquiesced in such rejection, he is, under the repeated decisions of this court, now estopped to claim the benefit of his rejected claim or such a construction of his present claim as would be equivalent thereto. Leggett v. Avery, 101 U. S. 256; Shepard v. Carrigan, 116 U. S. 593, 6 Sup. Ct. 493; Crawford v. Heysinger, 123 U. S. 589, 606, 8 Sup. Ct. 399; Union Metallic Cartridge Co. v. U. S. Cartridge Co., 112 U. S. 624, 5 Sup. Ct. 475.

It is true that these were cases where the original claim was broader than the one allowed, but the principle is the same if the rejected claim be narrower. Why the claim of the present patent was allowed after the rejection of the narrower claim does not appear. The objections made to the claim as originally presented seem to be equally applicable to this.

But, construing this claim as for an oval or oblong roll, it is clearly anticipated by the patent granted March 6, 1883, to

one Peacock, for a toilet-paper case, used for carrying toilet paper, which was wound in an oval form about a spool or core, precisely as described in plaintiff's patent. Apparently it differs from the Hicks roll only in being smaller, and having its core hinged to a stiff case, in which the paper, for convenience, was carried.

There was also put in evidence by the defendants a device known as the "Wheeler Pocket Companion," which was a small package of toilet paper of an oval form, differing from those covered by the Hicks patent only in size, and in the fact that no attention was paid to the relation of the inner to the outer convolutions, and no intent shown that, when one convolution was torn off, the end of the next one would drop down into position to be grasped. While neither of these devices is a precise anticipation of the Hicks patent in the manner in which they are used, it is impossible to say that a mere enlargement of these devices to the size contemplated by Hicks would constitute invention, although by such enlargement the roll became capable of being used in a somewhat different manner.

2. Patents No. 325,174 and No. 357,993 are practically the same, and are for a combination of the paper roll described in the former patent, with a mechanism for the delivery of the paper to the user in an economical manner. The object of both inventions is said to be "to so arrange the paper as to prevent more than a given quantity of it to be withdrawn from the roll at a single operation, and so that in the act of withdrawing such given quantity it shall be automatically severed from the roll, leaving pendant from the roll a free end, which shall serve as a means of withdrawing a like quantity by the next user." This is accomplished by the combination of an oscillating roll of toilet paper actuated in one direction by a pull upon its free end, of a knife or cutter co-operating with the roll to sever the unwound portion when the roll has reached the limit of its motion in one direction, and a stop for so limiting the motion of the roll. The principle difference between the two patents is that No. 325,174 is limited to an appliance in which a knife or cutter for arresting the roll of paper, when oscillated, is employed; while the later one—No. 357,993—is broad enough in its scope to include a structure in which a mere stop, which has no cutting action at all, is employed to arrest the roll.

Each patent contains five claims, and in all of them, except the fourth and fifth of the first patent and the fifth of the second, the paper roll is included as an element of the combination.

No question is made but that the mechanism of these patents, by which the paper is served out to the user, involves a

patentable novelty; but it is claimed—First, that, the roll of paper being perishable, and the machine being constructed for the purpose of delivering this paper to users in convenient lengths, such a roll is not a proper part of the combination; second, that, conceding it to be a part of the combination, there was no infringement.

The first defense raises the question whether, when a machine is designed to manufacture, distribute, or serve out to users a certain article, the article so dealt with can be said to be a part of the combination of which the machine itself is another part. If this be so, then it would seem to follow that the log which is sawn in the mill, the wheat which is ground by the rollers, the pin which is produced by the patented machine, the paper which is folded and delivered by the printing press, may be claimed as an element of a combination of which the mechanism doing the work is another element. The motion of the hand necessary to turn the roll and withdraw the paper is analogous to the motive power which operates the machinery in the other instances.

But, without expressing an opinion upon this point, we think the facts of this case fail to sustain the charge of infringement. Defendants neither made, sold, nor used the mechanism invented by Hicks to serve out the toilet paper, except as they purchased it of the patentee; and the only acts proven against them were in selling oval rolls of paper of their own manufacture, with fixtures manufactured and sold by the plaintiff, in combination with its (the plaintiff's) paper, to persons other than the defendants, the fixtures having been obtained by defendants from the original purchasers of the patented combination; and also of selling oval rolls of paper of defendants' own manufacture to persons who had previously purchased fixtures and paper from the plaintiff, with the knowledge and intention that the paper so sold was to be used in connection with the plaintiff's fixtures. In this connection it appeared that it had not been the practice of the plaintiff to sell its fixtures independently of its paper, and that it sold only to such parties as dealt in and used its paper. Purchasers were also required to buy a given quantity of paper to a given number of fixtures, to be sold only in connection with the paper; the rule being not to sell more than one fixture to one case of paper. The fixtures were also sold to hotels and other public buildings, with the understanding that their paper would be subsequently purchased of the plaintiff company. It appears to have been its invariable rule to refuse to sell fixtures except to persons also ordering paper.

So far as fixtures sold by defendants, which had been originally manufactured and sold by the patentee to other parties, are

concerned, it is evident that by such original sale by the patentee they passed out of the limits of the monopoly, and might be used or sold by any one who had purchased them from the original vendees. The patentee having once received his royalty upon such device, he cannot treat the subsequent seller or user as an infringer. Bloomer v. McQuewan, 14 How. 539. As was said by Mr. Justice Clifford in Chaffee v. Belting Co., 22 How. 217, 223: "When the patented machine rightfully passes to the hands of the purchaser from the patentee, or from any other person authorized to convey it, the machine is no longer within the limits of the monopoly. * * * By a valid sale and purchase, the patented machine becomes the private individual property of the purchaser, and is no longer protected by the laws of the United States, but by the laws of the state in which it is situated." See, also, Bloomer v. Millenger, 1 Wall. 340; Paper Bag Cases, 105 U. S. 766. In this latter case one Morgan had purchased a machine for making paper bags of the patentee, and it was held that, having the absolute ownership of the machine, he had the right either to use it during the existence of the letters patent, or to transfer such ownership and right to another. It was said that "the power to sell the machine and transfer the accompanying right of use is an incident of unrestricted ownership." Birdsell v. Shaliol, 112 U. S. 485, 5 Sup. Ct. 244; Woodworth v. Curtis, 2 Woodb. & M. 524, Fed. Cas. No. 18,013; Goodyear v. Rubber Co., 1 Cliff. 348, Fed. Cas. No. 5,557.

The real question in this case is whether, conceding the combination of the oval roll with the fixture to be a valid combination, the sale of one element of such combination, with the intent that it shall be used with the other element, is an infringement. We are of opinion that it is not. There are doubtless many cases to the effect that the manufacture and sale of a single element of a combination, with intent that it shall be united to the other elements, and so complete the combination, is an infringement. Saxe v. Hammond, Holmes 456, Fed. Cas. No. 12,411; Wallace v. Holmes, 9 Blatchf. 65, Fed. Cas. No. 17,100; Barnes v. Straus, 9 Blatchf. 553, Fed. Cas. No. 1,022; Schneider v. Pountney, 21 Fed. 399. But we think these cases have no application to one where the element made by the alleged infringer is an article of manufacture perishable in its nature, which it is the object of the mechanism to deliver, and which must be renewed periodically, whenever the device is put to use. Of course, if the product itself is the subject of a valid patent, it would be an infringement of that patent to purchase such product of another than the patentee; but, if the product be unpatentable, it is giving to the patentee of the ma-

chine the benefit of a patent upon the product by requiring such product to be bought of him. To repeat an illustration already put: If a log were an element of a patentable mechanism for sawing such log, it would, upon the construction claimed by the plaintiff, require the purchaser of the sawing device to buy his logs of the patentee of the mechanism, or subject himself to a charge of infringement. This exhibits not only the impossibility of this construction of the patent, but the difficulty of treating the paper as an element of the combination at all. In this view, the distinction between repair and reconstruction becomes of no value, since the renewal of the paper is, in a proper sense, neither the one nor the other.

The case of Cotton-Tie Co. v. Simmons, 106 U. S. 89, 1 Sup. Ct. 52, presents no difficulty whatever. In that case the owner of a patent for a metallic cotton bale tie, each tie consisting of a buckle and band, granted no licenses to manufacture the ties, but supplied the market with them, and stamped upon the metal of each buckle the words, "Licensed to use once only." After the bands had been once used and severed, defendants, who had bought the bands of the buckles as strap iron, rolled and straightened the pieces of the bands, and riveted together their ends. They then cut them into proper lengths, and sold them with the buckles, to be used as ties, nothing having been done to the buckles. It was held that they thereby infringed the patent. The gist of the decision is that the use of a tie once, and its subsequent severance, were intended to operate as a destruction of it, and that the defendants had no right to put the same parts together for use a second time. Says Mr. Justice Blatchford: "Whatever rights the defendants could acquire to the use of the old buckle, they acquired no right to combine it with a substantially new band to make a cotton bale tie. They so combined it when they combined it with a band made of the pieces of the old band in the way described. What the defendants did in piecing togethe the pieces of the old band was not a repair of the band or tie in any proper sense. The band was voluntarily severed by the consumer at the cotton mill, because the tie had performed its function of confining the bale of cotton in its transit from the plantation or the press to the mill. Its capacity for use as a tie was voluntarily destroyed."

It is evident that the use of the tie was intended to be as complete a destruction of it as would be the explosion of a patented torpedo. In either case, the repair of the band or the refilling of the shell would be a practical reconstruction of the device. In this case, however, the purchaser of the new roll does precisely what the patentee intended he should do; he replaces that which is in its nature perishable, and without the re-

placement of which the remainder of the device is of no value. The replacement is of a product which it is the object of the mechanism to deliver. The case is more nearly analogous to that of *Wilson v. Simpson*, 9 How. 109, in which the invention involved was a planing machine, and the patent sued upon covered the combination with the cutting knives or planes of a pressure roller to effect the planing of the planks. It was proved that one of the machines would last in use for several years, but that its cutting knives would wear out, and must be replaced at least every 60 or 90 days. It was said by Mr. Justice Wayne (page 125) that "the right to replace them was a part of the invention transferred to the assignee for the time he bought it, without which his purchase would be useless to him, except for sixty or ninety days after a machine had been put in use. It has not been contended, nor can it be, that such can be a limitation of the assignee's right in the use of the invention. * * * If, then, the use of the machine depends upon the replacement of the knives, * * * frequently replacing them, according to the intention of the inventor, is not a reconstruction of the invention, but the use only of so much of it as is absolutely necessary to identify the machine with what it was in the beginning of its use, or before that part of it had been worn out. The right of the assignee to replace the cutter knives is not because they are perishable materials, but because the inventor of the machine has so arranged them, as a part of his combination, that the machine could not be continued in use without a succession of knives at short intervals. Unless they were replaced, the invention would have been of little use to the inventor or to others."

The true distinction is stated by Mr. Justice Clifford in Aiken v. Print Works, 2 Cliff. 435, Fed. Cas. No. 113, where the invention was of a knitting machine, with which the vendor was accustomed to send a package of the needles used in the machine, which needles were the subject of a separate patent. It was held that the purchase of the knitting machine, and the needles accompanying the same, did not confer upon the purchaser any right, after the needles were worn out and became useless, to manufacture other needles, and use the same in the knitting machine so sold and purchased. The case of Wilson v. Simpson was distinguished from this in the fact that the cutters and knives in that case were not subject to a patent, and of course the respondent had a right to use them as materials to repair his machine; "but," says the court, "unfortunately for the defendants in this case, the needle is subject to a patent, and in making and using it they have infringed the right of the plaintiff." As we have already held that the paper roll in this case

was not the subject of a valid patent, it follows that the defendants cannot be held as infringers for the manufacture and sale of such roll.

Considerable stress is laid by plaintiff upon the fact that Mr. Wheeler, president of the defendant corporation, in February, 1885, and before the first patent was issued, bought one of the plaintiff's fixtures, known as the "Oval King" fixture, together with some of its paper, and dispatched them to England, with instructions to his agents to file an application for a patent there, which patent was subsequently issued; that, before a patent was issued, Hicks himself applied for protection in England, and, learning of the filing of the application there by Wheeler, filed a protest against the issuance of a patent to the latter, who thereupon, to thwart his obtaining a patent, made an affidavit that he did not obtain the knowledge of the invention from Hicks or any other person, but by seeing it in public use in the United States. Wheeler's own testimony in this case indicates that this affidavit contained a suppressio veri, if not a suggestio falsi. But, however reprehensible his conduct may have been in this connection, it does not affect the issue between the parties here. It does not show that the Hicks patent upon the roll is a valid patent, or that the conduct of the defendants in making and selling such roll is an infringement upon the combination patents.

The decree of the court below is therefore affirmed.

Mr. Justice White, not having been a member of the court when this case was argued, took no part in its decision.

828a. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107 (1897, Sixth Circuit).

Before Taft, Lurton, and Clark, Judges.

Taft, J., (after stating the facts as above):

The catalogue of the defendant shows that it is offering for sale to the public without restriction the switch and trolley to be used as part of the equipment of an electric street railway. Defendant has not shown, and we infer from the evidence that it cannot be shown, that either the switch or trolley and harp can be used in an electric railway except in the combinations described and claimed in the two patents here in suit. The third claim of Patent No. 424,695 is for a combination of an overhead wire for receiving an underneath contact and a switch-plate attached to the wire in about the same horizontal plane as the wire. The description of the article sold by the defendant in its catalogue is that of an "underrunning adjustable switch," and it is said to make a perfectly straight underrunning approach for the trolley-wheel. It is apparent that the switch-plate has no

practical utility except in such an arrangement of parts as that stated in the third claim. The same thing is true of the fourth and eleventh claims of that patent. The sixth claim of Patent No. 495,443 is a combination, in an electric railway, of (1) a suitable track, (2) a supply-conductor suspended above the track, (3) a car provided with (4) a swinging arm carrying (5) a contact device in its outer extremity, and (6) means for imparting upward pressure to the outer portion of the arm and contact to hold the latter in continuous working relation with the under side of the supply-conductor. The evidence sufficiently shows that neither the trolley nor the harp is adapted to be used on electric street-railways except in the above combination. Purchasers buy articles for practical use, and would only buy the switch and trolley, therefore, for use in complainant's patented combinations. One is legally presumed to intend the natural consequences of his act. Hence the defendant in offering the switch and trolley for sale to the general public may be reasonably held to intend that they should be used in combinations in an electric railway covered by the claims of complainant's patents.

It is well settled that where one makes and sells one element of a combination covered by a patent, with the intention and for the purpose of bringing about its use in such a combination; he is guilty of contributory infringement and is equally liable to the patentee with him who in fact organizes the complete combination. The leading case on the subject is Wallace v. Holmes, 9 Blatchf., 65, 29 Fed. Cas. 79. It was cited with approval in American Cotton Tie Co. v. Simmons, 106 U. S. 89, and the same doctrine was applied and extended by this court in Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co., 77 Fed. 288, to a case where the article sold was not even an element of the patented combination, but was an article the use of which in connection with patented combination was a violation of the conditions of a license and destroyed the protection the license would otherwise have afforded. The cases in the circuit courts where the same general principle has been applied are legion. We cite a few of them: Bowker v. Dows, 3 Fed. Cas. 1070; Richardson v. Noyes, 20 Fed. Cas. 723; Travers v. Beyer, 26 Fed. 450; Willis v. McCullen, 29 Fed. 641; Alabastine Co. v. Payne, 27 Fed. 559; Celluloid Manufacturing Co. v. American Zylonite Co., 30 Fed. 437. The contention of the counsel for the defendant, if we understand it, is that the effect of the decision of the Supreme Court in the case of Morgan Envelope Co. v. Albany Perforated Wrapping Paper Co., 152 U. S. 425, is to do away altogether with the doctrine of contributory infringement.

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

In Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co., 77 Fed. 288, this court was obliged to consider with much care the Morgan Envelope Case. After quoting at length from Mr. Justice Brown's opinion, Judge Lurton, speaking for this court, said:

"It is true that Mr. Justice Brown, in discussing the question involved in that case, assumes a combination of the machine for delivering the paper with the paper to be delivered was valid. But, before he finishes the argument, he shows that the assumption leads to an absurdity; and the decision, in effect, is that form of argument known as the reductio ad absurdum, establishing that his original assumption was not founded in reason. The illustration of the result of such a combination shows that what

the court was deciding was that a combination of the machine with an unpatentable paper or material to be operated upon by the machine was an impossibility, and the sale of the machine involved and implied the right of use of the material with which it was to be combined; and this is shown by the case of Wilson v. Simpson, 9 How. 109, which is cited by Mr. Justice Brown as a case sustaining his conclusion. * * * Thus, with respect to the paper-holder, the Supreme Court in effect held that the sale of the paper-fastener with the paper in it contained the implication of a right to renew the paper when that paper sold should be exhausted, and did not require the purchase of the paper from the original patentee, the paper itself not being patented."

We are very clearly of opinion that the Morgan Envelope Company Case does not affect the question of contributory infringement before us.

It is said that no concert of action by defendant with any one for the purpose of accomplishing an infringement of complainant's patent-rights is shown. As already stated, it does appear that defendant is offering for sale articles that can only be used in combination covered by complainant's claims. This is an effort to secure a concert of action by which the combinations of complainant's patents may be assembled. If successful, infringement will follow. Hence the preliminary steps which are intentionally taken to bring about the injury may be enjoined.

In considering the same point in Wallace v. Holmes, 29 Fed. Cas. 79, Judge Woodruff said:

"Here the actual concert with the other is a certain inference from the nature of the case, and the distinct effort of the defendants to bring the burner in question into use, which can only be by adding the chimney. The defendants have not, perhaps, made an actual prearrangement with any particular person to supply the chimney to be added to the burner; but every sale they make is a proposal to the purchaser to do this, and his purchase is a consent with the defendants that he will do it, or cause it to be done."

Now it is suggested that defendant had the right to sell parts to be used in complainant's combinations to the licensees of complainant and to those who, having once bought the articles of the combination from the complainant, it is said, have the implied right to repair and renew parts worn out with use. It being established that defendant is offering for sale articles, intending them to be used in combinations which, if unlicensed by complainant, would be infringements of complainant's patents, we think that it is the duty of the defendant to see to it that such combinations which it is intentionally inducing and promoting

shall be confined to those which may be lawfully organized. We are unable to see why any different rule should be applied in such a case from that applicable to a case in which a defendant makes a patented machine to order. He may make such a machine upon the order of the patentee or a licensee, but not otherwise. Upon him is the peril of a mistake as to the lawful authority of him who gives the order. So he may knowingly assist in assembling, repairing, and renewing a patented combination by furnishing some of the needed parts; but when he does so he must ascertain, if he would escape liability for infringement, that the one buying and using them for this purpose has a license, express or implied, to do so.

What we have said has application only to cases in which it affirmatively appears that the alleged infringer is offering the parts with the purpose that they shall be used in the patented combination. We have found that it does so appear here and is a matter of certain inference from the circumstance that the parts sold can only be used in the combinations patented. Of course such an inference could not be drawn had the articles the sale or offering of which was the subject of complaint been adapted to other uses than in the patented combination. In the latter case the intention to assist in infringement must be otherwise shown affirmatively, and can not be inferred from the mere fact that the articles are in fact used in the patented combinations or may be so used. If defendant avers that he is selling to express or implied licensees of the patentee, the injunction should be granted in such form as shall permit the continuance of these lawful sales. In the case at bar the circuit court offered thus to modify the order; but the defendant declined to apply for the modification. It is hardly in a position now to assign for error the failure of the court to insert such a modification.

The conclusion we have reached as to contributory infringement is supported by the decision of the Circuit Court of Appeals of the Second Circuit on similar facts in Thomson-Houston Electric Co. v. Kelsey Electric Railway Specialty Co., 76 O. G., 2008, 22 C. C. A. 1, 75 Fed. 1005, affirming an order of injunction by Judge Townsend in the circuit court. Judge Wallace dissented; but we think the reasoning of the majority more satisfactory. The learned dissenting judge likened the case to one in which the seller of wire or rails should be enjoined from selling them because the articles might be used in any unlawful combination on an electric railway. Such articles could of course be used in so many lawful ways other than in the combinations of the patent that it would be quite unlikely that the sellers could have an intention to promote infringement of particular patents in their sale, and it would be most difficult to prove such inten-

tion; but where the article can only be used in a patented combination the inference of the intention of the maker and seller is certain, and the right of the patentee to injunction ought, we think, to be equally certain.

829. LEEDS & CATLIN CO. v. VICTOR, 213 U. S. 325, 53 L. ed. 816 (1909).* * *

Mr. Justice McKenna delivered the opinion of the Court.

This writ was issued to bring up for review the judgment of the circuit court, affirmed by the circuit court of appeals, adjudging petitioner guilty of contempt of court for violating the injunction which has just been considered in No. 80, and to pay a fine of $1,000, one-half to the United States and one-half to complainants in the suit, respondents here.

The injunction, as we said in the opinion in No. 80, enjoined petitioner, the Leeds & Catlin Company, from manufacturing, using or selling the method expressed in claim 5 of Letters Patent No. 534,543 to Emil Berliner, dated February 19, 1895, or the apparatus covered by claim 35.

On the 15th of November, 1906, respondent, Victor Talking Machine Company, filed a petition in the circuit court, charging petitioner with a violation of such injunction. A rule was issued against the Leeds & Catlin Company to show cause why an attachment should not issue against it for contempt of court for violating the injunction, which came on to be heard upon supporting and opposing affidavits and the answer of the Leeds & Catlin Company.

A judgment was entered adjudging the Leeds & Catlin Company guilty of contempt, which was affirmed by the circuit court of appeals. (150 Fed. 147; 154 Fed. 58.)

The answer of petitioner referred to the record in No. 80 and in this Court it is stipulated that that record shall be used as part of the record in the pending cases, and certain of the defenses there made are repeated here. For instance, it is contended, and the record in No. 80 is adduced to support the contention, that (1) the patent in suit having expired before the suit was begun, the circuit court was without jurisdiction to entertain the suit; (2) claims in suit being for the functions of a machine are void. And it is further contended that—

"hence the judgment finding defendant [petitioner] in contempt (a) was void, because beyond the jurisdiction of the court; and (b) should be set aside, because the claims being void the injunction was improperly granted."

These contentions are disposed of by the opinion in No. 80, and we may confine our discussions to the other defenses made in the contempt proceedings.

The facts are practically undisputed, and a detail of them is unnecessary. It is enough to say that petitioner is a manufacturer of disk records, such as are described in No. 80. That is, a record upon which is inscribed a lateral undulating groove of even depth, which, when the disk is revolved, compels the reproducing stylus to be vibrated and propelled across its face.

It will be observed how important the record is to the invention embodied in the claims. It is the undulations in the side walls of the spiral groove which vibrate the stylus back and forth, transmitting the recorded sound-waves to the diaphragm, at the same time propelling the stylus as it engages with the record. If a comparison may be made between the importance of the elements, as high a degree (if not a higher degree) must be awarded to the disk with its lateral undulations as to the stylus. It is the disk that serves to distinguish the invention—to mark the advance upon the prior art.

"As to the reproducing stylus—"

as is said by respondent—

"it is only necessary that it should be shaped for engagement with the record and so positioned and supported as to be free to be vibrated and propelled by the record."

The lower courts found that most of the sales (we quote from the opinion of the circuit court of appeals) of the records by petitioner—

"were knowingly made to enable the owners of the Victor Talking Machines to reproduce such musical pieces as they wished by the combination of the Leeds & Catlin record with said machines; and that the Leeds & Catlin Company made no effort to restrict the use to which their records might be put until after motion to punish for contempt had been made; that the only effort at such restriction ever made was to answer upon the face of the record and notice to the effect that such record was intended and sold for use with the "feed-device machine;" that the records sold by plaintiff in error [petitioner] were far more frequently bought to increase the repertory of the purchaser's Victor machine than to replace worn-out or broken records."

The "feed-device machine" referred to by the court was a talking-machine bought by petitioner after, as petitioner avers, the circuit court of appeals affirmed the injunction, and in connection with which it sold, as it also avers, and used, its sound-records. The court assumed, for the purpose of the cause, that the feed-device machine might be regarded as not infringing any of the rights of the Victor Company under the Berliner patent. The court further found that it was established by the evidence that the disks were equally suitable for that machine as for the machine of the Victor Company, but that it—

"was not at or before the time of beginning this proceeding a practically or commercially known reproducer of musical or spoken sound, whereas the Victor machine, embodying the claims of the Berliner patent here under consideration, was at such times widely known and generally used, and that the plaintiff in error [petitioner] knew, and sold its records with the knowledge, that if its output was to be used at all by the public it would be used with the Victor machine, and in the combination protected by the claims of the Berliner patent, before referred to."

And the court concluded that upon these facts it was clear that petitioner had—

"made and sold a single element of the claims of the Berliner patent, with the intent that it should be united to the other elements and complete the combination. And this is infringement. (*Heaton-Peninsular Co. v. Eureka Co., 77 Fed. 297*; adopted by this court; Cortelyou v. Lowe, 111 Fed. 1005.)"

Petitioner contests the conclusion and opposes it by the principle, which, it is contended, is established by cases in this Court, as well as at circuit, that—

"the person who has purchased a patented combination from the patentee has the right to replace an unpatented element of the combination and for such purpose to purchase such element from another than the patentee or his licensee."

To bring this principle in clear relief it is said that—

"the majority of the circuit court of appeals has held that such replacement of a single unpatented element of the combination is reconstruction and not within the rights of the purchaser of the patented combination from the patentee."

And, to complete its argument, petitioner adds that where an inventor so arranges the parts of his patented combination that it cannot satisfactorily, successfully or usefully be continued in use, without successive replacements of one of its elements—

"the replacement of such element, if unpatented, by the purchaser of the combination from the patentee is in accordance with the intention of the patentee and not a reconstruction of the patented combination, but an act within the rights of the purchaser."

For these principles Morgan Envelope Co. v. Albany Paper Co., 152 U. S. 425; Wilson v. Simpson, 9 How. 109; Goodyear Co. v. Jackson, 112 Fed. 146, are adduced.

The question in the case, therefore, is single and direct, and its discussion may be brought to a narrow compass. Its solution depends upon the application of some rudimentary principles of patent law.

A combination is a composition of elements, some of which may be old and others new, or all old or all new. It is, however, the combination that is the invention, and is as much a unit in contemplation of law as a single or non-composite instrument. Whoever uses it without permission is an infringer of it. Whoever contributes to such use is an infringer of it. It may be well here to get rid of a misleading consideration. It can make no difference as to the infringement or non-infringement of a combination that one of its elements or all of its elements are unpatented. For instance, in the case at bar the issue between the parties would be exactly the same, even if the record-disk were a patented article which petitioner had a license to use or to which respondent had no rights independent of his right to its use in the combination. In other words, the fact that the disk sold by petitioner is unpatented does not affect the question involved except to give an appearance of a limitation of the rights of an owner of a Victor machine other than those which attach to him as a purchaser. The question is, what is the relation of the purchaser to the Victor Company? What rights does he derive from it? To use the machine, of course, but it is the concession of the argument of petitioner that he may not reconstruct it. Has he a license to repair deterioration, and when does repair become reconstruction? It would seem that on principle when deterioration of an element has reached the point of unfitness there is a destruction of the combination and a renewal of the element is a reconstruction of the combination. And it would also seem on principle that there could be no license implied from difference in the durability of the elements or periodicity in their use. This, however, is asserted, and we come to the consideration of the cases upon which the assertion is based, and how far it has application under the facts of this record.

Great stress is put upon Morgan Envelope Co. v. Albany Co., supra. That case was a bill in equity for the infringement of three Letters Patent, one for a "package of toilet-paper," known as an "oval roll" or "oval king" package; one for a "toilet paper fixture," and one for an "apparatus for holding toilet-paper." The first patent was declared invalid for want of novelty. Of the other two it was said that they were practically the same and were for a—

"combination of the paper-roll described in the former patent, with a mechanism for the delivery of the paper to the user in an economical manner."

It was conceded that the mechanism of the patents involved patentable novelty, but it was contended that it being constructed for the purpose of delivering paper to users in con-

venient length such a roll was not a proper part of the combination, and that, conceding it was a part of the combination, there was no infringement. The first contention, the Court said, raised the question whether, when a machine is designed to manufacture, distribute or serve out to users a certain article, the article so dealt with can be said to be a part of the combination of which the machine itself is another part. In commenting on the question the Court expressed the view that if the contention could be sustained—

"it would seem to follow that the log which is sawn in the mill, the wheat which is ground by rollers, the pin which is produced by the patented machine, the paper which is folded and delivered by the printing-press—"

might be claimed as an element of a combination. The Court, however, refrained from expressing an opinion upon the point, because it conceived that the facts of the case failed to sustain the charge of infringement. And this on the ground that the defendants in the suit had neither made, sold nor used the patented mechanism, except as they purchased it from the patentee, and the only acts proven against them were that they sold rolls of paper of their own manufacture with fixtures manufactured and sold by the plaintiff, the fixtures having been obtained by defendants from the original purchasers of the patented combination; and also of selling oval rolls of paper of their own manufacture to persons who had previously purchased fixtures and paper from the plaintiff, with the knowledge and information that the paper so sold was to be used in connection with plaintiffs' fixtures. The Court stated the question to be whether, considering the combination of the oval roll with the fixture to be a valid combination, the sale of one element of such a combination with the intention that it should be used with the other elements was an infringement. The answer was in the negative. The Court, however, stated, that there were cases to the effect that the sale of one element of a combination with intention that it should be used with another was an infringment, but decided that they had no application to one where the element made by the alleged infringer was—

"an article of manufacture, perishable in its nature, which it is the object of the mechanism to deliver, and must be renewed periodically whenever the device is put to use."

The case, therefore, is not a precedent for the decision of that at bar. Not one of the determining factors there stated exist in the case at bar. If the operative relation of the paper-roll to the mechanism was as illustrated (and the Court left no doubt that it was), that is, of the log to the saw in the mill, wheat to the rollers which grind it, pins which are produced by

a patent machine; in other words, in no more operative relation than a machine and its product are, the invalidity of the combination was hardly questionable. And, besides, it was made a determining circumstance that the paper perished by its use, and a periodical renewal was indicated to be a renewal "whenever the device was put to use." The case has no principle or reasoning applicable to the case at bar. The combination in the case at bar is valid, as we have unhesitatingly declared. The function it performs is the result of the joint action of the disk and the stylus. The disk is not a mere concomitant to the stylus; it coacts with the stylus to produce the result. Indeed, as we have seen, it is the distinction of the invention, constituting, by its laterally-undulating line of even depth and the effect thereof, the advance upon the prior art. To confound its active co-operation with the mere passivity of the paper in the mechanism described in the Morgan Envelope Company is not only to confound essential distinctions made by the patent laws, but essential distinctions between entirely different things. Besides, the lower courts found that the disks were not perishable. As said by the court of appeals, by Judge Hough:

"Disk records are fragile, i. e., brittle and easily broken; but they are not perishable, i. e., subject to decay by their inherent qualities, or consumed by few uses or a single use. Neither are they temporary, i. e., not intended to endure; on the contrary, we find that they are capable of remaining useful for an indefinite period, and believe they usually last as long as does the vogue of the sounds they record."

Can petitioner find justification under the right of repair and replacement as described in Wilson v. Simpson et al., 9 How. 109, and Chappel v. Breslan Billing Co., 22 How. 217? The court of appeals, in passing on these cases, considered that there was no essential difference between the meaning of the words "repair and replacement." That they both meant restoration of worn-out parts. This distinction was recognized in Wilson v. Simpson, supra, where it is said that the language of the court in Wilson's and Rousseau's Case, 4 How. 709, did not permit the assignee of a patent to make other machines or reconstruct them in gross upon the frame of machines which the assignee had in use—

"but it does comprehend and permit the resupply of the effective ultimate tool of the invention, which is liable to be often worn out or to become inoperative for its intended effect, which the inventor contemplated would have to be frequently replaced anew, during the time that the machine as a whole might last."

But there is no pretense in the case at bar of mending broken or worn-out records, or of repairing or replacing "the

operative ultimate tool of the invention" which has deteriorated by use. The sales of petitioner, as found by the courts below, and as established by the evidence, were not to furnish new records identical with those originally offered by the Victor Company, but, to use the language of Judge Lacombe in the circuit court—

"more frequently in order to increase the repertory of tunes than as substituted for worn-out records."

The right of substitution or "resupply" of an element depends upon the same test. The license granted to a purchaser of a patented combination is to preserve its fitness for use so far as it may be affected by wear or breakage. Beyond this there is no license.

It is further contended by petitioner that the disk records, being unpatented articles of commerce which could be used upon the mechanical feed-device machine or exported to foreign countries, or concededly for repair of machines sold by respondent, petitioner could legally sell the same. A detailed comment on this contention or of the case cited to support it we need not make. The facts of the case exclude petitioner from the situation which is the foundation of the contention. The injunction did not forbid the use of the records, except in violation of claims 5 and 35 of respondent's patent. The judgment for contempt was based upon the facts which we have detailed and they show a sale of the records for use in the Victor machine, "an entirely voluntary and intentional" (to use the language of Judge Lacombe) contributory infringement.

We have seen that the circuit court of appeals assumed, for the purposes of this cause, that the feed-device machine was not an infringement of the machine of the patent. We may assume the same, and we are relieved from reviewing the very long and complex affidavits submitted by the petitioner to explain the same, petitioner's relation to it or its position in the art of sound reproduction. Petitioner was found guilty of selling records which constituted an element in the combination of the patent in suit, and for that petitioner was punished. Upon whatever questions or contentions may arise from the use of the feed-device machine we reserve opinion.

We have not reviewed or commented upon the other cases cited respectively by petitioner and respondents in support of their contentions, deeming those we have considered and the principles we have announced sufficient for our decision.

Judgment affirmed.

[**Libel and slander and threatening circulars** have been the subject of frequent and variable discussion by the courts.]

830. EMACK v. KANE, 34 Fed. 46 (1888, C. C. Ill).

Blodgett, J.:

* * * Many more extracts might be made from these circulars, which appear in the proof, but this is enough to show the spirit in which the defendant attempted to intimidate the complainant's customers from dealing with him, or dealing in the slates manufactured by him; and the proof shows abundantly that much business has been diverted from the complainant by these threats and circulars; that the complainant's business has been seriously injured, and his profits very much abridged by the course pursued in sending out these circulars. The proof in this case also satisfies me that these threats made by defendants were not made in good faith. The proof shows that defendants brought three suits against Emack's customers, for alleged *infringement of* the Goodrich patent by *selling* the Emack slates; that Emack assumed the defense in these cases, and, after the proofs were taken, and the suits ripe for hearing, the defendants voluntarily dismissed them—the dismissals being entered under such circumstances as to fully show that the defendants knew that they could not sustain the suits upon their merits; that said suits were brought in a mere spirit of bravado or intimidation, and not with a bona fide intent to submit the question of infringement to a judicial decision.

The defense interposed is—First, that these circulars were mere friendly notices to the trade of the claims made by defendants as to what was covered by the Goodrich patent; second, that a court of equity has no jurisdiction to entertain a bill of this character, and restrain a party from issuing circulars, even if they are injurious to the trade of another.

In support of this latter point defendants rely upon the opinion of Mr. Justice Bradley, in Kidd v. Horry, 28 Fed. 773, and Wheel Co. v. Bemis, 29 Fed. 95, decided by Judges Coit and Carpenter in the district court of Massachusetts. Kidd v. Horry was an application for an injunction restraining the defendant from publishing certain circular letters alleged to be injurious to the patent-rights and business of the complainant, and from making and uttering libelous and slanderous statements, written or oral, of, or concerning the business of, complainant, or concerning the validity of their letters patent, or of their title thereto, pending the trial and adjudication of a suit which had been brought to restrain the infringement of said patents; and Mr. Justice Bradley in deciding the case said:

"The application seems to be altogether a novel one, and is urged principally upon a line of recent English authorities, such as Dixon v. Holden, L. R. 7 Eq. 488; Food Co. v. Massam, 14 Ch. Div. 763; Thomas v. Williams, Id. 864; and Loag v. Bean,

26 Ch. Div. 306. An examination of these and other cases relied on convinces us that they depend on certain acts of the parliament of Great Britain, and not on the general principles of equity jurisprudence. * * * But neither the statute law of this country, nor any well-considered judgment of a court, has introduced this new branch of equity into our jurisprudence. There may be a case or two looking that way, but none that we deem of sufficient authority to justify us in assuming the jurisdiction. * * * We do not think that the existence of malice in publishing a libel, or uttering slanderous words, can make any difference in the jurisdiction of the court. Malice is charged in almost every case of libel; and no cases or authority can be found, we think, independent of statute, in which the power to issue an injunction to restrain a libel or slanderous words has ever been maintained, whether malice was charged or not."

The principle of this case, concisely stated, is that a court of equity has no jurisdiction to restrain the publication of a libel or slander. But it seems to me the case now under consideration is fairly different and distinguishable from the cases relied upon by the defendants in what seems to me a material and vital feature. In Kidd v. Horry the owner of a patent sought the interference of a court of equity to restrain the defendants from publishing and putting in circulation statements challenging the validity of his patent, and of his title thereto, on the ground that such publications were libelous attacks upon his property. Here the complainant seeks to restrain the defendants from making threats intended to intimidate the complainant's customers under the pretext that complainant's goods infringe a patent owned or controlled by defendants, and threats that if such customers deal in complainant's goods they will subject themselves to suit for such infringement; the bill charging, and the proof showing, that these charges of infringement are not made in good faith, but with a malicious intent to injure and destroy the complainant's business. While it may be that the owner of a patent cannot invoke the aid of a court of equity to prevent another person from publishing statements denying the validity of such patent by circulars to the trade, or otherwise, yet, if the owner of a patent, instead of resorting to the courts to obtain redress for alleged infringements of his patent, threatens all who deal in the goods of a competitor with suits for infringement, thereby intimidating such customers from dealing with such competitor, and destroying his competitor's business it would seem to make a widely different case from Kidd v. Horry, and that such acts of intimidation should fall within the preventive reach of a court of equity. It may not be libelous

for the owner of a patent to charge that an article made by another manufacturer infringes his patent; and notice of an alleged infringement may, if given in good faith, be a considerate and kind act on the part of the owner of the patent; but the gravamen of this case is the attempted intimidation by defendants of complainant's customers by threatening them with suits which defendants did not intend to prosecute; and this feature was not involved in Kidd v. Horry. I cannot believe that a man is remediless against persistent and continued attacks upon his business, and property rights in his business, such as have been perpetrated by these defendants against the complainant, as shown by the proofs in this case. It shocks my sense of justice to say that a court of equity cannot restrain systematic and methodical outrages like this, by one man upon another's property rights. If a court of equity cannot restrain an attack like this upon a man's business, then the party is certainly remediless, because an action at law in most cases would do no good, and ruin would be accomplished before an adjudication would be reached. True, it may be said that the injured party has a remedy at law, but that might imply a multiplicity of suits which equity often interposes to relieve from; but the still more cogent reason seems to be that a court of equity can, by its writ of injunction, restrain a wrongdoer, and thus prevent injuries which could not be fully redressed by a verdict and judgment for damages at law. Redress for a mere personal slander or libel may perhaps properly be left to the courts of law, because no falsehood, however gross and malicious, can wholly destroy a man's reputation with those who know him; but statements and charges intended to frighten away a man's customers and intimidate them from dealing with him, may wholly break up and ruin him financially, with no adequate remedy if a court of equity cannot afford protection by its restraining writ.

The effect of the circulars sent out by the defendant Kane certainly must have been to intimidate dealers from buying of the complainant, or dealing in slates of his manufacture, because of the alleged infringement of the Goodrich patent. No business man wants to incur the dangers of a lawsuit for the profits which he may make as a jobber in handling goods charged to be an infringement of another man's patent. The inclination of most business men is to avoid litigation, and to forego even certain profits, if threatened with a law suit which would be embarrassing and vexatious, and might mulct them in damages far beyond their profits; and hence such persons, although having full faith in a man's integrity, and in the merit of his goods, would naturally avoid dealing with him for fear of possibly becoming involved in the threatened litigation. The complainant as

I have already stated, was engaged in the manufacture of school slates under the Butler and Mallett patents; the Butler patent being much older than the Goodrich, and the Mallett patent being nearly contemporaneous in issue with the Goodrich patent, under which the defendant was manufacturing. But the proof in this case shows a still older patent, granted to one Munger, in 1860, for a muffled or noiseless slate, which most clearly so far anticipates the patents of both complainant and defendants, as to limit them, respectively, to their specific devices. But I do not think the fact that complainant was the owner of these patents or operating under them, material to the questions in this case. The defendants claim that complainant's slates infringe the Goodrich reissue patent, and threaten complainant's customers with suits if they deal in complainant's slates. The state of the art to which the Goodrich patent pertains may be examined for the purpose of aiding the court in passing upon the question of defendants' good faith in making such threats, and the state of the art is only material, as it seems to me, for this purpose. The court will not attempt, in a collateral proceeding like this, to pass upon the validity of the Goodrich patent, but will consider, in the light of the proof as to the state of the art, and the proof as to defendant's conduct, whether the defendant made these threats against complainant's customers because he in good faith believed that complainant's slates infringed his patent, and intended to prosecute for such infringement, or whether such threats were made solely to intimidate and frighten customers away from complainant, and with no intention of vindicating the validity of his patent by a suit or suits. Instead of going into the courts to test the validity of the Butler patent, or the right of complainant to make the kind of slates he was putting upon the market, the defendant, in a bullying and menacing style, asserts to the trade by these circulars that complainant is infringing the Goodrich patent, and threatens all who deal in complainant's slates with lawsuits, and all the perils and vexations which attend upon a patent suit. The average business man undoubtedly dreads, and avoids, if he can, a lawsuit of any kind, but a suit for infringement of a patent is so far outside of the common man's experience that he is terrorized by even a threat of such a suit. There seems to me certainly good grounds for doubting the validity of the Goodrich patent in the light of the state of the art at the time he entered the field; and that any lawyer well versed in the law of patents would surely hesitate to advise that the complainant's slates infringed the Goodrich patent, either before or after the reissue; and the conduct of the defendant in dismissing his suits for such alleged in-

fringement without trial, shows that he did not believe that such infringement could be established.

I am, therefore, of opinion that complainant has made a case entitling him to the interposition of a court of equity to prevent the issue of circulars, or other written or oral assertions, that the slates made by the complainant are an infringement upon the defendant's patent; and a decree may accordingly be entered as prayed in the bill.

830a.

Note—Various cases are cited and the conclusion reached that when the notices are not in good faith injunctive relief may be granted. A. B. Farquhar Co. v. National Harrow Co., 42 C. C. A. 600, 102 Fed. 714, 715. To the same effect is Judge Wallace in Adriance Platt & Co. v. National Harrow Co., 30 C. C. A. 94, 121 Fed. 827, (quoted infra.).

In Kelley v. Ypsilanti Co., 44 Fed. 19, 23, Judge Brown, while thinking it an act of prudence, if not of kindness, upon the part of the patentee, to notify the public of his invention, and to warn persons dealing in the article of the consequence of purchasing from others, says:]

"There is undoubtedly authority for holding that, if the language of such letters or circulars be false, malicious, offensive, or opprobrious, or used for the willful purpose of inflicting an injury, the party is entitled to his remedy by injunction; and this is the extent to which the authorities go. Hovey v. Rubber Tip Pencil Co., 57 N. Y. 119; Snow v. Judson, 38 Barb. 210; Emack v. Kane, 34 Fed. 46; Croft v. Richardson, 59 How. Pr. 356; Wren v. Weild, L. R., 4 Q. B. 730.

[The following under this heading are brief extracts to complete the discussion]:

831. CASEY v. CINCINNATI UNION, 45 Fed. 135.

[Judge Sage quotes and discusses with approval Emack v. Kane, applying the case as an authority for the general principle of the power of an equity court to enjoin the publication and circulation of injurious posters, hand bills, circulars, etc.]

832. COMPUTING SCALE CO. v. NATIONAL COMPUTING SCALE CO., 79 Fed. 962, 963, 965.

[Judge Sage in a matter involving a patent discusses Emack v. Kane, Casey v. Typographical Union, Barr v. Trades Council, 53 N. J. Eq. 101, 30 Atl. 881. He also discusses Grand Rapids v. Haney, 92 Mich. 558, 52 N. W. 1009, applying these cases in a cause where he refused to enjoin the complainants from suing users of the alleged infringing machine, or from warning users by letters or advertisements.

In this case the court by pointing out the element of fraud and misrepresentation in the cited cases, distinguished the particular case before him.]

833. LEWIN v. WELSBACH LIGHT CO., 81 Fed. 904 (C. C. P., 1897).

[It is apparent from this case that the reason for the court not enjoining the sending out of circulars by complainant was because there was no case made out of an attempt to destroy the complainant's business in advance of any adjudication of the question of their right to maintain and continue it.]

834. NASHVILLE RY. CO. v. DUCKWORTH, 82 Fed. 65, 78 (C. C. Tenn. 1897).

]The court says:]

"So, in Shoe Co. v. Saxey, 131 Mo. 212, 32 S. W. 1106, the supreme court of Missouri held that a court of equity might interfere by injunction to prevent persons from attempting, by intimidation, threats or other unlawful means, to force employes to quit work and join a strike, and that a court of equity might enjoin acts threatening irreparable injury to property rights, notwithstanding such acts were also a violation of the criminal law. Klein v. Livingston Club, 177 Pa. St. 224, 35 Atl. 606; Davis v. Zimmerman, (Sup.) 36 N. Y. Supp. 303, and Elder v. Whitesides, 72 Fed. 724, are in accord."

[At page 81 the court cites at some length from an English case affirming the power of a court of equity to restrain one doing a certain act which might result in requiring a person to perform another contract.

Appended to this case is a note by the judge upon the questions of when an injunction is a proper remedy to restrain criminal acts and the relation between federal and state courts, and the protection of trade and business against fraud.

In Adriance, Platt & Co. v. National Harrow Co., 98 Fed. 118, above cited, Judge Coxe was strongly against the extension of the power of equity, admitting, however, that in a flagrant case equity would be obliged to interfere.]

834a. ELECTRIC RENOVATOR MFG. CO. v. VACUUM CLEANER CO., 189 Fed. 754 (C. C. Pa. 1911).* * *

Orr, J.: * * *

Inasmuch as the allegations of the bill were supported by affidavits, the court upon proof of notice to the defendants of the application for a preliminary injunction, being satisfied that unfair business methods had been resorted to and were being resorted to by the defendants, and adopting the views of the cir-

cuit court of appeals of this circuit in Farquhar Co. Ltd. v. National Harrow Co., 102 Fed. 714, 42 C. C. A. 600, 49 L. R. A. 755, and the views of the Court of Appeals for the Second Circuit in Adriance, Platt & Co. v. National Harrow Co., 121 Fed. 827, 58 C. C. A. 163, issued an order "restraining the defendants, and each of them, their officers, agents and employes from further in any manner issuing or making any notice, warning, threat or statement charging the complainant, its officers, agents or employes, or any one engaged in selling or using vacuum cleaning apparatus manufactured by complainant, with infringement," of said letters-patent, giving leave to the defendant to apply within ten days for a modification of said order. Subsequently, on May 19, 1911, the defendants moved for an order dissolving and vacating the preliminary injunction. There is nothing in the averments contained in the affidavits in support of the motion to amend the order which indicates that the defendants or either of them were acting in good faith in sending out the notices and warnings complained of in the bill. At that time no bill had been filed by the defendants against the complainant alleging the infringement of the Kenney patent. One had been prepared to be filed against the First Baptist Church of Pittsburgh, but on the argument of the motion to amend the order of injunction the court intimated strongly the view that until an action at law or in equity was brought against the complainant in the bill in this case for infringement of the patents claimed to be owned by the defendants, the injunction would not be disturbed. It appears in the defendants' affidavit that many people have taken licenses under the defendant. This may have resulted from the campaign carried on by the defendants against users to the neglect of proceeding against manufacturers, although demanded by the latter.

* * *

A preliminary injunction was properly issued; but, since the defendants have filed their bill against the complainant to have the question of the validity of the Kennedy patent determined, the injunction will be somewhat modified, so as to read that:

"The defendants, and each of them, their officers, agents and employes, be, and they are hereby enjoined, until the further order of this court, from further in any manner issuing or making any warning, threat, improper notice, or improper statement charging the complainant, its officers, agents or employes, or any one engaged in selling or using vacuum cleaning apparatus manufactured by the complainant, with infringement of the letters-patent of the United States granted on the application of David T. Kenney."

835. ASBESTOS SHINGLE CO. v. JOHNSON-MANVILLE CO., 189 Fed. 611 (1911, C. C. N. Y.).

[Judge Hand, after stating that the common-law power to punish as for contempt and misstatement of the effect of the decision of a court had been taken away from federal judges by § 723 of the Revised Statutes, says:]

"The misuse of a decree of the court in so far as it constitutes an offense against the dignity of the court certainly would not come within its power to punish, but this is a case where one party claims to be suffering damage from the acts of another. Even if it be a contempt, it is also a civil wrong, and it would surely be an absurdity that it should not carry a remedy in some tribunal and by some procedure. May a party, therefore, apply in the main suit either on motion, or by petition, or must he bring a plenary suit? Or may the defendant apply by cross-bill? If the proceeding were in the nature of a contempt there would be no difficulty, since it is then regarded as a part of the suit itself, but this is not and can not be, a punishable contempt. The relief has been granted by either motion or petition in several cases. Barnum v. Goodrich, Fed. Cas. No. 1,036; Birdsell v. Hagerstown Mfg. Co., 1 Hughes 64, Fed. Cas. No. 1,437; Ide v. Ball Engine Co. (C. C.) 31 Fed. 901, and Nat. Cash Register Co. v. Boston Cash Indicator, etc., Co. (C. C.) 41 Fed. 51.

[After referring to these cases the court says, however, that it is probably true that all these cases were wrongly decided in view of Birdsell v. Shaliol, 112 U. S. 485, 28 L. ed. 768, then discussing various views of the practice in Kelley v. Ypsilanti, 44 Fed. 19; N. Y. Filter Co. v. Schwarzwalder, 58 Fed. 577; Ide v. Ball Co. supra; Allis v. Stowell, 16 Fed. 783, 789; International Tooth Crown Co. v. Carmichael, 44 Fed. 350; Rumford v. Hecker, Fed Cas. No. 12,132, 5 O. G. 644, with the apparent suggestion that these cases assumed control over the original suit. The court then says:]

"There are a number of other cases, in which an application was considered upon the merits without any indication that the procedure was wrong."

[citing Tuttle v. Matthews, 28 Fed. 98; Computing Scale Co. v. National Computing Scale Co., 79 Fed. 862; Warren Featherbone Co. v. Landauer, 151 Fed. 130, and especially Commercial Acetylene Co. v. Avery, 152 Fed. 642, and Mitchell v. International Tailoring Co., 169 Fed. 145, and some state court cases, concluding:]

"I have no doubt of the court's power at least to control the complainant's use of the decree to the extent of staying further proceedings and perhaps of reopening the decree itself."

[Then upon the merits of the proposition]:

"But I take it there can be no question that a trade injury is actionable when it arises from actual misstatement. Judge Blodgett's opinion in Emack v. Kane (C. C.) 34 Fed. 46, which has been much cited and the decision of the circuit court of appeals of this circuit in Adriance Platt & Co. v. National Harrow Co., 121 Fed. 827, 58 C. C. A. 163, were both weaker cases for the aggrieved party than this; indeed, in the latter case, Judge Coxe, who had dismissed the bill, mentions the fact that there was no false statement of fact in any of the circulars. I think there can be no reasonable dispute of the rule that any false statement of the contents of the decree would require some action."

836. COMMERCIAL ACETYLENE CO. v. AVERY PORTABLE LIGHTING CO., 152 Fed. 642, (C. C. Wisconsin 1906).

[In this case Judge Quarles cites numerous authorities including those of these excerpts, holding that the federal court of equity has power to enjoin either party to a suit before it from prosecuting other suits subsequently brought relating to the same subject-matter where it would be contrary to equity and good conscience, although such suits may be in foreign jurisdictions.

As to suits which were commenced before the application for injunction was made, the defendant was left to his remedy by applying for a stay to the courts before which they were pending.

This case discusses at length Emack v. Kane and upon the point of that case says further:]

"In Farquhar v. National Harrow Co., 102 Fed. 714, 42 C. C. A. 600, 49 L. R. A. 755, the Circuit Court of Appeals for the Third Circuit held that equitable relief might be granted against a party who was in bad faith, sending notices and trade circulars among the customers of a rival, solely for the purpose of destroying the business of such manufacturer. The same doctrine was held in Adriance, Platt & Co. v. National Harrow Co., 121 Fed. 827, 58 C. C. A. 163, by the Circuit Court of Appeals, Second Circuit.

"In Warren Featherbone Co. v. Landauer et al., 151 Fed. 130, there is an opinion by Judge Bunn, then district judge of the western district of Wisconsin, concurred in by his honor, Judge Seaman, wherein the doctrine of Emack v. Kane, supra; Farquhar v. National Harrow Company, and Adriance Platt & Co. v. National Harrow Co., are cited with approval."

837. VIRTUE v. CREAMERY PACKAGE MFG. CO., 179 Fed. 115, 102 C. C. A. 413.

Sanborn and Adams, C. J., and Riner, D. J.

That the owner of a patent may notify infringers of his claims, and warn them that unless they desist, suits will be brought to protect him in his legal rights, is sustained by numerous decisions. Kelley v. Ypsilanti Dress Stay Manufacturing Co. (C. C.) 44 Fed. 19, 10 L. R. A. 686; Computing Scale Company v. National Computing Scale Company (C. C.) 79 Fed. 962; Farquhar Company v. National Harrow Company, 102 Fed. 714, 42 C. C. A. 600, 49 L. R. A. 755; Adriance Platt & Co. v. National Harrow Company, 121 Fed. 827, 58 C. C. A. 163; Warren Featherbone Company v. Landauer (C. C.), 151 Fed. 130; Mitchell v. International, etc., Company (C. C.), 169 Fed. 145, 30 Cyc. 1054.

The only limitation on the right to issue such warnings is the requirement of good faith. There is nothing in the warnings given in this case to show that the letters or notices were false, malicious, offensive, or opprobrious, or that they were used for the willful purpose of inflicting injury.

838. WARREN FEATHERSTONE CO. v. LANDAUER, 151 Fed. 130 (1903, C. C. Wisconsin).

[The court said that in the adjudged cases such relief may be granted in a proper case as well on the application of the defendant as that of the complainant, citing Emack v. Kane, Adriance, Platt & Co. v. National Harrow Co., Farquhar v. National Harrow Co. and discussing the first named case and quoting from it at length. The court then said:]

"This case (Emack v. Kane) was heard on the merits, and the relief was granted in favor of the complainant in the form of a decree for a perpetual injunction. But it is evident, to bring a case within the doctrine so laid down, it should appear that the threatening letters and circulars should be resorted to in bad faith, which is generally shown, as was in that case, by the complainant neglecting or refusing to bring suit."

839. MITCHELL v. INTERNATIONAL TAILORING CO., 169 Fed. 145 (1909, C. C. N. Y.).

Ward, J.:

The petition contends that the patents are obviously invalid and that the circularizing is done in bad faith. The general rule in equity certainly is that a defendant can obtain affirmative relief only by filing a cross-bill. 16 Cyc. 324. It is true that applications like this have been considered. New York Filter Co. v. Schwarzwalder (C. C.), 58 Fed. 577; Warren Featherbone Co.

v. Landauer (C. C.) 151 Fed. 130. But injunctive relief was denied, and the question of practice was not raised. In Kelley v. Ypsilanti Co., 44 Fed. 19, 23, 10 L. R. A. 686, the question was raised, but not passed upon, because the injunction was denied.

Conceding that I have power to do so, I think I should not grant the relief prayed for. No opinion upon the patents need now be expressed, because at this stage of the case they must be taken to be valid. The papers submitted do not satisfy me that the complainant is acting in bad faith. The statements contained in its circulars are truthful, and it has in support of its patents brought suit in this circuit against the defendant, a manufacturer, and in the circuit court for the district of Indiana against a local dealer, who is alleged to have furnished the defendant with a mailing list of his customers. There is no reason to suppose that the complainant doubts the validity of his patents, and, if they are valid, local dealers who furnish mailing lists to the defendant, knowing or having reason to know that the defendant will use them for the purpose of circulating infringing devices, do contribute to the infringement.

840. SEWALL v. JONES, 91 U. S. 171, 23 L. ed. 275.

He is entitled to protect himself from all other modes of making the same application; and every question of infringement will present the question whether the different mode, be it better or worse, is in substance an applicaton of the same principle.

841. SMITH v. NICHOLS, 88 U. S. 112, 22 L. ed. 566.

The prior patentee can not use it without the consent of the improver, and the latter can not use the original invention without the consent of the former.

842. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107.

Since the case of O'Reilly v. Morse, 15 How. 62, 121, 133, it has been well settled that a patent may issue for an improvement on an earlier invention either to the original inventor or to a stranger. Of course, no one can use the improvement without right or license to use the fundamental invention; but, on the other hand, the right to use the original invention does not confer the right to use the improvement without license from the tributary inventor.

843. GLOBE-WERNICKE CO. v. MACEY, 119 Fed. 696, 56 C. C. A. 304.

If the thing done is wrongful, the lack of intention would not excuse.

844. HOE v. MIEHLE, ETC., MFG. CO., 149 Fed. 213, 79 C. C. A. 171.

Infringement is to be determined by a consideration of the claims, and if their language is such that, upon a fair construction of them, defendant's structure does not fall within their terms, infringement can not be found.

845. HUTTER v. DE Q. BOTTLE STOPPER CO., 128 Fed. 283, 62 C. C. A. 652.

A single sale made in circumstances which indicate a readiness to make other similar sales upon application is sufficient to make out a prima facie case.

846. WELSBACH LIGHT CO. v. UNION, ETC., LIGHT CO., 101 Fed. 131, 41 C. C. A. 255.

If it was a patent for a process, it would not be infringed by selling the product, and no conditons should have been annexed to the exercise of the vendor's rights. The broad proposition that the vendor of a product which has been made in infringement of a patented process is an infringer, or liable to any extent to the patentee, is untenable and does not require discussion. The patentee's remedy is against the manufacturer.

847. McCUNE v. BALTIMORE, ETC., R. CO., 154 Fed. 63, 83 C. C. A. 175.

The plaintiff offered to prove the utility and advantages of his patented device, that it had been appropriated and used by a number of other railroads, and that this use, being without his consent, prevented the establishment of a market value therefor. This offer the court rejected. * * * It will thus be seen that Suffolk Co. v. Hayden, has been approvingly cited and considered as authority for the principle, therein enunciated, that, in the absence of license fee or royalty, other proof can in an action at law be resorted to, to show the damage done to the owner of the patent. The law thus announced is conclusive of the case before us, unless Suffolk Co. v. Hayden was overruled by the supreme court in Coupe v. Royer, 155 U. S. 567, 39 L. ed. 263 * * * Holding, then as we do, that Suffolk Co. v. Hayden, is unreversed and unqualified by Coupe v. Royer, it follows the court below erred.

848. CLANCY v. TROY BELTING, ETC., CO., 157 Fed. 554, 85 C. C. A. 314.

Although both the parties are citizens of New York, as the action was for the infringement of a patent, and was so tried and decided in the courts below, this court has jurisdiction, notwithstanding that one of the defenses depends upon the construction of a contract of license. We do not think that the decision in Hartell v. Tilghman, 99 U. S. 547, 25 L. ed. 357, implies.

849. PITTSBURG METER CO. v. PITTSBURG SUPPLY CO., 109 Fed. 644, 48 C. C. A. 580.

That the defendant's meter and the meter of the Young's patent may effect the same result is not determinative of the question of infringement.

850. UNION STEAM PUMP CO. v. BATTLE CREEK STEAM PUMP CO., 104 Fed. 337, 43 C. C. A. 560.

If, however, such changes of size, form or location effect a change in the principle or mode of operation such as breaks up the relation and co-operation of the parts, this results in such a change in the means as displaces the conception of the inventor, and takes the new structure outside of the patent.

851. KINLOCH TEL. CO. v. WESTERN ELECTRIC CO., 113 Fed. 652, 51 C. C. A. 369.

Mere changes of the form of a device or of some of the mechanical elements of a combination secured by a patent will not avoid infringement, where the principle or mode of operation is adopted, unless the form of the machine or of the elements changed is the distinguishing characteristic of the invention.

852. ROGERS TYPOGRAPH CO. v. MERGENTHALER LINOTYPE CO., 64 Fed. 799, 12 C. C. A. 422.

Yet, notwithstanding these changes and some others, the defendant really has copied the substance of the inventions in different forms. In principle the two machines are alike, and they accomplish the same result.

853. JEWELL FILTER CO. v. JACKSON, 140 Fed. 340, 72 C. C. A. 304.

But the rule that changes of form do not avoid infringement has at least two exceptions—when the form of the mechanical element is the distinguishing characteristic of the invention, and when the change in the form of the element changes the principle or mode of operation of the combination.

854. HEEKIN CO. v. BAKER, 138 Fed. 63, 70 C. C. A. 559.

Identity of result is, however, not a sufficient test of infringement. There must also be substantial identity of the means and manner of its accomplishment.

855. ELECTRIC R. R. SIGNAL CO. v. HALL R. SIGNAL CO., 114 U. S. 87, 29 L. ed. 96, 5 Sup. Ct. 1069.

The object of the patented combination was the accomplishment of a particular result. * * * But this result or idea is

not monopolized by the patent. The thing patented is the particular means devised by the inventor by which that result is attained, leaving it open to any other inventor to accomplish the same result by other means. To constitute identity of invention, and therefore infringement, not only must the result attained be the same, but in case the means used for its attainment is a combination of known elements, the elements combined in both cases must be the same, and combined in the same way, so that each element shall perform the same function, provided, however, that the differences alleged are not merely colorable, according to the rule forbidding the use of known equivalents.

856. PLUMMER v. SARGENT, 120 U. S. 442, 30 L. ed. 737, 7 Sup. Ct. 640.

The fact that by careful workmanship the products are indistinguishable by mere inspection does not establish the identity of the processes; and as the patent for the product must be limited to an article made by the particular process, the inquiry must be determined by a comparison between the methods actually employed.

857. EAMES v. GODFREY, 68 U. S. 78, 17 L. ed. 547.

The law is well settled by repeated adjudications in this court and the circuit courts of the United States that there is no infringement of a patent which claims mechanical powers in combination, unless all the parts have been substantially used. The use of a part less than the whole is no infringement.

858. DOWAGIAC MFG. CO. v. MINNESOTA, ETC., PLOW CO., 118 Fed. 136, 55 C. C. A. 86.

This principle, however, is qualified by another principle, which is that the absent element must be an essential one, and that the substitute for it must not be a mechanical equivalent for it.

859. UNIVERSAL BRUSH CO. v. SONN, 154 Fed. 665, 83 C. C. A. 422.

If, for any reason, the defendants are enabled to dispense with one of the elements of the claim, or, to speak more accurately, with one step of the process, they can not be held as infringers.

860. PORTLAND GOLD MIN. CO. v. HERMANN, 160 Fed. 91, 87 C. C. A. 247.

A combination is not infringed unless all of its elements as they are claimed are used, whether they are essential or not.

861. UNITED STATES v. BERDAN FIREARMS MFG. CO., 156 U. S. 552, 39 L. ed. 530, 15 Sup. Ct. 420.

Where several elements, no one of which is novel, are united in a combination which is the subject of a patent, and these several elements are thereafter united with another element into a new combination, and this new combination performs a work which the patented combination could not, there is no infringement.

862. FAY v. CORDESMAN, 109 U. S. 408, 27 L. ed. 979, 3 Sup. Ct. 236.

The claims of the patents sued on in this case are claims for combinations. In such a claim, if the patentee specifies any element as entering into the combination, either directly by the language of the claim or by such a reference to the descriptive part of the specification as carries such elements into the claim, he makes such element material to the combination, and the court can not declare it to be immaterial. It is his province to make his own claim and his privilege to restrict it. If it be a claim to a combination and be restricted to specified elements, all must be regarded as material, leaving open only the question, whether an omitted part is supplied by an equivalent device or instrumentality.

863. DE LORIEA v. WHITNEY, 63 Fed. 611, 11 C. C. A. 355.

The rule, prima facie, is that, while the use of equivalents for an element in a combination is not lawful, yet a combination which does not include all the elements does not infringe. There may be exceptions where the nature of the invention is of such a primary or broad character that it is plain some of the elements named are unessential; in other words, where the invention is so broad that the range of equivalents will be correspondingly broad, under the liberal construction which the courts give to such inventions.

864. INTERNATIONAL MFG. CO. v. BRAMMER MFG. CO., 138 Fed. 396, 71 C. C. A. 633.

If no one can be held to infringe a patent for a combination unless he uses all the parts of the combination and the same identical machinery as that of the patentee, then will no patent for a combination ever be infringed; for certainly no one capable of operating a machine could be incapable of adopting some formal alteration in the machine or of substituting mechanical equivalents. It is true no one infringes a patent for a combination who does not employ all the ingredients of the combination; but if he employs all the ingredients, or adopts mere for-

mal alterations, or substitutes for one ingredient another which performs substantially the same function as the one withdrawn, he does infringe.

865. STIMPSON v. BALTIMORE, ETC., R. CO., 10 How. (U. S.) 329, 13 L. ed 441.

The patent is for a combination. * * * None of the parts referred to are new, and none are claimed as new. * * * The use of any two of these parts only, or of two combined with a third, which is substantially different in form or in the manner of its arrangement and connection with the others, is therefore not the thing patented. It is not the same combination, if it substantially differs from it in any of its parts.

866. MURPHY MFG. CO. v. EXCELSIOR CAR ROOF CO., 76 Fed. 965, 22 C. C. A. 658.

Nothing in the law of patents is better settled than the rule the absence from a device or construction, that is alleged to infringe, of a single essential element of a patentable combination of old elements, is fatal to the claim of infringement.

867. PITTSBURG METER CO. v. PITTSBURG SUPPLY CO., 109 Fed. 644, 48 C. C. A. 580.

Nothing in the law of patents is better settled than the rule that a claim for a combination is not infringed if any one of the described and specified elements is omitted, without the substitution of anything equivalent thereto.

868. CENTRAL FOUNDRY CO. v. COUGHLIN, 141 Fed. 91, 72 C. C. A. 93.

A combination is an entirety. If one of its elements is omitted, it ceases to exist. It is well settled, therefore, that the omission of any one ingredient of the combination covered by the claim of the patent averts any charge of infringement.

869. MURPHY MFG. CO. v. EXCELSIOR CAR-ROOF CO., 76 Fed. 965, 22 C. C. A. 658.

The question of infringement or non-infringement in this case, as in every case, must be determined under this rule by the limitations placed upon the patent by the state of the art when it was issued, and by the specifications and claims of the inventor.

870. NATHAN v. HOWARD, 143 Fed. 889, 75 C. C. A. 97.

Neither the joinder of two elements into one integral part accomplishing the purpose of both and no more, nor the separa-

tion of one integral part into two, together doing precisely or substantially what was done by the single element, will evade a charge of infringement. * * * This principle is even more applicable when the change made relates to mere matter of form not of the essence of the invention.

871. DUNLAP v. WILLBRANDT SURGICAL MFG. CO., 151 Fed. 223, 80 C. C. A. 575.

Of course, there are cases in which, in determining whether a subsequent device infringes, it is unimportant whether it is made in two pieces instead of three, or whether a member is mechanically attached to the remainder of the structure or made integral with it. * * * They are, however, inapplicable to a case in which the very divisibility into parts or in which the particular method of attachment constitutes the law of the structure or is declared or appears to be of the essence of the supposed invention.

872. BONNETTE, ETC., SPRINKLER CO. v. KOEHLER, 82 Fed. 428, 27 C. C. A. 200.

It seems clear to us that Anderson took the principle of Bonnette's invention, and merely doubled the parts. * * * It is well settled that the mere doubling of parts to produce the same result does not prevent infringement, even though it may involve tributary invention.

873. ADAM v. FOLGER, 120 Fed. 260, 56 C. C. A. 540.

The validity of the patent had not been adjudicated, and Folger relied upon acquiescence to secure an injunction pendente lite. Without deciding how far, if at all, the use and sale of the Victor heater before the patent was issued should be taken as evidence of acquiescence in the validity of the patent (see Sargent v. Seagraves, 2 Curt. 553, Fed. Cas. No. 12,365; Wilson v. Store Service Co., 31 C. C. A. 553, 88 Fed. 286; McDowell v. Kurtz, 23 C. C. A. 119, 77 Fed. 206; Corser v. Overall Co. [C. C.] 59 Fed. 781; White v. Hunter [C. C.] 47 Fed. 819), we are of opinion, on this branch of the case, that the temporary injunction was not improvidently issued. The purpose of showing adjudication against others or acquiescence by the public is not to foreclose the question of validity, but to aid the presumption which the patent raises to a point where the court is satisfied that the probabilities of a final decree in the complainant's favor are so strong that the defendant should be excluded at once from practicing the alleged invention. Three years before the patent issued, Adam took from Folger a license to make heaters ac-

cording to Folger's specifications. True, he could not examine the claims in the patent office, but he could examine the heater, interrogate Folger, and search the whole of the prior art for himself, if he chose. He built the heaters in accordance with the specifications furnished by Folger. After the patent was granted, he did not surrender the license. On the contrary, the record seems to indicate that he would be holding it yet if Folger had not canceled it. His use of the patent imprint, and his present contention that, after the withdrawal of the license, he altered the construction so as to avoid the claims, are strong concessions of the patent's validity. No other member of the public has questioned it. So far as Adam is concerned, his actions evidence a sufficient acquiescence. Blount v. Societe Anonyme du Filtre Chamberland Systeme Pasteur, 3 C. C. A. 455, 53 Fed. 98; White v. Surdam (C. C.) 41 Fed. 790; Steam Gauge & Lantern Co. v. Ham Mfg. Co. (C. C.) 28 Fed. 618; Burr v. Kimbark (C. C.) 28 Fed. 574. We think it rests with him to convince the court on final hearing that the patent is void. Till then let the point of validity stand in Folger's favor.

* * *

It is well settled that there is no infringement, if any one of the material parts of the combination is omitted, and that a patentee will not be heard to deny the materiality of any element included in his combination claim. Vance v. Campbell, 1 Black. 427, 17 L. ed. 168; Meter Co. v. Desper, 101 U. S. 337, 25 L. ed. 1024; McClain v. Ortmayer, 141 U. S. 423, 12 Sup. Ct. 76, 35 L. ed. 800. If a patentee claims eight elements to produce a certain result, when seven will do it, anybody may use the seven without infringing the claim; and the patentee has practically lost his invention by declaring the materiality of an element that was in fact immaterial. But form, location and sequence of elements are all immaterial, unless form or location or sequence is essential to the result or indispensable, by reason of the state of the art, to the novelty of the claim. Winans v. Denmead, 15 How. 330, 14 L. ed. 717; Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach. Co., 10 C. C. A. 194, 61 Fed. 958; Bundy Mfg. Co. v. Detroit Time Register Co., 36 C. C. A. 375, 94 Fed. 524; Extraction Co. v. Brown, 43 C. C. A. 568, 104 Fed. 345; Norton v. Jensen, 1 C. C. A. 452, 49 Fed. 859; Consolidated Safety-Valve Co. v. Crosby Steam-Gauge & Valve Co., 113 U. S. 157, 5 Sup. Ct. 513, 28 L. ed. 939; Hoyt v. Horne, 145 U. S. 302, 12 Sup. Ct. 922, 36 L. ed. 713.

* * *

The name "Victor" was adopted to denote the heater manufactured in accordance with the specifications of the patent. We pass the question of farming out trade-marks on competitive

articles as inapposite. The word "Victor" stands as the identifying and generic name of the patented article. * * * As Folger had the right to license Adam to use the thing, he had the right, as a part of the same transaction, to license him to use the name of the thing. The very fact that it would be a fraud upon the public to allow one to hold a monopoly of the name of a thing after his monopoly of the thing itself had expired. (Singer Mfg. Co. v. June Mfg. Co., 163 U. S. 169, 16 Sup. Ct. 1002. 41 L. ed 118. And, see further, Holzapfel's Compositions Co. v. Rahtjen's American Composition Co., 183 U. S. 1, 22 Sup. Ct. 6, 46 L. ed. 49; Centaur Co. v. Heinsfurter, 28 C. C. A. 581, 84 Fed. 955; Gally v. Manufacturing Co. (C. C.) 30 Fed. 118; Stimpson Computing Scale Co. v. W. F. Stimpson Co., 44 C. C. A. 241, 104 Fed. 893) emphasizes the conclusion that it would be a fraud upon the public, during the life of the patent, to permit a stranger to palm off a spurious for the patented article by means of the identifying and generic name of the latter.

We do not regard a bill multifarious which seeks to enjoin an unauthorized person from using a patented article, and also from using the generic name of that article. Animarium Co. v. Neiman (C. C.) 98 Fed. 14; Jaros Hygienic Underwear Co. v. Fleece Hygienic Underwear Co. (C. C.) 60 Fed. 622; Weir v. Gas Co. (C. C.) 91 Fed. 940; Dennison Mfg. Co. v. Thomas Mfg. Co. (C. C.) 94 Fed. 651; Harper v. Holman (C. C.) 84 Fed. 222; U. S. v. American Bell Tel. Co., 128 U. S. 315, 9 Sup. Ct. 90, 32 L. ed. 450; Oliver v. Piatt, 3 How. 333, 11 L. ed. 622.

874. NATIONAL NEWSBOARD CO. v. ELKHART EGG CASE CO., 123 Fed. 431, 59 C. C. A. 471.

The whole testimony impresses us with the belief that the introduction of the soda ash was intended, not to bring about a product essentially different from the patented product, but to interpose a process so colorably different that it might be used as a shelter against the charge of infringement; and in this respect we are constrained to look upon the defense of infringement differently from the view taken by the circuit court.

875. COMPTOGRAPH CO. v. MECHANICAL ACCOUNTANT CO., 145 Fed. 331, 76 C. C. A. 205.

If the infringing device performs the same function as the patented device, it is immaterial that it also performs some other function. It is still none the less an equivalent of the patented device, and an appropriation of the patented invention.

876. COLUMBIA WIRE CO. v. KOKOMO STEEL, ETC., CO., 143 Fed. 116, 74 C. C. A. 310.

All the elements of the patent combination are employed with substantial identity in their use, and departure appears from the letter of the claims only, in the arrangement of these elements, without substantial difference in the principle of operation. The policy and rules of the patent law require that the patentee be protected against such evasions of the wording of a claim in form or nonessential details, when the substance of the invention is thus used and is unmistakably shown in the specification and claims.

877. BRAMMER v. SCHROEDER, 106 Fed. 918, 46 C. C. A. 41.

If, however, one invents and secures a patent for a new combination of old mechanical elements which first performs a useful function, he is protected against all machines and combinations which perform the same function by equivalent mechanical devices to the same extent and in the same way as one who invents and patents a machine or composition of matter of like primary character.

878. AMERICAN SULPHITE PULP CO. v. DE GRASSE PAPER CO., 157 Fed. 660, 87 C. C. A. 260.

The defendant certainly has the patented lining; what else it has is not important. Of course, the addition of the inner brick wall does not avoid infringement.

879. WESTERN TEL. MFG. CO. v. AMERICAN ELEC. TEL. CO., 131 Fed. 75, 65 C. C. A. 313.

If appellees are using Fisk's invention as it is defined in the patent, it is immaterial how much of the prior art they also employ.

880. DEVLIN v. PAYNTER, 64 Fed. 398, 12 C. C. A. 188.

The appellants have transposed the position of the soft-metal face. Do they escape infringement by the transposition of parts? We think not. * * * The appellants, therefore, have appropriated the gist of the invention. The changes found in their device do not at all affect either the principle of operation or the result.

881. UNION WATER-METER CO. v. DESPER, 101 U. S. 332, 25 L. ed. 1024.

It is a well known doctrine of patent law, that the claim of a combination is not infringed if any of the material parts of the

combination are omitted. It is equally well known that if any one of the parts is only formally omitted, and is supplied by a mechanical equivalent, performing the same office and producing the same result, the patent is infringed.

882. YALE LOCK MFG. CO. v. SARGENT, 117 U. S. 373, 29 L. ed. 950, 6 Sup. Ct. 931.

The defendant does not use the same combination, and employs no device as an equivalent and substitute for the omitted element. It is not, therefore, liable as an infringer.

883. RUMFORD CHEMICAL WORKS v. HYGIENIC CHEMICAL CO., 159 Fed. 436, 86 C. C. A. 416.

It is, therefore, the use of such powder which constitutes infringement and when a manufacturer of acid phosphates sells a manufacturer of baking powder a barrel of granular acid phosphate the presumption is not unfair that he expects it to be used for baking powder.

884. GRISWOLD v. HARKER, 62 Fed. 389, 10 C. C. A. 435.

Actions often speak louder, and frequently more truthfully, than words. It is not impossible that the reason why the appellees are not using the old devices they plead is that the improvements described in this patent have made them useless and unmerchantable. If this is not so, they can abandon the improvements of Selden and Griswold, and go back to the devices they plead.

885. CROWN CORK, ETC., CO. v. ALUMINUM STOPPER CO., 108 Fed. 845, 48 C. C. A. 72.

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

886. LOURIE IMPLEMENT CO. v. LENHART, 130 Fed. 122, 64 C. C. A. 456.

One may not escape infringement by adding to or subtracting from a patented device, by changing its form, or by making it more or less efficient, while he retains its principle and mode of operation, and attains its result by the use of the same or of equivalent mechanical means.

887. MITCHELL v. EWART MFG. CO., 81 Fed. 390, 26 C. C. A. 443.

While the appellant has avoided a mere servile copy of form, he has appropriated the substance of the Dodge invention. That in doing so he has rendered inoperative the function on one groove will not suffice to relieve him from the charge of infringement.

888. PENFIELD v. CHAMBERS BROS. CO., 92 Fed. 630, 34 C. C. A. 579.

An infringer can not evade liability for his infringement by deliberately diminishing its utility without changing materially its form, its chief function, or its manner of operation.

889. KING AX CO. v. HUBBARD, 97 Fed. 795, 38 C. C. A. 423.

This is an instance, not infrequent in patent litigation, where the infringer has sought to evade the claims of a patent, the substance of which he is appropriating, by deliberately impairing the function of one element, without destroying the substantial identity of structure, operation and result.

890. NATHAN v. HOWARD, 143 Fed. 889, 75 C. C. A. 97.

A segment has been omitted. That which remains performs the function of the complete ring, perhaps not so well as if the ring had been completed. * * * But the impairment of the function of this hollow ring by omitting a short segment will not escape infringement.

891. DOWAGIAC MFG. CO. v. SUPERIOR DRILL CO., 115 Fed. 886, 53 C. C. A. 36.

The Packham invention is not obscured by the change, which does not affect its distinguishing feature or the leading purpose thereof—that of keeping the furrow clear—though it modifies to some extent the manner of effecting the distribution of the seed in the furrow.

892. VULCAN IRON WORKS v. SMITH, 62 Fed. 444, 10 C. C. A. 493.

The Koefod device goes further than to make merely formal changes in the complainants' patent. Its deviations therefrom do not consist in the mere transposition of parts, * * * but it introduces such change in the construction of parts as to avoid the elements of the complainant's invention, limited, as we have found the same to be by the pre-existing devices. * * * These differences, slight as they may be, are, in our judgment, as great as the changes which the complainant made in adopting the former devices, and are sufficient to relieve the defendant of the charge of infringement.

803. WAGNER TYPEWRITER CO. v. WYCKOFF, 151 Fed. 585, 81 C. C. A. 129.

A licensee under the first patent who uses the mechanism therein described, can not be held an infringer under the second patent. In order to hold him it is necessary to show that he uses the devices of the first patent plus the improvements of the second patent; not any and all improvements calculated to produce similar results, but the precise improvement described and claimed.

804. INDIANA MFG. CO. v. CASE THRESHING MACH. CO., 154 Fed. 365, 83 C. C. A. 343.

What is sought is an injunction against appellee's unlawful invasion of appellant's lawful patent monopoly. If appellee had not invaded, or if the monopoly is unlawful, appellant fails. If appellant had chosen to accept appellee's repudiation of the license, a bill to exclude appellee utterly from the domain of the patents would have lain. By declining to recognize the fact or the right of repudiation, appellant did not estop itself from asking to exclude appellee from that part of the domain which had not been granted, namely, the control of prices and methods. Stripped of all averments in relation to appellant's business built up on licenses, the bill states a good cause of action for infringement of the patents. These averments, as appellant rightly claims, show an aggravation of the injury resulting from the infringement, and constitute, therefore, an additional appeal for injunctive relief. That the bill properly invokes the aid of a court of equity we have no doubt.

895. RUPP, ETC., CO. v. ELLIOTT, 131 Fed. 730, 65 C. C. A. 544.

That the complainants were entirely within the boundary of their patent rights in permitting the use of their invention only in connection with wire sold by themselves is not an open question in this court.

896. STANDARD COMPUTING SCALE CO. v. COMPUTING SCALE CO., 126 Fed. 639, 61 C. C. A. 541.

Of course, if it made or sold scales having peculiar provision for the intended incorporation therein of a valid patented device of the appellee, it would be liable as a contributary, if the expected incorporation should thereafter be made by another. But if it makes and sells scales having simply adaptations for a proper adjustment, such as was known in the art, it would not be liable if another person should of his own volition put into the scales a form of adjustment patented by the appellee.

897. RED JACKET MFG. CO. v. DAVIS, 82 Fed. 432, 27 C. C. A. 204.

They make and sell pumps in all essential respects like that of the patent. They do not, indeed, make the lower cylinder, but they manufacture pumps to be used in tubular wells, the tube and valve placed therein supplying the lower cylinder and valve of the patent. Their pumps are inoperative and useless unless so constructed. The case presented is therefore one of contributory infringement.

898. LOEW FILTER CO. v. GERMAN-AMERICAN FILTER CO., 107 Fed. 949, 47 C. C. A. 94.

It would seem clear enough that the judge who granted this injunction made no mistake in holding that the making and selling these filters, adapted to and intended, as they were, for no other use than filtering beer or similar fluids, should be held as contributing to such use by brewers, and as standing on the same liability as the parties actually using them.

899. CANDA v. MICHIGAN MALLEABLE IRON CO., 124 Fed. 486, 61 C. C. A. 194.

If the defendant constructed and sold an essential part of the infringing structure for the purpose of enabling another person to infringe the patent by adding something else to make the entire infringing article, it made itself a contributary to, and liable for, the infringement. And we have no doubt that this was the fact. The casings without bottoms which the defendant made and sold were good for nothing else. Their form and characteristics plainly indicated their purpose. The case is not like one where the thing made is also adapted to use in other ways. It would be wholly inadmissible to shut out the manufacture or sale of things adapted to a proper and lawful use. That would interfere with the rights and privileges of the public. But it has been held that, even in that case if it were proven that the thing, although adapted to other uses, was nevertheless intended by the seller to go into, and contribute to, the infringement by another, the furnisher could not escape the consequences of the infringement.

900. JOHNSON v. FOOS MFG. CO., 141 Fed. 73, 72 C. C. A. 105.

They have infringed the process of Johnson because they supplied the apparatus adapted to employ Johnson's process with intent that the plant should be or would be operated as that put in for the Tennessee Fiber Company. It was therefore guilty of contributing to the infringement.

* * *

The arrangement of the different parts was therefore of the essense of the invention, and the Foos Company had a legal right to continue to make and sell attrition mills and other parts of the mechanism which were old, provided only that they did so with no purpose to contribute to the plans of one intending an infringement by combining the parts.

901. BULLOCK, ETC., MFG. CO. v. WESTINGHOUSE, ETC., MFG. CO., 129 Fed. 105, 63 C. C. A. 607.

The intent and purpose that the element made and sold shall be used in a way that shall infringe the combination in which it is an element constitutes the necessary concert of action between him who furnished the single part and he who actually does the injury by the assembling and using of all the parts in such a way as to be an infringement. This principle runs through all the cases upon contributory infringement.

902. NATIONAL CASH REGISTER CO. v. GROBET, 153 Fed. 905, 82 C. C. A. 651.

But the purchaser of the No. 78 machine acquired no right to infringe the patentee's right to manufacture said combination known as No. 79. When these defendants, therefore, supplied said attachment and added it to said No. 78 machine, and therefore converted it into a No. 79 machine by uniting to it the patented attachment which made up the complete combination of No. 79, they infringed said right of manufacture of the patented combination, with which complainant had not parted by the same of a No. 78 machine.

The well-settled rule is that the purchaser of a patented article from the patentee acquires the absolute right to the unrestricted use of said article; that by the sale it passes beyond the limit of the monopoly. But it would be perversion of this rule to say that such a purchaser may use a portion of said article for the purpose of enabling the owner of a machine sold by the patentee, without said portion, to construct a patented combination which he is not licensed to manufacture or use.

903. UNITED STATES v. BURNS, 79 U. S. 246, 20 L. ed. 388.

If an officer in the military service, not especially employed to make experiments with a view to suggest improvements, devises a new and valuable improvement in arms, tents, or any other kind of war material, he is entitled to the benefit of it and to letters-patent for the improvement from the United States equally with any other citizen not engaged in such service; and the government can not, after the patent is issued, make use of

the improvement any more than a private individual, without license of the inventor or making compensation to him.

904. DASHIELL v. GROSVENOR, 66 Fed. 334, 13 C. C. A. 593.

The United States may appropriate and use the invention of an individual for its necessary uses, the fifth amendment to the constitution requiring only that due compensation shall be made. But this provision does not prescribe that the usual method of condemnation of property is essential. (Chief of Ordnance used a patent breech-loading mechanism without asking or obtaining license, proceeded to use it without license or right.) It does not appear, and it was not the fact that this was the only mechanism available.

905. DICKERSON v. MATHESON, 57 Fed. 524, 6 C. C. A. 466.

A purchaser in a foreign country of an article patented in that country and also in the United States, from the owner of each patent, or from a licensee under each patent, who purchases without any restrictions upon the extent of his use or power of sale, acquires an unrestricted ownership in the article, and can use or sell it in this country. * * *

A purchaser in a foreign country of an article patented in that country and also in the United States, from a licensee under the foreign patent only, does not give the purchaser a right to import the article into, and to sell it in, the United States, without the license or consent of the owner of the United States patent.

906. DICKERSON v. TINLING, 84 Fed. 192, 28 C. C. A. 139.

The right to sell the patented article in the United States is not governed by the laws of Germany or of England, but by the laws of this nation; and under those laws and the patent before us. Bayer & Co. has the "exclusive right to make, use and vend" phenacetine in the United States. Thus, in Boesch v. Graff, 133 U. S. 697, a case in which the defendant had purchased in Germany, from one Hecht, who had the legal right to sell them there, certain burners, which had been patented in both Germany and the United States, Chief Justice Fuller said:

"The right which Hecht had to make and sell the burners in Germany was allowed him under the laws of that country, and purchasers from him could not be thereby authorized to sell the articles in the United States, in defiance of the rights of the patentees under a United States patent."

907. BULLOCK, ETC., MFG. CO. v. WESTINGHOUSE, ETC., MFG. CO., 129 Fed. 105, 63 C. C. A. 607.

While it is true that the monopoly of the plaintiff's patents did not extend beyond the limits of the United States, yet it would be no defense to say that the patented article had been made in the United States only for the purpose of being sold and used in a country to which the protection of the laws of the United States did not extend. The patentee is entitled to monopolize the making of his device in the United States as well as a monopoly of there selling or using it.

908. ADRIANCE, ETC., CO. v. NATIONAL HARROW CO., 121 Fed. 827, 58 C. C. A. 163.

It is impossible to read the communications warning the complainant's customers against selling its harrows, with which the defendant seems to have flooded the country, without being led to believe that they were inspired by a purpose to intimidate the complainant's customers, and coerce the complainant, by injuring its business, into becoming a licensee of the defendant. In view of its failure to bring an infringement action, under circumstances which made an action practically compulsory, the defendant can not shelter itself behind the theory that its circulars and letters were merely legitimate notices of its rights. We are satisfied that they were sent, not for the purpose of self-protection, but in execution of the defendant's threat to stop the complainant from building harrows by other means than legal remedies.

* * *

Undoubtedly the owner of a patent is acting within his rights in notifying infringers of his claims, and threatening them with litigation if they continue to disregard them; nor does he transcend his rights when, the infringer being a manufacturer, he sends such notices to the manufacturer's customers, if he does so in good faith, believing his claims to be valid, and in an honest effort to protect them from invasion.

PART XV.

COURTS—PARTIES—CAUSES — JURISDICTION—ADJUDICATIONS—COMITY—PRACTICE—EVIDENCE—ETC.

STATUTES.

909. COPIES OF RECORDS, ETC., OF PATENT OFFICE.

§ 892. Written or printed copies of any records, books, papers, or drawings belonging to the patent office, and of letters-patent authenticated by the seal and certified by the commission or acting commissioner thereof, shall be evidence in all cases wherein the originals could be evidence; and any person making application therefor, and paying the fee required by law, shall have certified copies thereof.

910. COPIES OF FOREIGN LETTERS PATENT.

§ 893. Copies of the specifications and drawings of foreign letters-patent certified as provided in the preceding section, shall be prima facie evidence of the fact of the granting of such letters patent, and of the date and contents thereof.

911. PRINTED COPIES OF SPECIFICATIONS AND DRAWINGS OF PATENTS.

§ 894. The printed copies of specifications and drawings of patents, which the commissioner of patents is authorized to print for gratuitous distribution, and to deposit in the capitols of the States and Territories, and in the clerk's offices of the district courts, shall, when certified by him and authenticated by the seal of his office, be received in all courts as evidence of all matters therein contained. (See § 490.)

912. SUBPOENA TO WITNESSES.

§ 4906. The clerk of any court of the United States for any district or Territory wherein testimony is to be taken for use in any contested case pending in the patent office, shall, upon the application of any party thereto, or of his agent or attorney, issue a subpoena for any witness residing or being within such district or territory, commanding him to appear and testify before any officer in such district or territory authorized to take

depositions and affidavits, at any time and place in the subpoena stated. But no witness shall be required to attend at any place more than forty miles from the place where the subpoena is served upon him.

913. WITNESS FEES.

§ 4907. Every witness duly subpoenaed and in attendance shall be allowed the same fees as are allowed to witnesses attending the courts of the United States.

914. PENALTY FOR FAILING TO ATTEND OR REFUSING TO TESTIFY.

§ 4908. Whenever any witness, after being duly served with such subpoena, neglects or refuses to appear, or after appearing refuses to testify, the judge of the court whose clerk issued the subpoena may, on proof of such neglect or refusal, enforce obedience to the process, or punish the disobedience, as in other like cases. But no witness shall be deemed guilty of contempt for disobeying such subpoena, unless his fees and traveling expenses in going to, returning from, and one day's attendance at the place of examination, are paid or tendered him at the time of the service of the subpoena; nor for refusing to disclose any secret invention or discovery made or owned by himself.

[For provisions relating to the Court of Appeals of the District of Columbia, see Parts V and VI.]

JUDICIAL CODE.

§ 24. The district courts shall have original jurisdiction as follows:

* * *

Seventh. Of all suits at law or in equity arising under the patent, the copyright, and the trade-mark laws.

§ 48. In suits brought for the infringement of letters-patent the district courts of the United States shall have jurisdiction, in law or in equity, in the district of which the defendant is an inhabitant, or in any district in which the defendant, whether a person, partnership, or corporation, shall have committed acts of infringement and have a regular and established place of business. If such suit is brought in a district of which the defendant is not an inhabitant, but in which such defendant has a regular and established place of business, service of process, summons, or supoena upon the defendant may be made by service upon the agent or agents, engaged in conducting such business in the district in which suit is brought.

§ 50. When there are several defendants in any suit at law or in equity, and one or more of them are neither inhabitants of nor found within the district in which the suit is brought, and do not voluntarily appear, the court may entertain jurisdiction, and proceed to the trial and adjudication of the suit between the parties who are properly before it; but the judgment or decree rendered therein shall not conclude or prejudice other parties not regularly served with process nor voluntarily appearing to answer; and non-joinder of parties who are not inhabitants of nor found within the district, as aforesaid, shall not constitute matter of abatement or objection to the suit.

§ 51. Except as provided in the five succeeding sections, no person shall be arrested in one district for trial in another, in any civil action before a district court; and, except as provided in the six succeeding sections, no civil suit shall be brought in any district court against any person by any original process or proceeding in any other district than that whereof he is an inhabitant; but where the jurisdiction is founded only on the fact that the action is between citizens of different States, suit shall be brought only in the district of the residence of either the plaintiff or the defendant.

§ 52. When a State contains more than one district, every suit not of a local nature, in the district court thereof, against a single defendant, inhabitant of such State, must be brought in the district where he resides; but if there are two or more defendants, residing in different districts of the State, it may be brought in either district, and a duplicate writ may be issued against the defendants, directed to the marshal of any other district in which any defendant resides. The clerk issuing the duplicate writ shall indorse thereon that it is a true copy of a writ sued out of the court of the proper district; and such original and duplicate writs, when executed and returned into the office from which they issue, shall constitute and be proceeded on as one suit; and upon any judgment or decree rendered therein, execution may be issued, directed to the marshal of any district in the same State.

§ 53. When a district contains more than one division, every suit not of a local nature against a single defendant must be brought in the division where he resides; but if there are two or more defendants residing in different divisions of the district it may be brought in either division. All mesne and final process subject to the provisions of this section may be served and executed in any or all of the divisions of the district, or if the State contains more than one district, then in any of such districts, as provided in the preceding section. All prosecutions for crimes or offenses shall be had within the division of such districts

where the same were committed, unless the court, or the judge thereof, upon the application of the defendant, shall order the cause to be transferred for prosecution to another division of the district. When a transfer is ordered by the court or judge, all the papers in the case, or certified copies thereof, shall be transmitted by the clerk, under the seal of the court, to the division to which the cause is so ordered transferred; and thereupon the cause shall be proceeded within said division in the same manner as if the offense had been committed therein. In all cases of the removal of suits from the courts of a State to the district court of the United States such removal shall be to the United States district court in the division in which the county is situated from which the removal is made; and the time within which the removal shall be perfected, in so far as it refers to or is regulated by the terms of the United States courts, shall be deemed to refer to the terms of the United States district court in such division.

§ 58. Any civil cause, at law or in equity, may, on written stipulation of the parties or of their attorneys of record signed and filed with the papers in the case, in vacation or in term, and on the written order of the judge signed and filed in the case in vacation or on the order of the court duly entered of record in term, be transferred to the court of any other division of the same district, without regard to the residence of the defendants, for trial. When a cause shall be ordered to be transferred to a court in any other division, it shall be the duty of the clerk of the court from which the transfer is made to carefully transmit to the clerk of the court to which the transfer is made the entire file of papers in the cause and all documents and deposits in his court pertaining thereto, together with a certified transcript of the records of all orders, interlocutory decrees, or other entries in the cause; and he shall certify, under the seal of the court, that the papers sent are all which are on file in said court belonging to the cause; for the performance of which duties said clerk so transmitting and certifying shall receive the same fees as are now allowed by law for similar services, to be taxed in the bill of costs, and regularly collected with the other costs in the cause; and such transcript, when so certified and received, shall henceforth constitute a part of the record of the cause in the court to which the transfer shall be made. The clerk receiving such transcript and original papers shall file the same and the case shall then proceed to final disposition as other cases of a like nature.

§ 117. There shall be in each circuit a circuit court of appeals, which shall consist of three judges, of whom two shall

constitute a quorum, and which shall be a court of record, with appellate jurisdiction, as hereinafter limited and established.

§ 118. There shall be in the second, seventh, and eighth circuits, respectively, four circuit judges, in the fourth circuit, two circuit judges, and in each of the other circuits, three circuit judges, to be appointed by the president, by and with the advice and consent of the Senate. They shall be entitled to receive a salary at the rate of seven thousand dollars a year, each, payable monthly. Each circuit judge shall reside within his circuit.

§ 120. The Chief Justice and the associate justices of the Supreme Court assigned to each circuit, and the several district judges within each circuit, shall be competent to sit as judges of the circuit court of appeals within their respective circuits. In case the Chief Justice or an associate justice of the Supreme Court shall attend at any session of the circuit court of appeals, he shall preside. In the absence of such Chief Justice, or associate justice, the circuit judges in attendance upon the court shall preside in the order of the seniority of their respective commissions. In case the full court at any time shall not be made up by the attendance of the Chief Justice or the associate justice, and the circuit judges, one or more district judges within the circuit shall sit in the court according to such order or provision among the district judges as either by general or particular assignment shall be designated by the court: Provided, That no judge before whom a cause or question may have been tried or heard in a district court, or existing circuit court, shall sit on the trial or hearing of such cause or question in the circuit court of appeals.

§ 126. A term shall be held annually by the circuit courts of appeals in the several judicial circuits at the following places, and at such times as may be fixed by said courts, respectively; In the first circuit, in Boston; in the second circuit, in New York; in the third circuit, in Philadelphia; in the fourth circuit, in Richmond; in the fifth circuit, in New Orleans, Atlanta, Fort Worth, and Montgomery; in the sixth circuit, in Cincinnati; in the seventh circuit, in Chicago; in the eighth circuit, in Saint Louis, Denver or Cheyenne, and Saint Paul; in the ninth circuit, in San Francisco, and each year in two other places in said circuit to be designated by the judges of said court: and in each of the above circuits, terms may be held at such other times and in such other places as said courts, respectively, may from time to time designate: Provided, That terms shall be held in Atlanta on the first Monday in October, in Fort Worth on the first Monday in November, in Montgomery on the third Monday in October, in Denver or in Cheyenne on the first Monday in September, and in Saint Paul on the first Monday in May. All appeals,

writs of error, and other appellate proceedings which may be taken or prosecuted from the district courts of the United States in the State of Georgia, in the State of Texas, and in the State of Alabama, to the circuit court of appeals for the fifth judicial circuit shall be heard and disposed of, respectively, by said court at the terms held in Atlanta, in Fort Worth, and in Montgomery, except that appeals or writs of error in cases of injunctions and in all other cases which, under the statutes and rules, or in the opinion of the court, are entitled to be brought to a speedy hearing may be heard and disposed of wherever said court may be sitting. All appeals, writs of errors, and other appellate proceedings which may hereafter be taken or prosecuted from the district court of the United States at Beaumont, Texas, to the circuit court of appeals for the fifth circuit, shall be heard and disposed of by the said circuit court of appeals at the terms of court held at New Orleans: Provided, That nothing herein shall prevent the court from hearing appeals or writs of error wherever the said courts shall sit, in cases of injunctions and in all other cases which, under the statutes and the rules, or in the opinion of the court, are entitled to be brought to a speedy hearing. All appeals, writs of error, and other appellate proceedings which may be taken or prosecuted from the district courts of the United States in the States of Colorado, Utah, and Wyoming, and the supreme court of the Territory of New Mexico to the circuit court of appeals for the eighth judicial circuit, shall be heard and disposed of by said court at the terms held either in Denver or in Cheyenne, except that any case arising in any of said States or Territory may, by consent of all the parties, be heard and disposed of at a term of said court other than the one held in Denver or Cheyenne.

§ 129. Where upon a hearing in equity in a district court, or by a judge thereof in vacation, an injunction shall be granted, continued, refused, or dissolved, by an interlocutory order or decree, or an application to dissolve an injunction shall be refused, or an interlocutory order or decree shall be made appointing a receiver, an appeal may be taken from such interlocutory order or decree granting, continuing, refusing, dissolving, or refusing to dissolve, an injunction, or appointing a receiver, to the circuit court of appeals, notwithstanding an appeal in such case might, upon final decree under the statutes regulating the same, be taken directly to the Supreme Court: Provided, That the appeal must be taken within thirty days from the entry of such order or decree, and it shall take precedence in the appellate court; and the proceedings in other respects in the court below shall not be stayed unless otherwise ordered by that court, or the appellate court, or a judge thereof, during the pendency of

such appeal: Provided, however, That the court below may, in its discretion, require as a condition of the appeal an additional bond.

§ 145. The Court of Claims shall have jurisdiction to hear and determine the following matters:

First. All claims (except for pensions) founded upon the Constitution of the United States or any law of Congress, upon any regulation of an Executive Department, upon any contract, express or implied, with the government of the United States, or for damages, liquidated or unliquidated, in cases not sounding in tort, in respect of which claims the party would be entitled to redress against the United States, either in a court of law, equity, or admiralty, if the United States were suable.

§ 239. In any case within its appellate jurisdiction ,as defined in section one hundred and twenty-eight, the circuit court of appeals at any time may certify to the Supreme Court of the United States any questions or propositions of law concerning which it desires the instruction of that court for its proper decision; and thereupon the Supreme Court may either give its instruction on the questions and propositions certified to it, which shall be binding upon the circuit court of appeals in such case, or it may require that the whole record and cause be sent up to it for its consideration, and thereupon shall decide the whole matter in controversy in the same manner as if it had been brought there for review by writ of error or appeal.

§ 240. In any case, civil, or criminal, in which the judgment or decree of the circuit court of appeals is made final by the provisions of this title, it shall be competent for the Supreme Court to require, by certiorari or otherwise, upon the petition of any party thereto, any such case to be certified to the Supreme Court for its review and determination, with the same power and authority in the case as if it had been carried by appeal or writ of error to the Supreme Court.

§ 250. Any final judgment or decree of the court of appeals of the District of Columbia may be re-examined and affirmed, reversed, or modified by the Supreme Court of the United States, upon writ of error or appeal, in the following cases:

First. In cases in which the jurisdiction of the trial court is in issue; but when any such case is not otherwise reviewable in said Supreme Court, then the question of jurisdiction alone shall be certified to said Supreme Court for decision.

Second. In prize cases.

Third. In cases involving the construction or application of the Constitution of the United States, or the constitutionality of any law of the United States, or the validity or construction of any treaty made under its authority.

Fourth. In cases in which the constitution, or any law of a State, is claimed to be in contravention of the Constitution of the United States.

Fifth. In cases in which the validity of any authority exercised under the United States, or the existence or scope of any power or duty of an officer of the United States is drawn in question.

Sixth. In cases in which the construction of any law of the United States is drawn in question by the defendant.

Except as provided in the next succeeding section, the judgments and decrees of said court of appeals shall be final in all cases arising under the patent laws, the copyright laws, the revenue laws, the criminal laws, and in admiralty cases; and except as provided in the next succeeding section, the judgments and decrees of said court of appeals shall be final in all cases not reviewable as hereinbefore provided.

Writs of error and appeals shall be taken within the same time, in the same manner, and under the same regulations as writs of error and appeals are taken from the circuit courts of appeals to the Supreme Court of the United States.

§ 251. In any case in which the judgment or decree of said court of appeals is made final by the section last preceding, it shall be competent for the Supreme Court of the United States to require, by certiorari or otherwise, any such case to be certified to it for its review and determination, with the same power and authority in the case as if it had been carried by writ of error or appeal to said Supreme Court. It shall also be competent for said court of appeals, in any case in which its judgment or decree is made final under the section last preceding, at any time to certify to the Supreme Court of the United States any questions or propositions of law concerning which it desires the instruction of that court for their proper decision; and thereupon the Supreme Court may either give its instruction on the questions and propositions certified to it, which shall be binding upon said court of appeals in such case, or it may require that the whole record and cause be sent up to it for its consideration, and thereupon shall decide the whole matter in controversy in the same manner as if it had been brought there for review by writ of error or appeal.

§ 256. The jurisdiction vested in the courts of the United States in the cases and proceedings hereinafter mentioned, shall be exclusive of the courts of the several States:

* * *

Fifth. Of all cases arising under the patent-right, or copyright laws of the United States.

§ 262. The Supreme Court and the district courts shall have power to issue writs of scire facias. The Supreme Court, the circuit courts of appeals, and the district courts shall have power to issue all writs not specifically provided for by statute, which may be necessary for the exercise of their respective jurisdictions, and agreeable to the usages and principles of law.

§ 263. Whenever notice is given of a motion for an injunction out of a district court, the court or judge thereof may, if there appears to be danger of irreparable injury from delay, grant an order restraining the act sought to be enjoined until the decision upon the motion; and such order may be granted with or without security, in the discretion of the court or judge.

[See also act of February 13, 1911, An act to diminish the expense of proceedings on appeal and writ of error or of certiorari.]

[For §§ 721 and 914, Rev. Stat. U. S., relating to actions at law see Part XVI.]

EQUITY RULES.

[On November 12, 1912, the Supreme Court of the United States promulgated an entire new set of rules of practice for the courts of equity of the United States to take effect February 1, 1913.

These rules render many of the previous decisions of the courts inapplicable, though they are still important as presenting the history of procedure.

They approximate the procedure in an action at law, especially in patent causes.

Rule 1 provides that a district court shall be always open for certain purposes, and for Orders at Chambers.

Rule 2, that the Clerk's office shall always be open except on Sundays and legal holidays, etc.

Rule 3, that books shall be kept by the Clerk, especially an Equity Docket, Order Book and Equity Journal.

Rule 4, that the noting of an order in the Equity Docket nor its entry in the Order Book shall not be deemed sufficient notice. It provides also that the clerk may give notice by mailing copy.

Rule 5 provides for certain motions being grantable of course, by the clerk.

Rule 6 provides a motion day for each district court, not less than once each month.

Rule 7, for process, mesne and final, by means of the usual process of subpoena, writ of attachment, and if necessary, writ of sequestration, or writ of assistance.

Rule 8 provides for the enforcement of final decrees by writ of execution, writ of attachment, writ of sequestration, etc., in accordance with the circumstances.

Rule 9 provides for writ of assistance.

Rule 10 for a decree for deficiency in foreclosures, etc.

Rule 11, for process in behalf of and against persons not parties.

Rule 12 provides for the issue of subpoena upon the filing of a bill, returnable twenty days from the issuing thereof, at which time answer shall be made.

Rule 13 provides for the manner of serving subpoena and Rule 14 for alias subpoena.

Rule 15 states by whom the process shall be served.

Rule 16 provides that if defendants do not answer within the time named in the subpoena as required by Rule 12, the plaintiff may take an order that the bill be taken pro confesso, and thereupon the cause shall be proceeded in ex parte.

Rule 17 provides that the decree pro confesso shall be followed by a final decree and provides also for setting aside the default.

Rule 18 is,—

"Unless otherwise prescribed by statute or these rules the technical forms of pleadings in equity are abolished."

Rule 19 provides for amendments generally but provides also that "The court at every stage of the proceeding, must disregard any error or defect in the proceedings which does not affect the substantial rights of the parties."

Rule 20 provides for the requirement of a further and particular statement in pleading, upon order of the court.

Rule 21 abolishes exceptions for scandal or impertinence, "but the court may, upon motion or its own initiative, order any redundant, impertinent or scandalous matter stricken out, upon such terms as the court shall think fit."

Rule 22 provides that an action at law erroneously begun as a suit in equity shall be forthwith transferred to the law side "and be there proceeded with with only such alteration in the pleadings as shall be essential."

Rule 23 provides that matters ordinarily determinable at law, when arising in a suit in equity, shall be disposed of therein.

Rule 24 provides that the signature of counsel shall be sufficient to cover what has been hitherto covered by the averment of counsel.

Rule 25, with reference to the bill of complaint, reads as follows:

"Hereafter it shall be sufficient that a bill in equity shall contain, in addition to the usual caption:

"First, the full name, when known, of each plaintiff and defendant and the citizenship and residence of each party. If any party be under any disability that fact shall be stated.

"Second, a short and plain statment of the grounds upon which the court's jurisdiction depends.

Third, a short and simple statement of the ultimate facts upon which the plaintiff asks relief, omitting any mere statement of evidence.

"Fourth, if there are persons other than those named as defendants who appear to be proper parties, the bill should state why they are not made parties—as that they are not within the jurisdiction of the court, or cannot be made parties without ousting the jurisdiction.

"Fifth, a statement of and prayer for any special relief pending the suit or on final hearing, which may be stated and sought in alternative forms. If special relief pending the suit be desired the bill should be verified by the oath of the plaintiff, or someone having knowledge of the facts upon which such relief is asked."

Rule 26 provides for the joinder of as many causes of action, cognizable in equity, as the plaintiff may have against the defendant, but upon occasion provides for the separation of causes.

Rule 27 provides for a stockholder's bill.

Rule 28, for amendment of a bill, as of course.

Rule 29, with reference to defenses, reads as follows:

"Demurrers and pleas are abolished. Every defense in point of law arising upon the face of the bill, whether for misjoinder, nonjoinder, or insufficiency of fact to constitute a valid cause of action in equity, which might heretofore have been made by demurrer or plea, shall be made by motion to dismiss or in the answer; and every such point of law going to the whole or a material part of the cause or causes of action stated in the bill may be called up and disposed of before final hearing at the discretion of the court. Every defense heretofore presentable by plea in bar or abatement shall be made in the answer and may be separately heard and disposed of before the trial of the principal case in the discretion of the court. If the defendant move to dismiss the bill or any part thereof, the motion may be set down for hearing by either party upon five days' notice, and, if it be denied, answer shall be filed within five days thereafter or a decree pro confesso entered."

Rule 30, with reference to answer, contents, counterclaim, reads as follows:

"The defendant in his answer shall in short and simple terms, set out his defense to each claim asserted by the bill, omitting any mere statement of evidence and avoiding any general denial

of the averments of the bill, but specifically admitting or denying or explaining the facts upon which the plaintiff relies, unless the defendant is without knowledge, in which case he shall so state, such statement operating as a denial. Averments other than of value or amount of damage, if not denied, shall be deemed confessed, except as against an infant, lunatic or other person non compos and not under guardianship, but the answer may be amended, by leave of the court or judge, upon reasonable notice, so as to put any averment in issue, when justice requires it. The answer may state as many defenses, in the alternative, regardless of consistency, as the defendant deems essential to his defense.

"The answer must state in short and simple form any counter-claim arising out of the transaction which is the subject-matter of the suit, and may, without cross-bill, set out any set-off or counter-claim against the plaintiff which might be the subject of an independent suit in equity against him, and such set-off or counter-claim, so set up, shall have the same effect as a cross-suit, so as to enable the court to pronounce a final judgment in the same suit both on the original and cross-claims."

Rule 31, with reference to reply and cause at issue, reads as follows:

"Unless the answer asserts a set-off or counter-claim, no reply shall be required without special order of the court or judge, but the cause shall be deemed at issue upon the filing of the answer, and any new or affirmative matter therein shall be deemed to be denied by the plaintiff. If the answer include a set-off or counter-claim, the party against whom it is asserted shall reply within ten days after the filing of the answer, unless a longer time be allowed by the court or judge. If the counter-claim is one which affects the rights of other defendants they or their solicitors shall be served with a copy of the same within ten days from the filing thereof, and ten days shall be accorded to such defendants for filing a reply. In default of a reply, a decree pro confesso on the counter-claim may be entered as in default of an answer to the bill."

Rule 32 provides for an answer to an amended bill within ten days.

Rule 33, with reference to testing sufficiency of defense, reads as follows:

"Exceptions for insufficiency of an answer are abolished. But if an answer set up an affirmative defense, set-off or counter-claim, the plaintiff may, upon five days' notice, or such further time as the court may allow, test the sufficiency of the same by motion to strike out. If found insufficient but amendable the

court may allow an amendment upon terms, or strike out the matter."

Rule 34 provides for supplemental pleading during the progress of the cause upon reasonable notice and just terms.

Rule 35 provides that ordinarily the statements of the original suit need not be set forth in bill of revivor or supplemental bill.

Rule 36 provides for verifying pleadings before practically any officer empowered to administer an oath.

Rule 37 provides for joining parties interested and for intervention.

Rule 38 provides for suits by representatives of a class.

Rule 39 provides for proceeding with a cause in the absence of persons who would be proper parties but who can not be made parties because of some obstacle.

Rule 40 provides for proceedings in case of nominal parties.

Rule 41 refers to suit to execute trust of will and where the heir is a party.

Rule 42 provides for either joint or several demands.

Rule 43 provides for suggestion by the defendant of defective parties and for treatment of the cause, where the plaintiff resists the objection, in accordance with the discretion of the court.

Rule 44 provides for tardy objection for defective parties.

Rule 45 for revivor of a cause upon death of party.

Rule 46, with reference to testimony, reads as follows:

"In all trials in equity the testimony of witnesses shall be taken orally in open court, except as otherwise provided by statute or these rules. The court shall pass upon the admissibility of all evidence offered as in actions at law. When evidence is offered and excluded, and the party against whom the ruling is made excepts thereto at the time, the court shall take and report so much thereof, or make such a statement respecting it, as will clearly show the character of the evidence, the form in which it was offered, the objection made, the ruling, and the exception. If the appellate court shall be of opinion that the evidence should have been admitted, it shall not reverse the decree unless it be clearly of opinion that material prejudice will result from an affirmance, in which event it shall direct such further steps as justice may require."

Rule 47 with reference to depositions in exceptional cases, reads as follows:

"The court, upon application of either party, when allowed by statute, or for good and exceptional cause for departing from the general rule, to be shown by affidavit, may permit the deposition of named witnesses, to be used before the court or upon a reference to a master, to be taken before an examiner or other named officer, upon the notice and terms specified in the order. All depositions taken under a statute, or under any such order

of the court, shall be taken and filed as follows, unless otherwise ordered by the court or judge for good cause shown: Those of the plaintiff within sixty days from the time the cause is at issue; those of the defendant within thirty days from the expiration of the time for the filing of plaintiff's depositions; and rebutting depositions by either party within twenty days after the time for taking original depositions expires."

Rule 48, with reference to testimony of expert witnesses in patent and trade-mark cases, reads as follows:

"In a case involving the validity or scope of a patent or trade-mark, the district court may upon petition, order that the testimony in chief of expert witnesses, whose testimony is directed to matters of opinion, be set forth in affidavits and filed as follows: Those of the plaintiff within forty days after the cause is at issue; those of the defendant, within twenty days after plaintiff's time has expired; and rebutting affidavits within fifteen days after the expiration of the time for filing original affidavits. Should the opposite party desire the production of any affiant for cross-examination, the court or judge shall, on motion, direct that said cross-examination and any re-examination take place before the court upon the trial, and unless the affiant is produced and submits to cross-examination in compliance with such direction, his affidavit shall not be used as evidence in the cause."

Rule 49, with reference to evidence taken before examiners, reads as follows:

"All evidence offered before an examiner or like officer, together with any objections, shall be saved and returned into the court. Depositions, whether upon oral examination before an examiner or like officer or otherwise, shall be taken upon questions and answers reduced to writing, or in the form of narrative, and the witness shall be subject to cross and re-examination."

Rule 50 provides for the appointment of a stenographer when deemed necessary by the court, and the expense of taking the deposition and the cost of a transcript, shall be advanced by the party calling the witness or ordering the transcript.

Rule 51, with reference to evidence taken before examiners, reads as follows:

"Objections to the evidence, before an examiner or like officer, shall be in short form, stating the grounds of objection relied upon, but no transcript filed by such officer shall include argument or debate. The testimony of each witness, after being reduced to writing, shall be read over to or by him, and shall be signed by him in the presence of the officer, provided, that if the witness shall refuse to sign his deposition so taken, the officer shall sign the same, stating upon the record the reasons, if any, assigned by the witness for such refusal. Objection to any question or questions shall be noted by the officer upon the deposition,

but he shall not have power to decide on the competency or materiality or relevancy of the questions. The court shall have power, and it shall be its duty to deal with the costs of incompetent and immaterial or irrelevant depositions, or parts of them, as may be just."

Rule 52, with reference to attendance of witnesses before commissioner, master or examiner, reads as follows:

"Witnesses who live within the district, and whose testimony may be taken out of court by these rules, may be summoned to appear before a commissioner appointed to take testimony, or before a master or examiner appointed in any cause, by subpoena in the usual form, which may be issued by the clerk in blank and filled up by the party praying the same, or by the commissioner, master, or examiner, requiring the attendance of the witnesses at the time and place specified, who shall be allowed for attendance the same compensation as for attendance in court; and if any witness shall refuse to appear or give evidence it shall be deemed a contempt of the court, which being certified to the clerk's office by the commissioner, master, or examiner, an attachment may issue thereupon by order of the court or of any judge thereof, in the same manner as if the contempt were for not attending, or for refusing to give testimony in the court.

"In case of refusal of witnesses to attend or be sworn or to answer any question put by the commissioner, master or examiner or by counsel or solicitor, the same practice shall be adopted as is now practiced with respect to witnesses to be produced on examination before an examiner of said court on written interrogatories."

Rule 53 with reference to notice of taking testimony, reads as follows:

"Notice shall be given by the respective counsel or parties to the opposite counsel or parties of the time and place of examination before an examiner or like officer for such reasonable time as the court or officer may fix by order in each case."

Rule 54 with reference to depositions under the statutes, reads as follows:

"After a cause is at issue, depositions may be taken as provided by sections 863, 865, 866 and 867, Revised Statutes. But if in any case no notice has been given the opposite party of the time and place of taking the deposition, he shall, upon application and notice, be entitled to have the witness examined orally before the court, or to a cross-examination before an examiner or like officer, or a new deposition taken with notice, as the court or judge under all the circumstances shall order."

Rule 55 provides that a deposition shall be deemed published when filed.

Rule 56 provides that on the expiration of the time for taking the deposition the case shall go on the trial calendar.

Rule 57 provides for continuances and reads as follows:

"After a cause shall be placed on the trial calendar it may be passed over to another day of the same term, by consent of counsel or order of the court, but shall not be continued beyond the term save in exceptional cases by order of the court upon good cause shown by affidavit and upon such terms as the court shall in its discretion impose. Continuances beyond the term by consent of the parties shall be allowed on condition only that a stipulation be signed by counsel for all the parties and that all costs incurred theretofore be paid. Thereupon an order shall be entered dropping the case from the trial calendar, subject to reinstatement within one year from application to the court by either party, in which event it shall be heard at the earliest convenient day. If not so reinstated within the year, the suit shall be dismissed without prejudice to a new one."

Rule 58 deals with discovery, interrogatories, inspection and production of documents, admission of execution or genuineness, all these matters being within the discretion of the court. The rule provides, however, that interrogatories shall be answered and the answers filed in the clerk's office within fifteen days after they have been served but that within ten days after the service of interrogatories objections may be presented to the court, the answers being then deferred. Also that by a demand served ten days before the trial, either party may call on the other to admit in writing the execution or genuineness of any document, letter or other writing, and if such admission be not made within five days after such service, the costs shall be upon the party refusing to do so unless it shall appear that the refusal was reasonable.

Rule 59 provides that the references to a master shall be exceptional and not usual excepting in matters of account, and that the reference shall be presented to the master for hearing within twenty days unless a longer time be specially granted by the court or judge.

Rule 60 provides for proceedings before the master.

Rule 61 for the master's report and that documents shall be identified but not set forth.

Rule 62 recites the powers of the master as follows:

"The master shall regulate all the proceedings in every hearing before him, upon every reference; and he shall have full authority to examine the parties in the cause, upon oath, touching all matters contained in the reference; and also to require the production of all books, papers, writings, vouchers, and other documents applicable thereto; and also to examine on oath, viva voce, all witnesses produced by the parties before him, or by

deposition, according to the acts of Congress, or otherwise, as here provided; and also to direct the mode in which the matters requiring evidence shall be proved before him; and generally to do all other acts, and direct all other inquiries and proceedings in the matters before him, which he may deem necessary and proper to the justice and merits thereof and the rights of the parties."

Rule 63 provides for the form of account before the master, all being required to bring them in in the form of debtor and creditor.

Rule 64 provides for former depositions, etc., being used before the master.

Rule 65 provides for examination in a manner such as the nature of the case may appear to the master to require.

Rule 66 relates to the return of master's report—exceptions and hearing, twenty days being given from the time of filing of the report to file exceptions.

Rule 67 provides for costs on exceptions to master's report.

Rule 68 for the appointment and compensation of master.

Rule 69 relates to petition for rehearing.

Rule 70 to suits by or against incompetents.

Rule 71, with reference to form of decrees, reads as follows:

"In drawing up decrees and orders, neither the bill, nor answer, nor other pleadings, nor any part thereof, nor the report of any master, nor any other prior proceedings, shall be recited or stated in the decree or order; but the decree and order shall begin, in substance, as follows: 'This cause came on to be heard (or to be further heard, as the case may be) at this term, and was argued by counsel; and thereupon, upon consideration thereof, it was ordered, adjudged, and decreed as follows, viz.:' (Here insert the decree or order.)"

Rule 72, with reference to correction of clerical mistakes in orders and decrees, reads as follows:

"Clerical mistakes in decrees or decretal orders, or errors arising fom any accidental slip or omission, may, at any time before the close of the term at which final decree is rendered, be corrected by order of the court or a judge thereof, upon petition, without the form or expense of a rehearing."

Rule 73, with reference to preliminary injunctions and temporary restraining orders, reads as follows:

"No preliminary injunction shall be granted without notice to the opposite party. Nor shall any temporary restraining order be granted without notice to the opposite party, unless it shall clearly appear from specific facts, shown by affidavit or by the verified bill that immediate and irreparable loss or damage will result to the applicant before the matter can be heard on notice. In case a temporary restraining order shall be granted without

notice, in the contingency specified, the matter shall be made returnable at the earliest possible time, and in no event later than ten days from the date of the order, and shall take precedence of all matters, except older matters of the same character. When the matter comes up for hearing the party who obtained the temporary restraining order shall proceed with his application for a preliminary injunction, and if he does not do so the court shall dissolve his temporary restraining order. Upon two days' notice to the party obtaining such temporary restraining order, the opposite party may appear and move the dissolution or modification of the order, and in that event the court or judge shall proceed to hear and determine the motion as expeditiously as the ends of justice may require. Every temporary restraining order shall be forthwith filed in the clerk's office."

Rule 74 provides for suspending, modifying or restoring an injunction during the pendency of an appeal.

Rule 75, with reference to the record on appeal and to its reduction and preparation, reads as follows:

In case of appeal:

"(a) It shall be the duty of the appellant or his solicitor to file with the clerk of the court from which the appeal is prosecuted, together with proof or acknowledgment of service of a copy on the appellee or his solicitor, a praecipe which shall indicate the portions of the record to be incorporated into the transcript on such appeal. Should the appellee or his solicitor desire additional portions of the record incorporated into the transcript, he shall file with the clerk of the court his praecipe also within ten days thereafter, unless the time shall be enlarged by the court or a judge thereof, indicating such additional portions of the record desired by him.

"(b) The evidence to be included in the record shall not be set forth in full, but shall be stated in simple and condensed form, all parts not essential to the decision of the questions presented by the appeal being omitted and the testimony of witnesses being stated only in narrative form, save that if either party desires it, and the court or judge so directs, any part of the testimony shall be reproduced in the exact words of the witness. The duty of so condensing and stating the evidence shall rest primarily on the appellant, who shall prepare his statement thereof and lodge the same in the clerk's office for the examination of the other parties at or before the time of filing his praecipe under paragraph a of this rule. He shall also notify the other parties or their solicitors of such lodgment and shall name a time and place when he will ask the court or judge to approve the statement, the time so named to be at least ten days after such notice. At the expiration of the time named or such further time as the court or judge may allow, the statement, together with any objections

made or amendments proposed by any party, shall be presented to the court or the judge and if the statement be true, complete and properly prepared, it shall be approved by the court or judge, and if it be not true, complete or properly prepared, it shall be made so under the direction of the court or judge and shall then be approved. When approved, it shall be filed in the clerk's office and become a part of the record for the purposes of the appeal.

"(c) If any difference arise between the parties concerning directions as to the general contents of the record to be prepared on the appeal, such difference shall be submitted to the court or judge in conformity with the provisions of paragraph b of this rule and shall be covered by the directions which the court or judge may give on the subject."

Rule 76 deals with record on appeal and especially with costs and correction of omissions.

Rule 77, with reference to record on appeal and agreed statement, reads as follows:

"When the questions presented by an appeal can be determined by the appellate court without an examination of all the pleadings and evidence, the parties, with the approval of the district court or the judge thereof, may prepare and sign a statement of the case showing how the questions arose and were decided in the district court and setting forth so much only of the facts alleged and proved, or sought to be proved, as is essential to a decision of such questions by the appellate court. Such statement, when filed in the office of the clerk of the district court, shall be treated as superseding, for the purposes of the appeal, all parts of the record other than the decree from which the appeal is taken, and, together with such decree, shall be copied and certified to the appellate court as the record on appeal."

Rule 78 provides for affirmation in lieu of oath.

Rule 79 provides for additional rules by district court.

Rule 80 provides for computation of time, excluding Sundays and holidays.

Rule 81 provides that these rules shall be effective February 1, 1913, and that the old rules be then abrogated.

915. EVANS v. EATON, 3 Wheaton (17 U. S.) 454, 4 L. ed. 433 (1818).

Marshall, C. J.:

In this case exceptions were taken in the circuit court, by the counsel for the plaintiff in error.

1. To the opinion of the court, in admitting testimony offered by the defendant in that court.

2. To its opinion in rejecting testimony offered by the plaintiff in that court.

3. To the charge delivered by the judge to the jury.

Under the 6th section of the act for the promotion of useful arts, and to repeal the act heretofore made for that purpose, the defendant pleaded the general issue, and gave notice that he would prove at the trial, that the improved hopper-boy, for the use of which, without license, this suit was instituted, had been used previous to the alleged invention of the said Evans, in several places (which were specified in the notice), or in some of them, and also at sundry other places in Pennsylvania, Maryland, and elsewhere in the United States. Having given evidence as to some of the places specified in the notice, the defendant offered evidence as to some other places not specified. This evidence was objected to by the plaintiff, but admitted by the court; to which admission the plaintiff's counsel excepted.

The 6th section of the act appears to be drawn on the idea that the defendant would not be at liberty to contest the validity of the patent on the general issue. It therefore intends to relieve the defendant from the difficulties of pleading, when it allows him to give in evidence matter which does affect the patent. But the notice is directed for the security of the plaintiff, and to protect him against that surprise to which he might be exposed from an unfair use of this privilege. Reasoning merely on the words directing this notice, it might be difficult to define, with absolute precision, what it ought to include, and what it might omit. There are, however, circumstances in the act which may have some influence on this point. It has been already observed, that the notice is substituted for a special plea; it is further to be observed, that it is a substitute to which the defendant is not obliged to resort. The notice is to be given only when it is intended to offer the special matter in evidence on the general issue. The defendant is not obliged to pursue this course. He may still plead specially, and then the plea is the only notice which the plaintiff can claim. If, then, the defendant may give in evidence on a special plea, the prior use of the machine at places not specified in his plea, it would seem to follow that he may give in evidence its use at places not specified in his notice. It is not believed that a plea would be defective, which did not state the mills in which the machinery alleged to be previously used was placed.

But there is still another view of this subject, which deserves to be considered. The section which directs this notice, also directs that if the special matter in the section stated be proved, "judgment shall be rendered for the defendant, with costs, and the patent shall be declared void." The notice might be intended not only for the information of the plaintiff, but for the purpose of spreading on the record the cause for which

the patent was avoided. This object is accomplished by a notice which specifies the particular matter to be proved. The ordinary powers of the court are sufficient to prevent, and will, undoubtedly, be so exercised, as to prevent, the patentee from being injured by the surprise.

This testimony having been admitted, the plaintiff offered to prove that the persons, of whose prior use of the improved hopper-boy the defendant had given testimony, had paid the plaintiff for licenses to use his improved hopper-boy in their mills since his patent. This testimony was rejected by the court, on the motion of the defendant; and to this opinion of the court, also, the plaintiff excepted.

The testimony offered by the plaintiff was entitled to very little weight, but ought not to have been absolutely rejected. Connected with other testimony, and under some circumstances, even the opinion of a party may be worth something. It is, therefore, in such a case as this, deemed more safe to permit it to go to the jury, subject, as all testimony is, to the animadversion of the court. * * *

916. BROWN ET AL. v. PIPER, 91 U. S. 37, 23 L. ed. 200 (1875).

[See, for facts, Part II.] * * *

There is another view of the case that may properly be taken.

Evidence of the state of the art is admissible in actions at law under the general issue without a special notice, and in equity cases without any averment in the answer touching the subject. It consists of proof of what was old and in general use at the time of the alleged invention. It is received for three purposes, and none other—to show what was then old, to distinguish what was new, and to aid the court in the construction of the patent.

Of private and special facts, in trials in equity and at law, the court or jury, as the case may be, is bound carefully to exclude the influence of all previous knowledge. But there are many things of which judicial cognizance may be taken. "To require proof of every fact, as that Calais is beyond the jurisdiction of the court, would be utterly and absolutely absurd." Gresley's Ev. in Eq. 294. Facts of universal notoriety need not be proved. See Taylor's Ev., § 4, note 2. Among the things of which judicial notice is taken are the law of nations; the general customs and usages of merchants; the notary's seal; things which must happen according to the laws of nature; the coincidences of the days of the week with those of the month; the meaning of words in the vernacular language; the customary abbreviations of Christian names; the accessions of the Chief

Magistrate to office, and his leaving it. In this country, such notice is taken of the appointment of members of the cabinet, the election and resignations of senators, and of the appointment of marshals and sheriffs, but not of their deputies. The courts of the United States take judicial notice of the ports and waters of the United States where the tide ebbs and flows, of the boundaries of the several States and judicial districts, and of the laws and jurisprudence of the several States in which they exercise jurisdiction. Courts will take notice of whatever is generally known within the limits of their jurisdiction; and, if the judge's memory is at fault, he may refresh it by resorting to any means for that purpose which he may deem safe and proper. This extends to such matters of science as are involved in the cases brought before him. See 1 Greenleaf's Ev. 11; Gresley's Ev., supra; and Taylor's Ev., § 4, and post.

In the Ohio L. & T. Co. v. Debolt, 16 How. 435, it was said to be "a matter of public history, which this court cannot refuse to notice, that almost every bill for the incorporation of companies" of the classes named is prepared and passed under the circumstances stated. In Hoare v. Silverlock, 12 Ad. & Ell. N. S. 624, it was held that where a libel charged that the friends of the plaintiff had "realized the fable of the frozen snake," the court would take notice that the knowledge of that fable existed generally in society. This power is to be exercised by courts with caution. Care must be taken that the requisite notoriety exists. Every reasonable doubt upon the subject should be resolved promptly in the negative. * * *

Here the principle and substance of the appellee's claim are set forth as belonging to the general domain of knowledge and science. It is known that Lord Bacon applied snow to poultry to preserve it. He said the process succeeded "excellently well." The experiment was made in his old age, imprudently, and brought on his last illness.

Examined by the light of these considerations, we think this patent was void on its face, and that the court might have stopped short at that instrument, and without looking beyond it into the answers and testimony, sua sponte, if the objection were not taken by counsel, well have adjudged in favor of the defendant.

These views render it unnecessary to consider the exceptions will be remanded, with directions to dismiss the bill.

The decree of the Circuit Court is reversed; and the cause to the master's report.

917. COCHRANE v. DEENER, 94 U. S. 780, 24 L. ed. 139 (1876).* * *

Mr. Justice Bradley delivered the opinion of the court.

This is a suit in equity, instituted in the Supreme Court of the District of Columbia for injunction and relief against an alleged infringement of various patents belonging to the complainants. The bill was dismissed, and the complainants have appealed.

The patents sued on are six in number, originally five, granted to the appellant Cochrane on the 13th of January, 1863, and numbered respectively 37,317, 37,318, 37,319, 37,320, and 37,321. They all related to an improved method of bolting flour, the first being for the general process, and the others for improvements in the different parts of the machinery rendered necessary in carrying on the process. Three of the original patents, Nos. 37,317, 37,318, and 37,321, were surrendered, and reissues taken in 1874, which reissues were numbered 5,841, 6,029, and 6,030, the first being for the process, and the other two for portions of the machinery. Reissue 6,029, being in place of the original patent numbered 37,321, was also subsequently surrendered, and two new reissued patents substituted therefor, numbered 6,594 and 6,595.

The case has been mainly argued on the question of infringement, the defendants using a bolting apparatus constructed according to letters-patent issued to Edward P. Welch in April, 1873, for improvements upon machines patented to Jesse B. Wheeler and Ransom S. Reynolds, which, as well as the process employed, they contend, are radically different from the apparatus and process of Cochrane.

A preliminary question is raised with regard to the jurisdiction of the court below to hear the case on a bill in equity, before a determination of the rights of the parties in an action at law.

The powers of the Supreme Court of the District of Columbia in patent cases are the same as those of the circuit courts of the United States. See Revised Statutes relating to the District of Columbia, secs. 760, 764.

The circuit courts were first invested with equity jurisdiction in patent cases by the act of Feb. 15, 1819, which declared that these courts should have "original cognizance, as well in equity as at law, of all actions, suits, controversies, and cases arising under any law of the United States, granting or confirming to authors or inventors the exclusive right to their respective writings, inventions, and discoveries; and upon any bill in equity, filed by any party aggrieved in any such cases, should have authority to grant injunctions, according to the course and principles of courts of equity," etc.

This law was substantially re-enacted in the seventeenth section of the patent law of July 4, 1836, and the fifty-fifth section of that of July 8, 1870, special powers to assess damages in equity cases being also conferred by the latter act.

Before the act of 1819 was passed, the circuit courts had cognizance of actions at law brought to recover damages for the infringement of patents, but not of suits in equity in relation thereto unless the parties happened to be citizens of different States. Phillips on Pat. 379; Livingston v. Van Ingen, 1 Paine, 54; Sullivan v. Redfield, Id. 447. Under that act and the subsequent acts in which it became incorporated, bills in equity for injunction, discovery, and account have constantly been sustained, frequently without any previous action at law. As said by Mr. Justice Grier, in a case decided at the circuit, "It is true that, in England the chancellor will generally not grant a final and perpetual injunction in patent cases, when the answer denies the validity of the patent, without sending the parties to law to have that question decided. But even there the rule is not universal: it is a practice founded more on convenience than necessity. It always rests in the sound discretion of the court. A trial at law is ordered by a chancellor to inform his conscience, not because either party may demand it as a right, or that a court of equity is incompetent to judge of questions of fact or of legal titles. In the United States, the practice is by no means so general as in England." Goodyear v. Day, 2 Wall. Jr. 296. Subsequently, in the case of Sickles v. Gloucester Manufacturing Co., 3 Id. 196, the same judge said: "The courts of the United States have their jurisdiction over controversies of this nature by statute, and do not exercise it merely as ancillary to a court of law." And, after quoting the statute, he proceeds: "Having such original cognizance, * * * the courts of the United States do not, in all cases, require a verdict at law on the title, before granting a final injunction, or concede a right to every party to have every issue as to originality or infringement tried by a jury."

The position of Mr. Justice Grier is undoubtedly true, that whether a case shall be first tried at law is a matter of discretion, and not of jursidiction; and in this matter the courts of the United States, sitting as courts of equity in patent cases, are much less disposed than the English courts are to send parties to a jury before assuming to decide upon the merits.

But the counsel for the defendants suggest that the Revised Statutes have not preserved in entirety the previous enactments on this subject, but have omitted the vesting of original cognizance in the circuit courts sitting as courts of equity in patent cases. From a careful consideration, however, of all the sec-

tions of the Revised Statutes on the subject, we think that no intention is evinced to make any change in the law. The original enactments are separated into distinct parts, and somewhat condensed; but the substance of them is retained. By sec. 629, the circuit courts are invested with jurisdiction, among other things, "Ninth, of all suits at law or in equity arising under the patent or copyright laws of the United States." And, by sec. 4921, it is declared, that "the several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions according to the course and principles of courts of equity," etc., following precisely the language used in the act of 1870, the last previous revision of this branch of the law. The grant of jurisdiction is as broad and general as it could well be, and the mode of exercising it is prescribed in precisely the same terms as in previous statutes.

In the present case, we see no special reason for sending the case to a court of law or to a jury for trial. There are no such issues depending upon the credibility of witnesses, or on the intricacy of machinery, as to make the case susceptible of easier solution or greater certainty as to the truth before such a tribunal than it admits of when presented to the consideration of a chancellor. It would, perhaps, be desirable if all cases of this sort could be referred to a commission of intelligent experts and practical men to report their opinion thereon, with their reasons, for the final action of the court. A proceeding of this kind was probably in the mind of Congress in passing the act of Feb. 16, 1875, authorizing a reference to a jury of five persons. Neither courts nor ordinary juries are perfectly adapted to the investigation of mechanical and scientific questions. The court below, however, exercised its discretion to decide the case upon its merits, without the aid of a jury of any sort, and their action is not a ground of appeal. If we were convinced, however, that the case was not properly decided, and could not be properly decided without such a reference, we might undoubtedly, in the exercise of our own discretion, remand it to the court below for that purpose. But we see nothing in the questions raised which requires that such a course should be adopted.
* * *

918. THE EXCELSIOR WOODEN PIPE CO. v. PACIFIC BRIDGE CO., 185 U. S. 282, 46 L. ed. 910 (1902).

On appeal from the Circuit Court of the United States for the District of Washington.

Statement of the Case.

This was a bill in equity filed by the Excelsior Wooden Pipe Company, a California corporation, against the Pacific Bridge

Company, also a California corporation, but having a branch in the city of Seattle, Wash., and Charles P. Allen, for the infringement of a patent issued to Allen, one of the defendants, for a wooden pipe.

Besides the usual allegations of a bill for the infringement of a patent, the plaintiff averred that, prior to the acts charged against the respondents, the said Charles P. Allen, one of the defendants, had granted December 20, 1892, unto the Excelsior Redwood Company, a California corporation, the exclusive right within the Pacific States of manufacturing and selling wooden pipe under his patent to the full end of its term; that the Excelsior Redwood Company had, with the written consent of Allen, the patentee, on December 22, 1892, transferred unto the Excelsior Wooden Pipe Company, plaintiff, the said exclusive license to it, from Allen, with all rights and privileges thereunder, and that Allen had been, and still was, the exclusive owner of the patent, and the plaintiff the sole and exclusive licensee; that the plaintiff has ever since and still is engaged in the manufacture and sale of the patented articles, and has filled all orders therefor, and is well known as the exclusive licensee, and that Allen has joined with the plaintiff in suits against infringers of his patent, all of which have resulted in his favor. The gravamen of the bill lies in the allegation that, notwithstanding all this, the defendant, the Pacific Bridge Company, and the said Allen, have since such license conspired to make and sell, and without the license and consent of your orator, exclusive licensee as aforesaid, have made and sold, within one year last past, within the State of Washington, wooden pipe substantially the same as that described in the patent and embodying the invention; and therefore it brought this bill to recover damages for this infringement and for an injunction.

The answer which was a joint one of both defendants, admitted the issue and validity of the patent and its ownership by defendant Allen. It is also admitted a license by defendant Allen to plaintiff's assignor, whereby the latter obtained the exclusive right to make and sell the patented articles in the territory described, and set out the license in full; but it denied that this license was a subsisting one, and alleged an abandonment of the same by the plaintiff, a forfeiture of all rights thereunder by failure and refusal to comply with its terms and conditions, and by acts of bad faith toward the patentee by seeking to defeat the patent and destroy its monopoly; and a revocation of the license by Allen for cause in pursuance of the terms of the contract. It also set up that after the alleged revocation of the license the defendant Allen granted a license to his joint defendant, the Pacific Bridge Company. In short, the only de-

fense was a denial of the license which lies at the basis of plaintiff's suit, and constitutes its title to the patent.

The usual replication was filed, and, pending an application on the part of defendants for an extension of time to take proofs, the plaintiff, apparently at the suggestion of the court, moved for a decree in its favor upon the pleadings and affidavits on file. Upon argument, which was upon the question of jurisdiction alone, the court held that the suit was not one arising under the patent laws, but solely out of a contract; that the court had no jurisdiction, and a decree was entered to that effect. Plaintiff thereupon appealed to the circuit court of appeals, which dismissed the case upon the ground that it had no jurisdiction itself over the appeal, and that, as such appeal was prosecuted from an order dismissing the bill solely for want of jurisdiction, it should have been taken to this Court. (109 Fed. 497.) Whereupon the mandate of the circuit court of appeals being filed in the circuit court, an appeal from the final decree of that court, which had been entered November 5, 1900, was taken to this Court. * * *

Mr. Justice Brown delivered the opinion of the Court.

1. Motion is made by defendants to dismiss this appeal upon the ground that no appeal was taken, and no certificate of the trial court upon the question of jurisdiction, was made by such court during the term at which the decree was rendered, and that no such certificate has since or ever been made.

As the appeal was taken directly to this Court, it must appear under the fifth section of the Court of Appeals act, either that the question of jurisdiction was certified to this Court, or that the decree appealed from shows upon its face that the sole question decided was one of jurisdiction. Plaintiff evidently supposed that the case was a proper one to carry to the court of appeals, but its appeal having been there dismissed, it took this appeal May 27, 1901, from the original decree of the circuit court made November 5, 1900. This decree, after reciting—

"that said suit does not really substantially involve a dispute or controversy properly within the jurisdiction of this court, and that this court should not further exercise jurisdiction, it is therefore ordered and decreed that said suit be and the same is hereby dismissed for want of jurisdiction."

An appeal was taken from this decree, and the order allowing the appeal states that the appeal was allowed—

"from the final order and decree dismissing said suit for want of jurisdiction."

This is clearly a sufficient certificate of the circuit court that the jurisdiction of that court was in issue, and the only question to be considered by us relates to the jurisdiction of that court.

(Shields v. Coleman, 157 U. S. 168; In re Lehigh Mining Co., 156 U. S. 322; Huntington v. Laidley, 176 U. S. 668.)

The case, being thus in proper condition for appeal, such appeal could be taken at any time within two years. (Allen v. Southern Pacific R. R. Co., 173 U. S. 479; Holt v. Indiana Manfg. Co., 176 U. S. 68.)

2. The most important question is whether this is a suit under the patent laws of the United States within the meaning of Revised Statutes sec. 629, sub. 9, which grants original jurisdiction to the circuit courts—

"of all suits at law or in equity arising under the patent or copyright laws of the United States."

The rule is well settled that, if the suit be brought to enforce or set aside a contract, though such contract be connected with a patent, it is not a suit under the patent laws, and jurisdiction of the circuit court can only be maintained upon the ground of diversity of citizenship. But difficulties sometimes arise in determining whether the action be upon a contract or upon the patent. The first case involving this question was Wilson v. Sandford, 10 How. 99, in which a bill filed on the equity side of the circuit court by the assignee of a patentee, to set aside a contract in the nature of a license upon the ground that the licensee had not complied with the terms of the contract, was held not to be a case under the patent laws. The object of the bill was to have the license set aside and forfeited, and plaintiff's title reinvested in him. Such was also the case in Brown v. Shannon, 20 How. 55, which was a bill to enforce the specific execution of certain contracts respecting the use of the patent; and in Albright v. Teas, 22 O. G. 2069, 106 U. S. 613, which was a suit brought by the plaintiff for moneys alleged to be due under a contract whereby certain Letters Patent granted to him were transferred to the defendant. This was clearly a bill to recover royalties, and no question under the patent laws was involved. Dale Tile Manfg. Co. v. Hyatt, 43 O. G. 249, 125 U. S. 46, was an action in a State court by the owner of the patent upon an agreement by which such owner granted an exclusive license to make and sell the patented articles within a certain territory. Defendant expressly acknowledged the validity of the patent. This, we held to be, clearly within the jurisdiction of the State court. A like ruling was made in the next case of Felix v. Scharnweber, 43 O. G. 251, 125 U. S. 54. In the same line of cases are those of Marsh v. Nichols, 56 O. G. 259, 140 U. S. 344, to enforce the specific performance of a contract to transfer an interest in a patent to the plaintiff; Wade v. Lawder, 165 U. S. 624; and Pratt v. Paris Light & Coke Co., 168 U. S. 255, which was an action

by patentees in a State court upon the common counts to recover of the defendant the stipulated price for manufacturing and setting up an apparatus for the manufacture of water-gas. Defendant pleaded that the plaintiff had agreed to save it harmless against any suit which might be brought against it for infringement, and to defend such suits at their own expense, and averred, among other things, that the patents were void and an infringement upon prior patents; that defendant had not kept plaintiffs harmless against such suits, but had refused to defend a certain suit brought against it, and that the defendant had rightfully rescinded the contract. It was held that the action was not one arising under the patent laws of the United States, and that to constitute such a cause the plaintiff must set up some right, title or interest under the patent laws, or at least make it appear that some right or privilege will be defeated by one construction or sustained by the opposite construction of those laws. That—

"section 711 does not deprive the State courts of the power to determine questions arising under the patent laws, but only of assuming jurisdiction of cases arising under those laws. There is a complete distinction between a case and a question arising under the patent laws. The former arises when the plaintiff in his opening pleading—be it a bill, complaint or declaration—sets up a right under the patent laws as ground for a recovery. Of such the State courts have no jurisdiction. The latter may appear in the plea or answer or in the testimony. The determination of such question is not beyond the competency of the State tribunals."

Now, as the bill in this case differs from an ordinary bill for infringement only in the fact that the suit is by a licensee against two defendants, one of whom is the licensor and owner of the patent, and the license is set forth only for the purpose of showing title, there would be no difficulty whatever in sustaining it, were it not for the question whether we are not also bound to consider the averments of the answer. We think this difficulty is practically settled by a reference to section 5 of the Jurisdictional Statute of 1875, 18 Stat. 470, 472, which provides—

"that if, in any suit commenced in a circuit court, * * * it shall appear to the satisfaction of the said circuit court, at any time after such suit has been brought, * * * that such suit does not really and substantially involve a dispute or controversy properly within the jurisdiction of said circuit court, * * * the said circuit court shall proceed no further therein, but shall dismiss the suit, etc."

While it seems reasonable to say that a jurisdiction once acquired by the filing of a proper bill ought not to be taken away by any subsequent pleading, the statute is peremptory in this particular, and requires the court to dismiss the case whenever at any time it shall appear that its jurisdiction has been improperly invoked. We are by no means without authority upon this question. In Robinson v. Anderson, 121 U. S. 522, it was held that when it appeared, after all the pleadings were filed, that the averments in the declaration which alone gave the court jurisdiction, were immaterial and made for the purpose of creating a case cognizable by the court, it was the duty of the circuit court to dismiss the bill for want of jurisdiction. Said the Chief Justice:

"Even if the complaint, standing by itself, made out a case of jurisdiction, which we do not decide, it was taken away as soon as the answers were in, because if there was jurisdiction at all it was by reason of the averments in the complaint as to what the defenses against the title of the plaintiffs would be, and these were of no avail as soon as the answers were filed and it was made to appear that no such defenses were relied on."

In Williams v. Nottawa, 104 U. S. 209, this Court went so far as to dismiss a case in which judgment had been rendered for the plaintiff in the circuit court, because it appeared from the testimony of the plaintiff that certain bonds were put in his hands for collection in which he had no real interest. It was held that it was the duty of the circuit court on its own motion, as soon as the evidence was in and the collusive character of the case shown, to stop all further proceedings and dismiss the suit, the Chief Justice further remarking that this proviso of the act of 1875 was a salutary one, and that it was the duty of the circuit courts to exercise their power under it in proper cases. See also Wetmore v. Rymer, 169 U. S. 115; Morris v. Gilmer, 129 U. S. 315; Lake County Commissioners v. Dudley, 173 U. S. 243.

Is there anything in the answer to show that the court was bound to dismiss the bill for want of jurisdiction?

The bill makes the usual allegations of a bill for infringement, and puts in issue (1) the title of the plaintiff, which in this case was a license from one of the defendants, fully set forth in the margin;[1] (2) the validity of the patent; and (3)

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[1]License and agreement.—This agreement, made this 11th day of March, 1893, by and between Charles P. Allen, of Denver, Colo., party of the first part, and the Excelsior Redwood Company, a corporation duly organized and existing under and by virtue of the laws of the State of California, and having its principal place of business in the city and county of San Francisco in said State, party of the second part:

Witnesseth: That, whereas, the party of the first part is the owner and holder, for, to and in the States and Territories hereinafter mentioned, of the whole right, title and interest in and to Letters Patent of the United States, No. 359,590, dated March 22, 1887, for "wooden pipe."

And, whereas, the party of the second part is desirous of obtaining for, to and within the said States and Territories hereinafter mentioned an exclusive right, license and privilege to manufacture and sell wooden pipe under and in accordance with said Letters Patent:

Now, therefore, the parties have agreed as follows: The party of the first part hereby grants, subject to the conditions hereinafter stated, unto the party of the second part, its successors and assigns, the exclusive right, license and privilege, within the States of Northern California, Oregon, Washington, Nevada, Montana and Idaho, and Territories of Arizona and Utah, of manufacturing and selling wooden pipe under and in accordance with the said Letters Patent, to the full end of the term of said Letters Patent.

The party of the second part agrees to pay unto the party of the first part, as a license fee or royalty under this license and agreement, the following sums, to-wit: One dollar ($1.00) on every one thousand feet, board measure, of lumber employed in the manufacture of said pipe and two and one-half per-cent. (2½%) on the cost at factory of all steel and iron used in said manufacture.

The said license or royalty is to be paid by the said party of the second part to the said party of the first part upon the final payment to the party of the second part of the contract-price on each and every contract taken by said party of the second part, involving the manufacture and sale of said patented wooden pipe. The right, license and privilege hereby granted is not transferable or assignable, either in whole or part, by the party of the second part, without the consent of the party of the first part. It is agreed that in case the party of the second part shall fail to use the above-described patent in any pipe constructed by them, of twelve (12) inches diameter and upward, or from any cause the said party of the second part shall cease the manufacture of wooden pipe, then and in that event all rights and privileges granted by this agreement and license to the said party of the second part shall at once be revoked.

It is understood and agreed that this agreement is binding upon the heirs, legal representatives and assigns of the party of the first part, and upon the successors and assigns of the party of the second part.

the infringement. The answer raises no issue as to the validity of the patent, or as to the acts charging infringement. It admits the license, but denies that it is a subsisting one, and pleads abandonment of the same by plaintiff, a forfeiture of all rights thereunder by failure to comply with its terms and conditions, and by acts of gross bad faith toward the patentee by seeking to defeat the patent, and a revocation of the license by Allen. It will be observed that the answer raises no question of the construction of the license, but merely of its existence—that is, of the title of the plaintiff to sue. Before deciding that these allegations oust the jurisdiction of the court it must at least appear that the plaintiff has another remedy by an action in a State court. But what remedy has it? All the agreements and conditions of the license are such as are made by the plaintiff's

assignor, the Excelsior Redwood Company. This company, the party of the second part, agrees first, to pay a license fee or royalty, the time of payment being fixed in a subsequent sentence; second, that it will neither transfer nor assign the license without the consent of the patentee (it was admitted that the patentee consented to the assignment to plaintiff); third, that in case the licensee should fail to use the patent in any pipe constructed by them, or from any cause it should cease to manufacture a wooden pipe, the license shall be at once revoked. The only clause in the license in which the patentee appears as promisor is that wherein—

"he hereby grants, subject to the conditions hereinafter stated, unto the party of the second part, its successors and assigns, the exclusive right, license and privelege within"—

certain States—

"of manufacturing and selling wooden pipe under and in accordance with the said Letters Patent to the full end of the term of said Letters Patent."

Now, it may be freely conceded that, if the licensee had failed to observe any one of the three conditions of the license, the licensor would have been obliged to resort to the State courts either to recover the royalties, or to procure a revocation of the license. Such suit would not involve any question under the patent law.

But the same does not hold good with respect to the licensee. There were practically but two ways in which the patentee could impair the grant he made to the licensee, and those were by a revocation of the license by a bill in equity, or by treating it as abandoned and revoked, and granting a license to another party. He elected the latter remedy, and made a contract with the Pacific Bridge Company to make and sell wooden pipe within the same territory. A suit in a State court would either be inadequate or would involve questions under the patent law. If the licensee sued at law he would be obliged to establish the fact that the patent had been infringed, which the patentee might have denied, and in any case could only recover damages for past infringements. If he sued in equity, he could only pray an injunction against future infringements; but this is exactly what he prays in this case, and thereby raises a question under the patent laws. In either case the patentee could defeat the action by showing that he did not infringe—in either case the defendant could so frame his answer as to put in issue the title, the validity or the infringement of the patent.

The natural and practically the only remedy, as it seems to us, was for the plaintiff to assert his title under the license

and to prosecute the defendants as infringers. In doing this he does what every plaintiff is bound to do, namely, set forth his title either as patentee, assignee or licensee, and thereby put that title in issue. The defendant is at liberty in such a case to deny the title of the plaintiff by declaring that the license no longer exists, but in our opinion this does not make it a suit upon the license or contract, but it still remains a suit for the infringement of a patent, the only question being as to the validity of plaintiff's title. There can be no doubt whatever that if the plaintiff sued some third person for an infringement of his patent, the defendant might attack the validity of his license in the same way, but it would not oust the jurisdiction of the court. Why should it do so in this case?

Much reliance is placed upon the case of Hartell v. Tilghman, 99 U. S. 547, which was a bill by a patentee against one with whom he had made a contract in the nature of a license, alleging that defendants, after paying the royalty for several months, refused to do certain other things which he charged to have been a part of the contract, and thereupon he forbade them further to use his patented process, and charged them as infringers. Defendants pleaded the contract as they understood it, and the tender of all that was due plaintiff under it, and their readiness to perform it.

Plaintiff's case was that there was a verbal agreement that he should prepare and put up his patented mechanism in defendants' workshop, and that after this was done defendants should take a license for the use of the invention. The machinery was put up, but defendants refused to sign the license apparently upon the ground that the patentee claimed the right to visit the works of the defendants, and inspect their books with a view to ascertaining the amount of work done. The dispute was as to the terms of the agreement, defendants insisting that they had never proposed to accept the license with the conditions mentioned. It was held that the patentee could not sue the defendants for an infringement, and in answer to the objection that he had no other remedy Mr. Justice Miller observed that he could establish his royalty once every year, and sue at law and recover every month or every year for what was due, and that, if he desired to assert his right of examining the works of the defendants, he could in a proper case compel them to submit to the examination. The case is the converse of the one under consideration, inasmuch as it was a suit by the patentee against the licensee for a violation of his contract, and, as the Court observed, the plaintiff might have brought suit for royalties. As already said, the patentee might have

done the same in this case, if he had sought to enforce his contract.

Much more nearly analogous to the case under consideration and practically upon all fours with it is that of Littlefield v. Perry, 7 O. G. 964, 21 Wall. 205. This was a suit by an assignee against the patentee, who had made a conveyance to the plaintiff of his patent with all improvements thereon, within certain States, for which plaintiff had agreed to pay royalty upon all articles sold, with a clause of forfeiture in case of non-payment or neglect after due notice, to make and sell the patented articles to the extent of a reasonable demand therefor. There was by a supplementary document an agreement reserving to the patentee the right to apply the principle of his invention to one special purpose. It was held that whether the plaintiff was an assignee or a licensee, he had a right to maintain a suit for infringement in his own name in a Federal court against the patentee. Said the Chief Justice:

"They [the plaintiffs] certainly had the exclusive right to the use of the patent for certain purposes within their territory. They thus held a right under the patent. The claim is that this right has been infringed. To determine the suit, therefore, it is necessary to inquire whether there has been an infringement, and that involves a construction of the patents, * * * such a suit may involve the construction of a contract as well as of a patent, but that will not oust the court of its jurisdiction. If a patent is involved, it carries with it the whole case."

Upon the subject of a licensee suing his own patentee the Chief Justice observed:

"A mere licensee cannot sue strangers who infringe. In such cases redress is obtained through or in the name of the patentee or his assignee. Here, however, the patentee is the infringer, and, as he can not sue himself, the licensee is powerless, so far as the courts of the United States are concerned, unless he can sue in his own name. A court of equity looks to the substance rather than form. When it has jurisdiction of parties it grants the appropriate relief without regard to whether they come as plaintiff or defendant. In this case the person who should have protected the plaintiff against all infringements has become himself the infringer."

White v. Rankin, 59 O. G. 1606, 144 U. S. 628, was a bill by a patentee for infringement, to which there was answer setting up an agreement between the plaintiff and one of the defendants to assign to him an interest in the patent on certain condition, which it was alleged were performed, and certain other matters which it was alleged gave the defendants the right to make use and sell the patented invention. The case was tried upon

a stipulation admitting that defendants had made and sold the patented inventions, and that a certain written agreement between the plaintiff and one of the defendants had been made as above stated. The circuit court entered a decree dismissing the bill, which was reversed by this Court.

"It [the court] appears [said Mr. Justice Blatchford] to have dismissed the bill on the simple ground that the defendant set up a contract of license from White. The bill being purely a bill for infringment, founded upon patents, what was set up by the defendants was set up as a defense and as showing the lawful right in them to do what they had done, and as a ground for the dismissal of the bill because they had not infringed the patents."

The decree was not one upon the facts of the case, but was simply a decree that the court had no jurisdiction to try the case. The subject-matter of the action, as set forth in the bill, gave the court jurisdiction, and exclusive jurisdiction, to try it. All of the parties to the suit were citizens of California, and if jurisdiction did not exist under the patent laws it did not exist at all.

"The circuit court found nothing as to the existence or validity of the contract, decree or deed mentioned in the stipulation. The stipulation provides that at the hearing the contract, complaint, answer, decree and deed set forth in the stipulation may be offered in evidence, subject to such objections as might be urged against the originals thereof. The stipulation further states that the defendants do not admit that anything is due to the plaintiff from Thompson, and that they do admit that nothing had been paid by Thompson to the plaintiff under the decree of the State court of August 26, 1884, and since the making thereof. All these matters and questions ought to have been adjudicated by the circuit court before it could find ground to determine whether or not it should dismiss the bill. Until it had so adjudicated those questions the decision in the case of Hartell v. Tilghman could not apply."

The cases in the circuit courts and courts of appeal are too numerous to be analyzed, or even cited. One of the most recent and satisfactory is that of the Atherton Machine Co. v. Atwood-Morrison Co., 102 Fed. 949, in which it was broadly held that a suit in which the relief sought is an injunction and a recovery of damages for the infringement of a patent is one arising under the patent laws of the United States, although it incidentally involves a determination of the question of the ownership of the patent, which was claimed by both complainant and defendant under separate assignments from the patentee. All the cases cited herein are reviewed and the jurisdiction sustained.

The difficulty with the defendant's position in the case under consideration is that it apparently leaves the plaintiff without an adequate remedy. Defendant has broken no express covenant of the contract, since it has made no covenant. It has simply ignored the existence of the contract and granted a license to another party. It is difficult to see what remedy is available to the plaintiff in a State court that would not involve the right of the defendant to use the patent. In other words, it would be an ordinary suit for infringement in which the federal courts would alone have jurisdiction. Whether it sued at law or in equity, its damages would be such as are usual in cases of infringement, and the only injunction it could obtain would be against the further use of the invention.

In any suit that could be brought the title of the plaintiff to sue must be put in issue, and, that being the title to the patent, is put in issue in every suit for infringement. We held in Pratt v. Paris Light & Coke Co., 168 U. S. 255, with respect to an action in a State court, which involved the question whether the patents were void and an infringement upon prior patents, that this did not necessarily oust the State court of its jurisdiction; and by parity of reasoning we hold in this case that the mere fact that the suit may involve the existence of the license does not oust the court of jurisdiction of a suit for the infringement of a patent.

While we do not intend to allow the jurisdiction of the federal courts to be invoked primarily for the determination of the respective rights of parties to a contract concerning patents, yet when the bill is an ordinary one for an infringement and the answer puts in issue the title of the plaintiff to sue, we think the jurisdiction is not ousted by the mere allegation that the license has been revoked and that the court is at liberty to go on and determine that fact. We regard this question as conclusively settled in Perry v. Littlefield, 21 Wall. 205, and White v. Rankin, 144 U. S. 628, and have no disposition to disturb it.

The decree of the circuit court is, therefore, reversed, and the case remanded to that court for further proceedings consistent with this opinion.

Mr. Justice Gray did not sit in this case or participate in the decision.

919. UNITED STATES v. AMERICAN BELL TELEPHONE CO., 159 U. S. 548, 40 L. ed. 255 (1895).* * *

Mr. Chief Justice Fuller delivered the opinion of the court.

This is a suit by the United States to cancel a patent for an invention granted to the American Bell Telephone Company, as assignee of the inventor, Emile Berliner. On a hearing in

the circuit court there was a finding and decree for the complainant. 69 O. G. 1778, 65 Fed. 86. The cause having been taken to the circuit court of appeals for the first circuit, the decree of the circuit court was reversed, and it was ordered that the bill be dismissed. (71 O. G. 1903, 68 Fed. 542.) From this decree an appeal was taken by the United States to this court, which appellees now move to dismiss—

"for want of jurisdiction in this court to entertain it under the circuit court of appeals act of March 3, 1891, c. 517, 26 Stat. 828, for the reason that the case is a case arising under the patent laws."

The Supreme Court has appellate jurisdiction, under the constitution, in all cases to which the judicial power extends, (other than those in respect of which it has original jurisdiction,) "with such exceptions and under such regulations as the Congress shall make."

It was early held that in the passage of the judicary act of 1789, Congress was executing the power of making exceptions to the exercise of appellate jurisdiction, and that the affirmative description of the cases to which the appellate power extended was to be understood as implying a negative on the exercise of such appellate power as was not comprehended within it, but that as this restriction rested on implication founded on the manifest intent of the legislature, it could be sustained only when that manifest intent appeared. Durousseau v. United States, 6 Cranch, 307.

Where the appellate jurisdiction is described in general terms so as to comprehend the particular case, no presumption can be indulged of an intention to oust or to restrict such jurisdiction; and any statute claimed to have that effect must be examined in the light of the objects of the enactment, the purposes it is to serve and the mischiefs it is to remedy, bearing in mind the rule that the operation of such a statute must be restrained within narrower limits than its words import, if the court is satisfied that the literal meaning of its language would extend to cases which the legislature never intended to include in it. (Petri v. Commercial National Bank of Chicago, 142 U. S. 644, 650; Brewer's Lessee v. Blougher, 14 Pet. 178; Reiche v. Smythe, 13 Wall. 162, 164; Market Company v. Hoffman, 101 U. S. 112.)

We inquire then whether the appellate jurisdiction of this court over controversies to which the United States are parties has been circumscribed by Congress in respect to the right of appeal.

By § 629 of the Revised Statutes, original jurisdiction was conferred upon the circuit courts (with a limitation as to the

value of the matter in dispute) of all suits in equity and all suits at common law where the United States are petitioners or plaintiffs; all suits at law or in equity, arising under any act providing for revenue from imports or tonnage; all causes arising under any law providing internal revenue; all causes arising under the postal laws; and all suits at law or in equity arising under the patent or copyright laws of the United States. By the fifth paragraph of § 711, the jurisdiction of the courts of the United States of all cases—

"arising under the patent right or copyright laws of the United States—"

was declared to be exclusive.

By the act of March 3, 1875, 18 Stat. 470, it was provided:

"The circuit courts of the United States shall have original cognizance, concurrent with the courts of the several States, of all suits of a civil nature at common law or in equity, where the matter in dispute exceeds, exclusive of costs, the sum or value of five hundred dollars, and arising under the constitution or laws of the United States, or treaties made, or which shall be made, under their authority, or in which the United States are plaintiffs or petitioners;"

and this was repeated in substance, the differences being immaterial here, in the acts of March 3, 1887, 24 Stat. 552, and August 13, 1888, 25 Stat. 433.

And this court had appellate jurisdiction over all final judgments and decrees of any circuit court, or of any district court acting as a circuit court, in civil actions where the matter in dispute exceeded the sum or value of five thousand dollars. (Rev. Stat., §§ 690, 691, 692, 18 Stat. 315.)

The primary object of the act of March 3, 1891, (c. 517), as stated in American Construction Company v. Jacksonville Railway Company, 148 U. S. 372, 382—

"well known as a matter of public history, manifest on the face of the act, and judicially declared in the leading cases under it, was to relieve this court of the over-burden of cases and controversies, arising from the rapid growth of the country, and the steady increase of litigation; and, for the accomplishment of this object, to transfer a large part of its appellate jurisdiction to the circuit courts of appeals thereby established in each judicial circuit, and to distribute between this court and those, according to the scheme of the act, the entire appellate jurisdiction from the circuit and district courts of the United States."

By § 5 of this act, appeals or writs of error may be taken from the circuit court directly to this court in six specified class-

es of cases: where the jurisdiction of the court below is in issue; in prize causes; in cases of convictions of capital or otherwise infamous crimes; in cases involving the construction or application of the Constitution of the United States; in cases in which the constitutionality of any law of the United States, or the validity or construction of any treaty made under its authority, is drawn in question; in cases where the constitution or law of a State is claimed to be in contravention of the constitution of the United States. Cases in which the United States are plaintiffs or petitioners are not enumerated as falling within either of these classes, nor are cases involving merely the construction of a law of the United States, those ordinarily arising under the heads of jurisdiction in respect of subjects-matter treated of in the sixth section.

By the sixth section, it is provided that the circuit courts of appeals shall have appellate jurisdiction—

"in all cases other than those provided for in the preceding section of this act, unless otherwise provided by law."

The courts of appeals, therefore, have appellate jurisdiction of all cases in which original jurisdiction is conferred on the circuit courts by reason of the United States being plaintiffs or petitioners. It is further provided by that section that—

"the judgments or decrees of the circuit courts of appeals shall be final in all cases in which the jurisdiction is dependent entirely upon the opposite parties to the suit or controversy, being aliens and citizens of the United States or citizens of different States; also in all cases arising under the patent laws, under the revenue laws, and under the criminal laws and in admiralty cases."

And the last paragraph of the section provides that—

"in all cases not hereinbefore, in this section, made final, there shall be of right an appeal or writ of error or review of the case by the Supreme Court of the United States where the matter in controversy shall exceed one thousand dollars besides costs."

Judgments or decrees in cases in which the ground of jurisdiction of the circuit court is that the United States are plaintiffs or petitioners are not made final in terms, and such cases would fall within the last paragraph, unless restricted by the previous enumeration. And the contention is that the words "cases arising under the patent laws," must be held to operate as such restriction, and to render the judgments and decrees of the circuit courts of appeals final, notwithstanding the existence of another distinct ground of jurisdiction in the circuit court, and that there would consequently be a right of appeal from a

decree of a circuit court of appeals dismissing a bill by the United States to cancel a patent for land, but none where the bill is one to repeal an invention patent.

In United States v. Telephone Company, 45 O. G. 1311, 128 U. S. 315, 359, we said:

"In the present case the United States are plaintiffs, and the bill asserts that the suit is one of a civil nature, and of equitable cognizance, and manifestly, if it presents a good cause of action, it arises under the laws and constitution of the United States. It is therefore, within the language of both of the constitution and of the statute conferring jurisdiction on the circuit courts."

Two grounds to support the jurisdiction were thus indicated, but the question there was whether the judicial power of the United States under the constitution extended to a suit by the United States to repeal a patent, and in that view it was held that such a suit was a case arising under the laws of the United States, as had been previously adjudged many times by the court. In the language of appellee's counsel—

"the judgments in the great contests reported in Cranch and Wheaton established that these words embraced, and therefore carried the judicial power to, every case wherein the existence or extent of a right purporting to be given by federal authority and claimed by either party, became an essential ingredient."

Nevertheless, in respect of removals of suits from the State courts to the circuit courts under the acts of March 3, 1887, and August 13, 1888, we held, upon what was deemed the true construction of the statutes, that the right of removal was limited to cases in which it appeared from the plaintiff's statement of his own claim that his cause of action was one arising under the constitution or laws of the United States. Tennessee v. Bank, 152 U. S. 454; Chappell v. Waterworth, 155 U. S. 102.

In Colorado Mining Company v. Turck, 150 U. S. 138, it was ruled that when the original jurisdiction of a circuit court is invoked upon the sole ground that the determination of the question depends upon some question of a federal nature, it must appear, at the outset, from the pleadings, that the suit is one of that character of which the circuit court could properly take cognizance at the time its jurisdiction was invoked; and that where the jurisdiction was invoked solely on the ground of diverse citizenship, the judgment of the circuit court of appeals was final, although another ground for jurisdiction in the circuit court might be developed in the course of subsequent proceedings in the case. How the case might be if the plaintiff had invoked jurisdiction on two distinct grounds, one of them being independent of diverse citizenship, was not determined.

Nor is it necessary to pass upon that question in this instance for the motion may be disposed of upon the inquiry whether it was manifestly the intention of Congress to include such a case as that before us in the words "arising under the patent laws." Now, actions at law for infringement, and suit in equity for infringement, for interference and to obtain patents, are suits which clearly arise under the patent laws, being brought for the purpose of vindicating rights created by those laws, and coming strictly within the avowed purpose of the act, to relieve this court of that burden of litigation which operated to impede the disposition of cases of peculiar gravity and general importance.

We are of opinion that it is reasonable to assume that the attention of Congress was directed to this class of cases, and that the language was used as applicable only to them; and that there is nothing in the objects sought to be attained and the mischiefs sought to be remedied by the act which furnishes foundation for the belief that Congress manifestly intended to place a limitation on the appellate jurisdiction of this court in a case such as this.

Moreover, in those cases, the subject-matter is everything in respect of jurisdiction, and the character of the parties nothing; while here, the character in which the plaintiffs sue and the nature of the case are inseparably blended.

In instituting this suit, the government appeared on behalf of the public, and, as it were, in the exercise of the beneficent function of superintending authority over the public interests, and the rule of construction in such cases is properly regarded as affected by considerations of public policy. It is upon the principle of public policy that the United States have been held not bound by statutes of limitation unless Congress has clearly manifested that they should be so bound. (United States v. Railway Company, 118 U. S. 120, 125; Stanley v. Schwalby, 147 U. S. 508) and the same rule is applicable to the exercise of the prerogative of parens patriae inherent in the supreme power of every State, in respect of which it was observed by Mr. Justice Strong in Savings Bank v. United States, 19 Wall. 227, 237, that so much of the royal prerogative as belonged to the King in his position as universal trustee enters as much into the principles of our state as it does into the principles of the British government. Hence it was held in United States v. Beebe, 127 U. S. 338, that the United States are not bound by any statute of limitations, nor barred by laches of their officers, in a suit brought by them, as sovereign, to enforce a public right or to assert a public interest.

In United States v. Telephone Company, supra, it was decided that where a patent for a grant of any kind issued by the

United States has been obtained by fraud, by mistake or by accident, a suit by the United States against the patentee is the proper remedy for relief, and that in this country, where there is no kingly prerogative but where patents for land and inventions are issued by the authority of the government, and by officers appointed for that purpose who may have been imposed upon by fraud or deceit, or may have erred as to their power, or made mistakes in the instrument itself, the appropriate remedy is by proceedings by the United States against the patentee.

We can not impute to Congress the intention of narrowing the appellate jurisdiction of this court in a suit brought by the United States as a sovereign in respect of alleged miscarriage in the exercise of one of its functions as such; deeply concerning the public interests; and not falling within the reason of the limitations of the act.

Motion denied.

Mr. Justice Gray took no part in the consideration and disposition of this motion. [Compare Judicial Code.]

920. NEIDICH v. FOSBENNER, 108 Fed. 266 (C. C. N. Y.)

Coxe, District Judge: * * *

The bill alleges the infringement of letters-patent No. 640,013, for a new and useful improvement in methods of assimilating printed and typewritten work. The defendants demur on the ground that the patent on its face is void for want of patentable novelty. Unless the court is satisfied that by no possibility can the complainant succeed the suit should not be dismissed in this summary manner. It is true that, upon the face of the patent, there is plausibility in the argument that the method covered by the claims involves only simple changes in the printer's art within the knowledge of every skilled workman. But it is also true that the complainant may be able to produce testimony which will convince the court that invention is involved. That this may be done is enough. The demurrer must be overruled upon the following authorities: New York Belting & Packing Co. v. New Jersey Car-Spring & Rubber Co., 137 U. S. 445, 11 Sup. Ct. 193, 34 L. ed. 741; Ballou v. Edward A. Potter & Co., (C. C.) 88 Fed. 786; Electric Vehicle Co. v. Winton Motor-Carriage Co., (C. C.) 104 Fed. 814; Industries Co. v. Grace, (C. C.) 52 Fed. 124; Beer v. Walbridge, 40 C. C. A. 496, 100 Fed. 465; American Fibre-Chamois Co. v. Buckskin-Fibre Co., 18 C. C. A. 662, 72 Fed. 508; Bottle Seal Co. v. De La Vergne Bottle & Seal Co., (C. C.) 47 Fed. 59; Krick v. Jansen, (C. C.) 52 Fed. 823; Lalance & Grosjean Mfg. Co. v. Mosheim, (C. C.) 48 Fed. 452; Lyons v. Drucker, (C. C. A.) 106 Fed. 416.

The demurrer is overruled. The defendant may answer within 30 days upon paying the costs of the demurrer.

[Compare here and in following Equity Rules promulgated November 4, 1912.]

921. PAINE v. TRASK, 56 Fed. 233, 5 C. C. A. 497 (1893, First Circuit).* * *

Before Putnam, Circuit Judge, and Nelson and Webb, District Judges.

Putnam, Circuit Judge:

This is a bill in equity, brought by the appellant to protect a patent for an alleged improved automatic regulator for hot-air furnaces. With other defenses is that of an alleged assignment from the complainant to the American Automatic Furnace Regulator Company, said to bear date and to have been recorded in the patent office before this bill was filed. The bill alleges that the complainant was sole owner of the patent from the time of its issue to the time of the filing of the bill. The answer does not specifically meet this allegation; but it closes with a general denial. If this is not sufficient, the only remedy, according to the practice of the federal courts, was by exceptions under the sixty-first equity rule; and so the lack of a sufficient denial of any allegation in the bill did not relieve the complainant from proving the truth of it. Moreover, in this case the parties have fully gone into the matter of title, and waived any possible question of pleading.

The defendant, now the appellee, did not put in evidence the original alleged assignment, nor sufficiently account for his omission to do so. In lieu thereof he put in a duly-certified copy of the patent-office record of the alleged assignment, and this without objection from the complainant, and without any motion to strike it out. At the hearing in this court the appellee claimed that this certified copy has probative force of itself, and makes out a prima facie case of an assignment. He cited, as sustaining this proposition, Lee v. Blandy, 1 Bond 361; also found in 2 Fish. Pat. Cas. 89. He might also have cited Brooks v. Jenkins, 3 McLean, 432; Parker v. Haworth, 4 McLean 370; Dederick v. Agricultural Co., 26 Fed. 763; and Rob. Pat. § 1040. Walker on Patents (2d Ed., § 495), referring to these decisions, says that they have been generally acquiesced in for more than 20 years, and that few rules of patent law have been more frequently made the basis of action by counsel and by courts than the one which they apparently sustain. The author, however, adds: "But it hardly seems justified by the statute upon which it is based, and may even yet be overthrown by the supreme court."

It will be seen that this rule originated with Judge McLean; and it will also be found that, in the two earlier cases decided by him, he referred to the fact that the statute of 1836 (chapter 357), the then existing patent code, directed (§ 11) that every assignment should be recorded. The terms of the existing statute make no requirement, but leave it to the assignee to record the assignment or not, for protection of his interests, at his option.

Campbell v. Gaslight Co., 119 U. S. 445, 7 Sup. Ct. 278, recognizes the ordinary rules of evidence of the common law in connection with an analogous statute relating to the records of the general land office. The case turned on § 891 of the Revised Statutes, which provides that authenticated copies of records of the general land office shall be "evidence equally with the originals thereof" being by its letter much more favorable to the position of the appellee than anything in any statute touching copies from the patent-office records; yet the supreme court held that the words "evidence equally" were not intended to mean that in all cases a copy should have the same probative force as the original instrument, but that "it should be regarded as of the same class in the grades of evidence as to written and parol and primary and secondary."

Rev. Stat., § 892, which provides for certified copies from the patent office, relates only to records, books, papers, or drawings "belonging to" that office, and letters-patent. If the law required the original assignments to remain on file, and that certified copies should be given of them, a different principle would be involved; but the only thing in this case "belonging to" the patent office is the record, which is itself only secondary evidence. No provision is made for authentication of the genuineness of the instrument to be recorded, as frequent in laws providing for registry, but a forged assignment may be recorded equally with a genuine one. Neither is there any method given by the law, by which any person prejudiced by the registry in the patent office of a spurious instrument, can purge the records. Neither does this registry have the moral protection presumably given to local county and township records through local publicity and notoriety. The proposition is made by the appellee, is independent of the support which times comes from the fact that one party or the other to an in- strument has continued openly to act under it, or from di- bility given to ancient papers and records; but it s s a universal, unqualified claim with reference to all copies of alleged assignments certified from the patent-office records.

It is not, however, necessary that we should determine this point, and we refer to it only for the purpose of making it under-

stood that we can not acquiesce in it without further consideration. The copy was introduced by the defendant into the record, and read by him in the court below without objection, and was connected by him with parol evidence which satisfies this court sufficiently that, on the whole case, he has proven that the complainant made the assignment in question to a veritable person, or corporation, before this suit was commenced. The appellant objects in this court to this copy, because he says proper foundation was not laid for the introduction of secondary evidence, and also for want of proof by the apparent attesting witnesses. The latter objection would not be operative in any court, as an attesting witness is not required for proof of copies. The first objection would have merited attention, if seasonably taken. The rules governing this class of evidence in equity and the practice concerning it, except where there is an order permitting proof of exhibits at the hearing, is well shown in Wood v. Strickland, 2 Mer. 461; but these objections were not urged in the court below, and by well-settled principles of practice applicable to appellate courts they can not be raised here in the first instance. Wasatch Min. Co. v. Crescent Min. Co., 148 U. S. 293, 13 Sup. Ct. 600; Rules of the Supreme Court No. 13, 3 Supt. Ct. x.

As this alleged assignment involves only a pure question of fact, which is not of general interest, and not likely to present itself in any other case, and as many of the elements of the proofs on this point are given in the opinion of the learned judge who heard the cause in the circuit court, it is enough for us to state our conclusion.

It appears that at the time the assignment was made the complainant did not have a title, but he acquired it before the filing of the bill in this case. The appellee claims that this operated to support the assignment, and to give it the same effect as though the complainant had had a title when it was made; and this position was not contested by the latter. Therefore we have not found it necessary to consider whether the circumstances of the case are such as to justify the application of the rule invoked in this respect. See U. S. v. California & O. Land Co., 148 U. S. 31, 13 Sup. Ct. 458.

The case contains a suggestion that complainant retained some equitable or joint interest, notwithstanding his assignment was absolute on its face; but we have in the record no proper proofs nor sufficient parties to enable us to take cognizance thereof.

Decree of the circuit court affirmed.

[Compare Nos. 739 and 740.]

922. EDISON ELECTRIC LIGHT CO. v. SAWYER-MAN ELECTRIC CO., 53 Fed. 592, 3 C. C. A. 605 (1892, Second Circuit).* * *

The question whether there has been any laches in asserting the patent was considered by the circuit court of appeals upon the appeal from the decree of the circuit court, and that court declared that no case was shown to authorize the refusal of an injunction on any theory of laches or equitable estoppel by reason of undue delay in bringing suit, or acquiescence in known infringement. If the owners of the patent proceeded with due diligence as respects the United States Lighting Company, no other infringers of the patent can be heard to complain with reason that suit was not brought against them upon the patent previous to the adjudication of its validity in the circuit court. It is a matter of notoriety that that litigation was a very expensive and arduous one; and its progress must have been familiar to all those who were extensively interested in having the patent defeated. As regards the present defendant, there are no new facts of importance bearing upon the question of laches to distinguish the case from that shown in the former suit. We see no reason for changing the opinion expressed by this court in the former case, and do not deem it necessary, because the same defense has again been urged upon substantially the same state of facts, to add anything to that opinion. Every one of the manufacturing corporations, the competitors of the Edison Companies, commenced their operations with a knowledge of the existence of the patent in suit. They were controlled by business men of intelligence and experience. Their promoters and managers may have believed, and probably did, that the patent could not be successfully maintained; but they entered upon the business with an understanding of its risks, and of the consequences which would befall them as infringers, if the patent should be sustained. None of them can now be justly heard to say that an injunction which is essential, if not indispensable, to the protection of the owners of the patent and their licensees ought not to be granted because of the great pecuniary loss which may result. If, in consequence of being deprived of the use of the lamps, their investments in other electric apparatus will be greatly depreciated, they must take the consequences.

The users who have supplied themselves with electric lighting plants from the infringers, which required for their operation lamps of the patent, are of course infringers; but those who did so before the decision of the circuit court sustaining the patent, and at a time when judicial decisions in foreign countries interpreting the patent were in conflict, and who are now willing to accept their lamps from the complainants upon

reasonable terms, have much stronger equities than the manufacturing infringers. These equities the court will not disregard; but what would be reasonable terms, if an application were made to the court on behalf of these users, is a question which can only be determined in each case upon its particular circumstances. As to those users, however, who have acquired these plants subsequent to the decision of the circuit court, if they are deprived of the use of the lamps, and as a consequence the value of their plants may be greatly impaired, they must accept the result as a consequence of their own imprudence.

We are not disposed to investigate upon the present case the character of the combination which has been formed under the name of the "General Electric Company." Whether that combination is intended to fetter competition, and is illegal as one in restraint of trade, is a question which we should not undertake to decide upon the evidence before us and in a suit to which it is not a party. The present complainants are entitled by the patent laws to a monopoly, for the term of the patent, of the manufacture and sale of the lamps made under it. The right to this monopoly is the very foundation of the patent system. They do not lose that right merely because they may have joined in a combination with others, holding other patents securing similar monopolies, which combination may, when judicially examined in a proper forum, be held to be unlawful. We do not feel justified in assuming upon the facts before us in the present suit that the use which the complainants propose to make of the injunction—an injunction which seems necessary to secure their monopoly and make their patent fruitful—will be such as to promote any other monopoly. When it shall be made to appear that some one, to whom in fairness and good conscience these complainants should sell their lamps, has been arbitrarily refused them, save upon oppressive and unreasonable terms, it will be time to consider whether the complainants should be allowed to continue in possession of the injunction.

The alleged estoppel seems to be farfetched and shadowy. The history which has been given shows that, before the Sawyer-Man Company was organized, litigation upon the patent in suit and upon the Sawyer-Man patents had commenced; that in 1887 the stock in the Sawyer-Man Company owned by the Thomson-Houston Company was sold to the Consolidated Company, a party to the suits; and that subsequently, in 1888, the Westinghouse Company, an actual party to the litigation, bought that portion of the stock from the Consolidated Company which had been owned by the Thomson-Houston Company. The estoppel lacks the elements which ordinarily create an estoppel in pais, namely, an injury or a harm to one person,

resulting from a reliance upon the acts, conduct, or declarations of another, in which there was an element of bad faith or willful neglect of duty. The history of the connection of the Thomson-Houston Company from 1886 to 1888 with the Consolidated Company, and with the Sawyer-Man Company, the defendant, shows that all these companies knew of the existence of the litigations in which the life of the present patent and of the Sawyer-Man patent was at stake. There can be no charge of concealment or constructive fraud. When the sale and the agreement of 1888 were made, there was no implied obligation upon the Thomson-Houston Company to remain in alliance with the Westinghouse system. The contingency that it might enter upon the manufacture of competing lamps was contemplated. Its union with the Edison interests has neither hastened nor facilitated the application for the present injunction. We perceive no adequate reason from the facts why the complainants should not obtain the ordinary results which attend a complainant's success in a suit in equity for the infringement of a patent.

The injunction order appealed from should be modified so as to cover only lamps made in infringement of the second claim of the patent, the other claims not having been infringed, according to the adjudication of the circuit court or of this court. It should also contain a provision reserving the right to the defendant to move hereafter for the vacation, suspension, or modification of the injunction upon proof of specific instances of refusal on the part of the complainants, or either of them, to supply the lamps of the patent upon terms reasonable, under the circumstances of the particular case, to the owners of electric lighting plants which were installed before the rendition of the interlocutory decree of the circuit court sustaining the validity of the patent.

923. TAYLOR v. SAWYER, 75 Fed. 301, 22 C. C. A. 203 (1896, Third Circuit).* * *

Wales, J.:

In Kittle v. Hall, 39 O. G. 707, 29 Fed. 508, it was held that while long acquiescence might defeat a bill for infringement no precedent had been discovered for the dismissal of a bill for so short a period as seven years, and that the defendants had not been misled, but knew of the plaintiff's rights. In McLean v. Fleming, 13 O. G. 913, 96 U. S. 245, the Court said:

"Equity courts will not, in general, refuse an injunction on account of delay in seeking relief, where the proof of infringement is clear, even though the delay may be such as to preclude the party from any right to an account for past profits."

To the same effect are the cases of Menendez v. Holt, 46 O.

G. 961, 128 U. S. 514, 9 Sup. Ct. 143; Price v. Steel Co., 46 Fed. 107; New York Grape-Sugar Co. v. Buffalo Grape-Sugar Co., 18 Fed. 638; Gilmore v. Anderson, 38 Fed. 846; Brush Electric Co. v. Electric Imp. Co., 45 Fed. 241. In the last-cited case the court remarked that the doctrine of laches is generally applicable to preliminary injunctions only. In Menendez v. Holt, supra, the Court, in discussing the question of laches, said:

"Mere delay or acquiescence can not defeat the remedy by injunction in support of the legal right, unless it has been continued so long, and under such circumstances, as to defeat the right itself. Hence, upon an application to stay waste, relief will not be refused on the ground that, as the defendant had been allowed to cut down half the trees upon the complainant's land, he had acquired by that negligence the right to cut down the remainder [citing Attorney General v. Eastlake, 11 Hare, 205]. * * * Acquiescence, to avail, must be such as to create a new right in the defendant. Where consent by the owner * * * is to be inferred from his knowledge and silence merely, it lasts no longer than the silence from which it springs. It is in reality no more than a revocable license."

The defendant asserts that the complainants are not entitled to an accounting for profits; but the decree of the circuit court orders an accounting only from the date of the defendant's incorporation, from and after which time there were no laches, as complainants had already begun their suit against the Morrison Company. This was sufficient notice to the defendant that the validity of the patent was in litigation, and thus takes away the excuse of ignorance for continuing the infringement. There is no proof of non-user or abandonment by the complainants nor of any act or omission of theirs which could have induced the defendant to believe that it would not be held liable for manufacturing and selling the infringing articles. The evidence falls far short of proving an estoppel or of proving such delay or acquiescence on the part of the complainants as should defeat the present suit. * * * [For this line of cases see also Parts XV, XVII; and for this case more fully see No. 1034.]

924. TRANSIT DEVELOPMENT CO. v. CHEATHAM ELECTRIC SWITCHING DEVICE CO., 194 Fed. 963 (C. C. A.) (1912, Second Circuit, Patent Nos. 612,702 and 917,541).

Before Lacombe, Coxe and Ward, Circuit Judges.

Lacombe, J.:

* * *

There was such a conflict of testimony (including the experts) touching the main issues as made it the duty of the trial judge to submit to the jury the two fundamental questions of

fact: "Was there invention?" "Was there infringement?" As we pointed out recently in Heide v. Panoulias, 188 Fed. 915, 110 C. C. A. 656, when questions of fact are disposed of by the trier of the facts in an equity suit, his decision may be reviewed on appeal. When disposed of by the verdict of a jury, properly instructed, its decisions on those points are not reviewable by the appellate court. The case at bar is like that considered by the Supreme Court in Bischoff v. Wethered, 76 U. S. 812, 19 L. ed. 829, where the record contained "much more than a few certified copies of issued patents," which the court would be entirely competent to construe for itself. The only question, therefore, for this court to determine, touching invention and infringement, is whether there was error in the instructions given to the jury or in some refusal to charge as requested by defendants.

* * *

The question of pioneership depends, of course, upon the prior state of the art and the skill of the calling, matters of fact about which there was a conflict of testimony; so the court left it to the jury to decide whether or not the first patent was a pioneer. He gave them proper instructions on that point, which were not excepted to. Their conclusion on such point is final. Upon conflicting proof it is a question for the jury to pass upon whether a patented invention is of a primary character and the patent a "pioneer patent." Royer v. Schultz Belting Company, 135 U. S. 319, 10 Sup. Ct. 833, 34 L. ed. 214.

925. EX PARTE NATIONAL ENAMELING CO., 201 U. S. 156, 50 L. ed. 707 (1906).

Statement of the Case.

In March, 1903, the petitioners filed their bill in the circuit court of the United States for the Southern District of New York against the New England Enameling Company, to restrain the further infringement by that company of letters-patent of the United States, No. 527,361, for improvements in enameling metal ware, and to recover damages for past infringement. After answer and proofs the case came on for hearing, and on July 8, 1905, a decree was entered, reciting that nine of the twelve claims in the patent were good and valid, that three were invalid and void by reason of the fact that the patentee was not the original or first inventor or discoverer, that five of the nine valid claims had been infringed by the defendant, but the remaining four had not been. As to the claims held invalid and those found to have been not infringed, it was ordered that the bill of complaint be dismissed. As to the remaining five claims, those held to be infringed, it was ordered that the plain-

tiffs recover the gains, profits, savings and advantages which the defendant had derived by reason of the infringement, and that the case be referred to a master to report the amount thereof, and also that an injunction issue against further infringement. On August 1, 1905, the defendant appealed from said decree to the court of appeals and filed its assignment of errors. On August 8 the plaintiffs also appealed to the circuit court of appeals and assigned as errors the rulings in the decree adverse to them. On January 3, 1906, this cross-appeal of the plaintiffs was dismissed by the court of appeals, on the ground that it had no jurisdiction thereof. Thereupon the plaintiffs filed in this court, this petition for a writ of mandamus commanding the judges of the circuit court of appeals to take jurisdiction of said cross-appeal, and to dispose of it simultaneously with the appeal of the defendant. * * *

Mr. Justice Brewer delivered the opinion of the court.

The decree entered by the circuit court was interlocutory and not final. (Barnard v. Gibson, 7 How. 650; Humiston v. Stainthorp, 2 Wall. 106, and cases cited in note; Estey v. Burdett, 109 U. S. 633, 637; McGourkey v. Toledo & Ohio Railway Company, 146 U. S. 536, [in this case is a full discussion of the differences between an interlocutory and a final decree]; Hohorst v. Hamburg-American Packet Company, 148 U. S. 262; Smith v. Vulcan Iron Works, 165 U. S. 518.)

Plaintiffs brought one suit upon a single patent. The findings of the circuit court that three of the twelve claims were invalid and that the remaining nine were valid, but that four of them had not been infringed by the defendant, did not break this one suit into twelve. They were a guide to the master in his ascertainment of the damages and indicated the scope of the final decree.

In the federal courts no appeal can, as a general rule, be taken, except from a final decree. As said by Mr. Chief Justice Taney in Forgay v. Conrad, 6 How. 201, 205:

"In this respect the practice of the United States chancery courts differs from the English practice. For appeals to the House of Lords may be taken from an interlocutory order of the chancellor, which decides a right of property in dispute. * * * But the case is otherwise in the courts of the United States, where the right of appeal is by law limited to final decrees. (See also McLish v. Roff, 141 U. S. 661, 665.)"

In the latter case this was held persuasive against extending the right of review given by § 5 of the circuit court of appeals Act of March 3, 1891 (26 U. S. Stat., 826), to other cases than those in which there was a final judgment or decree, al-

though the word "final" is omitted in some of the clauses of the section.

By § 7 of that act, however, an appeal was provided from certain interlocutory orders or decrees. That section has been twice amended. (28 U. S. Stat. 666; 31 U. S. Stat. 660.) As it now stands it reads:

"§ 7. That where, upon a hearing in equity in a district court or in a circuit court, or by a judge thereof in vacation, an injunction shall be granted or continued or a receiver appointed, by an interlocutory order or decree, in a cause in which an appeal from a final decree may be taken under the provisions of this act to the circuit court of appeals, an appeal may be taken from such interlocutory order or decree granting or continuing such injunction or appointing such receiver to the circuit court of appeals: Provided, that the appeal must be taken within thirty days from the entry of such order or decree, and it shall take precedence in the appellate court; and the proceedings in other respects in the court below shall not be stayed, unless otherwise ordered by that court, or by the appellate court or a judge thereof, during the pendency of such appeal: Provided, further, that the court below may in its discretion require as a condition of the appeal an additional bond."

It will be noticed that the appeal is allowed from an interlocutory order or decree granting or continuing an injunction, that it must be taken within thirty days, that it is given precedence in the appellate court, that the other proceedings in the lower court are not to be stayed, and that the lower court may require an additional bond. Obviously that which is contemplated is a review of the interlocutory order, and of that only. It was not intended that the cause as a whole should be transferred to the appellate court prior to the final decree. The case, except for the hearing on the appeal from the interlocutory order, is to proceed in the lower court as though no such appeal had been taken, unless otherwise specially ordered. It may be true, as alleged by petitioners, that—

"it is of the utmost importance to all of the parties in said cause that there shall be the speediest possible adjudication by the United States circuit court of appeals as to the validity of all of the claims of the aforesaid letters-patent which are the subject-matter thereof."

But it was not intended by this section to give to patent or other cases in which interlocutory decrees or orders were made any precedence. It is generally true that it is of importance to litigants that their cases be disposed of promptly, but other cases have the same right to early hearing. And the purpose of Congress in this legislation was that there be an immediate review

of the interlocutory proceedings and not an advancement generally over other litigation.

Petitioners rely mainly on Smith v. Vulcan Iron Works, 165 U. S. 518. In that case it was held that when an appeal is taken from an interlocutory order granting or continuing an injunction, the whole of the order is taken up, and the appellate court may (if upon an examination of the record as thus presented it is satisfied that the bill is entirely destitute of equity) direct a dismissal, and is not limited to a mere reversal of the order granting or continuing the injunction. Take an ordinary patent case. If an injunction is granted by an interlocutory order and the order is taken on appeal to the circuit court of appeals, and that court is of opinion that the patent is on its face absolutely void, it would be a waste of time and an unnecessary continuance of litigation to simply enter an order setting aside the injunction and remanding the case for further proceedings. The direct and obvious way is to order a dismissal of the case, and thus end the litigation. And such is the scope of the opinion in that case. After noticing the general rule that appeals will not lie until after final decree, and that an order or decree in a patent case granting an injunction and sending the cause to a master for accounting is interlocutory only, and therefore not reviewable on appeal before the final decree in the case, it referred to the provision of § 7, and said, (p. 525):

"The manifest intent of this provision, read in the light of the previous practice in the courts of the United States, contrasted with the practice in courts of equity of the highest authority elsewhere, appears to this court to have been, not only to permit the defendant to obtain immediate relief from an injunction, the continuance of which throughout the progress of the cause might seriously affect his interests; but also to save both parties from the expense of further litigation, should the appellate court be of opinion that the plaintiff was not entitled to an injunction because his bill had no equity to support it."

But nowhere in the opinion is it intimated that the plaintiff was entitled to take any cross-appeal or to obtain a final decree in the appellate court. This view of the scope of § 7 was reaffirmed in Mast, Foos & Co. v. Stover Manufacturing Company, 177 U. S. 485, 494, 495.

It is suggested that, as to the claims held to be invalid and those held to be valid but not infringed, the bill was dismissed; that thus, in fact, a final decree was entered which entitled the plaintiff to an appeal. Forgay v. Conrad, supra, and Hill v. Chicago & Evanston Railroad Company, 140 U. S. 52, are cited as authorities. In both these cases there were several defendants and the decrees were adjudged final only in respect to cer-

tain of the defendants. In the first the circuit court passed a decree declaring sundry deeds to be fraudulent and void and directing the lands and slaves therein mentioned to be delivered up to the complainant, and also directing one of the defendants named in the decree to pay him $11,000, and "that the complainant do have execution for the several matters aforesaid in conformity with law and the practice described by the Supreme Court of the United States." The court refused to dismiss the appeal, holding that, while the decree was not final in the strict technical sense of the term, yet in view of the effect of the orders entered and the fact that unless review was granted at once there might be irreparable injury, the decree must be regarded as final to that extent. At the same time it criticised the terms of the decree, said that the final orders should have been delayed until the master's report was received, and added, after its comments upon the procedure below (p. 206):

"These remarks are not made for the purpose of censuring the learned judge by whom this decree was pronounced, but in order to call the attention of the circuit courts to an inconvenient practice into which some of them have sometimes fallen, and which is regarded by this court as altogether inconsistent with the objects and policy of the act of Congress in relation to appeals, and at the same time needlessly burdensome and expensive to the parties concerned, and calculated, by successive appeals, to produce great and unreasonable delays in suits in chancery. For it may well happen that, when the accounts are taken and reported by the master, this case may again come here upon exceptions to his report, allowed or disallowed by the circuit court, and thus two appeals made necessary, when the matters in dispute could more conveniently and speedily, and with less expense have been decided in one."

In the subsequent case of Beebe v. Russell, 19 How. 283, in which the rule in reference to the finality of decrees was further considered, it was said, in explanation of the decision in the Forgay Case, (p. 287):

"In Forgay's Case, it [the question] was made upon the decree given by the court below, and it was adjudged by this court to be final to give this court jurisdiction of it. But it was so, upon the ground that the whole merits of the controversy between the parties had been determined, that execution had been awarded, and that the case had been referred to the master merely for the purpose of adjusting the accounts. The fact is, the order of the court in that case for referring it to a master was peculiar, making it doubtful, if it could in any way control or qualify the antecedent decree of the court upon the whole merits of the controversy, or modify it in any way, except upon a petition for a rehearing."

In Hill v. Chicago & Evanston Railroad Company, supra, there had been an order of dismissal in favor of some of defendants, together with a reference to a master of a separable controversy between the plaintiff and other parties, and the court observed, (p. 54):

"But there was no adjudication as to the payment of the amount to be ascertained by the master; that remained unsettled. It was, however, a severable matter from the other subjects of controversy and did not affect their determination. The fact that it was not disposed of did not change the finality of the decree as to the defendants against whom the bill was dismissed; that amount, or to whom made payable, did not concern them. They were no longer parties to the suit for any purpose. The appeal from the subsequent decree did not reinstate them. All the merits of the controversy pending between them and the complainant were disposed of, and could not be again reopened, except on appeal from that decree. As to the other parties, it remained to ascertain the amount of one item and to determine as to its payment."

But as held in Hohorst v. Hamburg-American Packet Company, supra, that rule does not apply to cases where the liability of the defendant is alleged to be joint; and, therefore, can not to a case in which there is but a single defendant.

The rule is discharged, and the application for a writ of mandamus is denied.

926. MAST v. STOVER, 177 U. S. 485, 44 L. ed. 856 (1900).* * *

Mr. Justice Brown delivered the opinion of the court.

1. Plaintiff complains of the action of the circuit court of appeals in refusing to follow the opinion of the circuit court of appeals for the eighth circuit in a case of this same plaintiff against the Dempster Mill Manufacturing Company, 82 O. G. 297, 49 U. S. App. 508, and in reversing the order of the circuit court, which, upon the ground of comity, followed the judgment of that court with respect to the validity and scope of the patent. Its contention is, practically, that the circuit court of appeals should have been governed by the prior adjudication of that court, and, so far at least as concerned the interlocutory motion, should have accorded it the same force and dignity as is accorded to judgments of this court. Premising that these considerations can have no application in this court—whose duty it is to review the judgments of all inferior courts, and in case of conflict to decide between them—we think the plaintiff overstates somewhat the claims of comity.

Comity is not a rule of law, but one of practice, convenience, and expediency. It is something more than mere courtesy,

which implies only deference to the opinion of others, since it has a substantial value in securing uniformity of decision, and discouraging repeated litigation of the same question. But its obligation is not imperative. If it were, the indiscreet action of one court might become a precedent, increasing in weight with each successive adjudication, until the whole country was tied down to an unsound principle. Comity persuades; but it does not command. It declares not how a case shall be decided, but how it may with propriety be decided. It recognizes the fact that the primary duty of every court is to dispose of cases according to the law and the facts; in a word, to decide them right. In doing so, the judge is bound to determine them according to his own convictions. If he be clear in those convictions, he should follow them. It is only in cases where, in his own mind, there may be a doubt as to the soundness of his views that comity comes in play and suggests a uniformity of ruling to avoid confusion, until a higher court has settled the law. It demands of no one that he shall abdicate his individual judgment, but only that deference shall be paid to the judgments of other co-ordinate tribunals. Clearly it applies only to questions which have been actualy decided, and which arose under the same facts.

The obligation to follow the decisions of other courts in patent cases of course increases in proportion to the number of courts which have passed upon the question, and the concordance of opinion may have been so general as to become a controlling authority. So, too, if a prior adjudication has followed a final hearing upon pleadings and proofs, especially after a protracted litigation, greater weight should be given to it than if it were made upon a motion for a preliminary injunction. These are substantially the views embodied in a number of well considered cases in the circuit courts and circuit courts of appeals. (Macbeth v. Gillinder, 54 Fed. 169; Electric Manufacturing Co. v. Edison Electric Light Co., 61 Fed. 834; 18 U. S. App. 637; Edison Electric Light Co. v. Beacon Vacuum Pump & Electrical Co., 54 Fed. 678, and cases cited; Beach v. Hobbs, 82 Fed. 916; 63 U. S. App. 626; see, also Newall v. Wilson, 2 De Gex. M. & G. 282.)

Comity, however, has no application to questions not considered by the prior court, or, in patent cases, to alleged anticipating devices which were not laid before that court. As to such the action of the court is purely original, though the fact that such anticipating devices were not called to the attention of the prior court is likely to open them to suspicion. It is scarcely necessary to say, however, that when the case reaches this court we should not reverse the action of the court below if

we thought it correct upon the merits, though we were of opinion it had not given sufficient weight to the doctrine of comity.. * * *

927. THE COLUMBUS WATCH CO. v. ROBBINS, 148 U. S. 266, 37 L. ed.. 445 (1893).* * *

Mr. Chief Justice Fuller delivered the opinion of the court::

The record in this case consists of the following certificate, signed on the 10th day of October, 1892, by the judges then holding the circuit court of appeals for the sixth circuit:

"This cause comes before this court by an appeal from the decree of the circuit court of the United States for the eastern division of the southern district of Ohio sustaining the letters-patent of the appellees and declaring that the appellants have infringed said letters-patent and directing the issue of a perpetual injunction and ordering the statement of an account of profits and damages.

"The transcript presented to this court shows that the appeal was taken immediately from said decree before accounting was had. Both parties desire that this court should give a full hearing on the merits of said decree, so far as relate to the validity of the patent and infringement, and should enter a final decree in this court thereon, the parties agreeing between themselves to suspend accounting until the decision of this court can be had. This court, however, can not find that they have, under the 7th section of the act creating United States circuit appellate courts, jurisdiction to grant such a hearing and enter such a final decree as is asked, because said decree of the circuit court is only an interlocutory decree and presents on appeal, under § 7, only the question whether the decree for an injunction, interlocutory in fact, however final in form, was improvidently granted in the legal discretion of the court and involves only incidentally the question of the validity of the patent and the infringement complained of. The circuit court of appeals for the fifth circuit under similar circumstances, after listening to adverse argument, in Jones v. Munger, etc., Co., 50 Fed. 785, held that said § 7 gave jurisdiction to the court, on agreement of parties to render a final decree on the merits of the validity and infringement of the patent involved. As the judgment of this court differs from that of a co-ordinate court, the instruction of the supreme court is respectfully requested upon the question.

"It is therefore ordered that a copy hereof, certified under the seal of the court, be transmitted to the clerk of the Supreme court of the United States."

By section sixth of the Judiciary Act of March 3, 1891, establishing circuit court of appeals, (26 Stat., 826, c. 517), it is provided that the judgments or decrees of those courts shall be final in certain enumerated classes of cases, and, among them, in all cases arising under the patent laws, but that, in such cases, the circuit court of appeals may certify to—

"the Supreme Court of the United States any questions or propositions of law concerning which it desires the instruction of that court for its proper decision. And, thereupon, the Supreme Court may either give its instruction on the questions and propositions certified to it, which shall be binding upon the circuit court of appeals in such case, or it may require that the whole record and cause may be sent up to it for its consideration, and thereupon shall decide the whole matter in controversy in the same manner as if it had been brought there for review by writ of error or appeal."

And it is also provided, in respect of cases in which the judgments and decrees of the circuit court of appeals are made final, that—

"it shall be competent for the supreme court to require, by certiorari or otherwise, any such case to be certified to the supreme court for its revision and determination, with the same power and authority in the case as if it had been carried by appeal or writ of error to the Supreme Court."

Thus, in the interest of jurisprudence and uniformity of decision, the supervision of this court, by way of advice or direct revision, is secured. (In re Woods, Petitioner, 143 U. S. 202; Lau Ow Bew, Petitioner, 141 U. S. 583, 144 U. S. 47, 58.)

In order, however, to invoke the exercise of our jurisdiction in the instruction of the circuit courts of appeals as to the proper decision of questions or propositions of law arising in the classes of cases mentioned, it is necessary that such questions or propositions should be clearly and distinctly certified, and that the certificate should show that the instruction of this court as to their proper decision is desired.

It was long ago settled under the statutes authorizing questions upon which two judges of the circuit court were divided in opinion to be certified to this court, that each question so certified must be a distinct point or proposition of law, clearly stated, so that it could be definitely answered, (Perkins v. Hart, 11 Wheat. 237; Sadler v. Hoover, 7 How. 646; Jewell v. Knight, 123 U. S. 426, 432; Fire Ins. Assoc. v. Wickham, 128 U. S. 426); and that if it appeared upon the record that no division of opinion actually existed among the judges of the circuit court, this court would not consider a question as certified even though it were certified in form. (R. R. Company v. White, 101 U. S. 98;

Webster v. Cooper, 10 How. 54; Nesmith v. Sheldon, 6 How. 41.)

We regard the certificate before us as essentially defective. It does not specifically set forth the question or questions to be answered, and apart from that, it does not state that instruction is desired for the proper decision of such question or questions. On the contrary, it appears therefrom that the court had arrived at a conclusion, nothing doubting, (for reasons, we may remark, given in its opinion reported in 52 Fed. Rep. 337), but that, because the circuit court of appeals for another circuit had reached the opposite conclusion, under similar circumstances, the request for instruction is preferred.

While the fact that the circuit court of appeals for one circuit has rendered a different judgment from that of the circuit court of appeals for another, under the same conditions, might furnish ground for a certiorari on proper application, the assertion of the existence of such difference and of the wish that it might be determined by this court is not equivalent to the expression of a desire for instruction as to the proper decision of a specific question or questions requiring determination in the proper disposition of the particular case. The difference can only exist when the courts have actually reached contradictory results, but each must proceed to its own judgment, unless such grave doubts arise as to induce the conviction that this court should be resorted to for their solution in the manner provided for.

As in our judgment this certificate is not in compliance with the statute, we must decline to certify any opinion upon the matters involved, and direct the cause to be dismissed.

928. HOHORST v. THE HAMBURG-AMERICAN CO., 148 U. S. 262, 37 L. ed. 443 (1893).

Mr. Chief Justice Fuller delivered the opinion of the court:

This was a bill filed by Friedrich Hohorst, a citizen of the State of New York—

"against the Hamburg-American Packet Company, a corporation organized and existing under the laws of the Kingdom of Hanover, Empire of Germany, and doing business in the city of New York; Henry R. Kunhardt, Sr., Henry R. Kunhardt, Jr., George H. Diehl, citizens of the United States and residents of the State of New York, and Arend Behrens and William Koester, citizens of the United States and residents of the State of New Jersey,"—

for infringement of patent, in the Circuit Court of the United States for the Southern District of New York, September 15, 1888. September 17, the supoena was served on Henry R. Kun-

hardt, Sr., as a defendant, and as general agent of the Hamburg Company.

November 5, 1888, a general appearance for all the defendants was filed, and on December 18, 1888, a demurrer on behalf of the Packet Company, assigning as grounds that the causes of action against the several defendants were distinct and unconnected and hence that the bill was multifarious, and for want of equity. A motion was made by complainant, December 24, to amend, and on January 7, 1889, a motion by defendant to dismiss. On January 28, 1889, leave to amend was granted and the motion to dismiss denied, and, on February 2, 1889, the amendments were made. These consisted in the insertion of the word "jointly" in the allegation of the defendant's infringement, and also of the following allegation:

"Your orator further states that all of the defendants above named are inhabitants of the city and county of New York; that the defendant, the Hamburg American Packet Company, has its principal business office in this country, located in the city and county of New York; that the defendants Henry R. Kunhardt, Sr., Henry R. Kunhardt, Jr., George H. Diehl, Arend Behrens, and William Koester are and during the time of the infringements above set forth were co-partners under the firm name of Kunhardt & Co., and as such co-partners are and were the agents and managers of the business of the Hamburg American Packet Company in this country, and have their principal business office as such located in the city and county of New York, and that the said infringements were committed in the prosecution of such business and all the defendants have co-operated and participated in all the said acts and infringements."

On February 16, 1889, defendant Hamburg Company served notice of final hearing upon the bill of complaint and demurrer, and on February 21, a notice was given of a motion that the appearance entered on behalf of the Hamburg Company be changed from a general appearance into a special appearance, and the service of supoena made upon that defendant be set aside, and the bill of complaint dismissed as against the company because of lack of jurisdiction of the court over its person.

In April, 1889, an order was granted that unless complainant withdrew his amended complaint as to the defendant company, and stipulated to go to trial as to said defendant on the original bill of complaint the notice of appearance should be, and was thereby amended into a special appearance, and the service of the subpoena set aside and the bill of complaint dismissed as against said company. (38 Fed. 273.)

On April 11, 1889, the notice of appearance was amended accordingly, subpoena set aside and the bill of complaint dismissed

as against the company; whereupon complainant appealed to this Court.

So far as appears from the record, the suit is still pending and undetermined as against the codefendants of the company. We are of opinion, therefore, that this appeal can not be maintained because the decree rendered in favor of the company was not a final decree.

In United States v. Girault, 11 How. 22, 32, which was a writ of error to review a judgment rendered by the Circuit Court of the United States in Mississippi in favor of some of the defendants only, in an action on a bond, leaving the suit undisposed of as against one defendant, this Court would not reverse the judgment according to the practice in Mississippi, but dismissed the writ of error; and Mr. Justice Nelson, delivering the opinion, said:

"The practice in this Court, in case the judgment or decree is not final, is to dismiss the writ of error or appeal for want of jurisdiction, and remand it to the court below to be further proceeded in."

Metcalfe's case, 11 Coke 38, was cited, where it was held that a record of the common pleas could not be removed into the King's Bench before the whole matter was determined in the common pleas, as it was entire and could not be in both courts at the same time; and, also, Peet v. McGraw, 21 Wend. 667, wherein Mr. Justice Nelson, then Chief Justice of New York, declared that a case could not be sent up in fragments by a succession of writs of error.

Again in Holcombe v. McKusick, 20 How. 552, it was said:

"It is the settled principle of this court, and the same in the King's Bench in England, that the writ will not lie until the whole of the matters in controversy in the suit below are disposed of. The writ itself is conditional, and does not authorize the court below to send up the case, unless all the matters between the parties to the record have been determined."

The same rule is applicable to an appeal, in admiralty. (Dayton v. United States, 131 U. S. Appx., LXXX, and in equity; Frow v. De la Vega, 15 Wall. 552, 554.) In the latter case it was held that a final decree on the merits can not be made separately against one of several defendants upon a joint charge against all, where the case is still pending as to the others. It is true that there a default had been entered with a decree pro confesso against one of several defendants, and a final decree had been made absolute against him, whereupon the Court proceeded to try the issues made by the answers of the other defendants and dismissed complainant's bill; but this attitude of the case illustrated and required the application of the general rule.

In Withenbury v. United States, 5 Wall. 819, it was decided that where a decree in a prize cause disposed of the whole matter in dispute upon a claim filed by particular parties which was final as to them and their rights, and final also so far as the claimants and their rights were concerned as to the United States, it was final; while in Montgomery v. Anderson, 21 How. 386, where the district court of the United States sitting in admiralty decreed that a sum of money was due, but the amount to be paid was dependent upon other claims that might be established, it was held that such a decree was not final.

There are cases in equity in which a decree, disposing of every ground of contention between the parties, except as to the ascertainment of an amount in a matter separable from the other subjects of controversy, and relating only to some of the defendants, may be treated as final, though retained for the determination of such severable matter. (Hill v. Chicago & Evanston R. R. Co., 140 U. S. 52.) But this case presents no such aspect. Complainant insisted, by his amended bill, that the alleged liability was joint, and that "all the defendants have co-operated and participated in all the said acts and infringements."

In Shaw v. Quincy Mining Co., 145 U. S. 444, a bill was filed against the mining company and others in the Circuit Court of the United States for the Southern District of New York, and service of subpoena was made upon the secretary of the company. The company appeared specially and moved for an order to set aside the service, which was granted, whereupon complainant applied to this Court by petition for writ of mandamus to the judges of the circuit court to command them to take jurisdiction against the company upon the bill. The ground on which our jurisdiction was invoked was the inadequacy of any other remedy, and it was argued that as the cause could proceed as to the other defendants, no final judgment could be entered upon the order of the circuit court and no appeal taken therefrom.

Under the circumstances this appeal must be dismissed for want of jurisdiction, and it is so ordered.

929. WANAMAKER v. ENTERPRISE MFG. CO., 53 Fed. 791, 3 C. C. A. 672 (1893, Third Circuit).* * *

Before Dallas, Circuit Judge, and Wales and Buffington, District Judges.

Dallas, J.:

This suit was for infringement of claims 1 and 2 of Patent No. 271,398, issued to John G. Baker upon January 30, 1883, for an "improvement in mechanism to cut up plastic or yielding substances." The circuit court decided that the second claim was

not infringed, and therefore the first claim is the only one for consideration here. The defenses were and are that the patent is invalid, and that, even if valid, it is not infringed. This claim had been twice before the Circuit Court for the District of Connecticut, by which its validity was considered—first on motion for preliminary injunction and afterward upon final hearing. On both occasions it was sustained. Enterprise Mfg. Co. v. Sargent, 28 Fed. 185, and 34 Fed. 134. The circuit court here was asked to consider the whole subject anew. This it declined to do; but, accepting the prior decision of the circuit court in Connecticut as determinate of the effect of the evidence upon which it had been based, confined its own investigation to the additional evidence introduced in this case. This was precisely accordant with well-settled and approved circuit court practice. National Cash Register Co. v. American Cash Register Co., 53 Fed. 367, decided by this court at this term. That practice, however, is not applicable to this court; and we therefore have independently examined the entire record before us, irrespective of the decision of Judge Shipman, to which we have referred, and in review of the decree now appealed from. This examination has, nevertheless, fully satisfied us that (so far as presently material) both are right, and the two opinions, taken together, so amply sustain the conclusion reached by the court below in this case as to render it wholly unnecessary to add anything in its support.

The decree of the circuit court is affirmed, with costs.

930. FRASCH v. MOORE, 211 U. S. 1, 53 L. ed. 65 (1908).* * *

Frasch applied for a patent for an invention of a new and useful improvement in the art of making salt by evaporation of brine. He expressed his alleged invention in six claims, three of which were for the process of removing incrustation of calcium sulfate from brine-heating surfaces, and three of them were for an apparatus for use in the process.

At the time when the application was filed, Rule 41 of the Patent Office did not permit the joinder of claims for process and claims for apparatus in one and the same application. The Examiner required division between the process and apparatus claims, and refused to act upon the merits. An appeal was taken to the examiners-in-chief, but the Examiner refused to forward it. A petition was then filed, asking the Commissioner of Patents to direct that the appeal be heard. The Commissioner held that the Examiner was right in refusing to forward the appeal. From that decision appeal was taken to the court of appeals of the District, which held that it did not have jurisdiction to entertain it. Frasch then filed a petition in this Court for a mandamus, directing the court of appeals to hear and determine the appeal,

which petition was dismissed. (Ex parte Frasch, 192 U. S. 566.)

But in the United States ex rel. Steinmetz v. Allen, 192 U. S. 543, it was held that Rule 41, as applied by the Commissioner, was invalid, and that the remedy for his action was by mandamus in the supreme court of the District to compel the Commissioner to act. Accordingly the proceedings in the present case were resumed in the patent office, and the applicant asked the commissioner to direct that the appeal theretofore taken to the examiners-in-chief be heard by them. The commissioner granted this petition. The primary examiner furnished the required statement and a supplementary statement of the grounds of his decision requiring division. The examiners-in-chief affirmed the decision of the primary examiner—

"requiring a division of these claims for an art and for an independent machine used to perform the art;"

one examiner-in-chief, dissenting, held that division should be required. On appeal to the commissioner, he affirmed the examiner-in-chief in part only; that is to say, he held that process claim No. 1 must be divided from the other process claims and the apparatus claims, but that process claims Nos. 2 and 3 and the apparatus claims Nos. 4, 5 and 6 might be joined in one application. Rehearing was denied, and an appeal was taken to the court of appeals for the District of Columbia, which affirmed the decision of the commissioner of patents, for reasons given at large in an opinion, and directed the clerk of the court to—

"certify this opinion and proceedings in this court in the premises to the commissioner of patents, according to law."

An appeal and a writ of error were allowed, the court stating through Mr. Chief Justice Shepard:

"We are inclined to the view that this case is not appealable to the Supreme Court of the United States, but as the question has never been directly decided, so far as we are advised, we will grant the petition in order that the question of the right to appeal in such a case may be directly presented for the determination of the court of last resort."

The record was filed January 25, 1907, and on February 4, a petition for certiorari.

Mr. Chief Justice Fuller delivered the opinion of the court.

§ 8 of the act of February 9, 1893 (27 Stat., 434, 436, c. 74), provides:

"That any final judgment or decree of the said court of appeals may be re-examined and affirmed, reversed, or modified by the supreme court of the United States, upon writ of error or appeal, in all causes in which the matter in dispute, exclusive of costs, shall exceed the sum of five thousand dollars, in the

same manner and under the same regulations as heretofore provided for in cases of writs of error on judgment or appeals from decrees rendered in the Supreme Court of the District of Columbia; and also in cases, without regard to the sum or value of the matter in dispute, wherein is involved the validity of any patent or copyright, or in which is drawn in question the validity of a treaty or statute of or an authority exercised under the United States."

The decision of the court of appeals sought to be reviewed in the present case is not final, but merely ended an interlocutory stage of the controversy and sent the applicant back to the patend office to conform to the meaning and effect of the rule on division of claims as construed by the commissioner of patents, and to pursue the application in the form required to allowance or rejection.

Section 780 of the Revised Statutes of the District of Columbia, reads thus:

The Supreme Court, sitting in banc, shall have jurisdiction of and shall hear and determine all appeals from the decisions of the commissioner of patents, in accordance with the provisions of sections forty-nine hundred and eleven to forty-nine hundred and fifteen, inclusive of Chapter one, Title LX, of the Revised Statutes, "Patents, Trademarks, and Copyrights."

Section 9 of the "Act to establish a court of appeals for the District of Columbia, and for other purposes," approved February 9, 1893 (27 Stat. 434, 436, c. 74) is:

"§ 9. That the determination of appeals from the decision of the commissioner of patents, now vested in the general term of the Supreme Court of the District of Columbia, in pursuance of the provisions of section seven hundred and eighty of the Revised Statutes of the United States, relating to the district of Columbia, shall hereafter be and the same is hereby vested in the court of appeals created by this act; and in addition, any party aggrieved by a decision of the commissioner of patents in any interference case may appeal therefrom to said court of appeals."

Thus the special jurisdiction of the district supreme court in patent appeals was transferred to and vested in the court of appeals, and decisions in interference cases were also made appealable, which had not been previously the case. (Rev. Stat., § 4911.) The law applicable is § 4914, Revised Statutes, which provides:

"The court, on petition, shall hear and determine such appeal, and revise the decision appealed from in a summary way on the evidence produced before the Commissioner, at such early and convenient time as the court may appoint; and the revision shall

be confined to the points set forth in the reasons of appeal. After hearing the case the court shall return to the commissioner a certificate of its proceedings and decision, which shall be entered of record in the patent office, and shall govern the further proceedings in the case. But no opinion or decision of the court in any such case shall preclude any person interested from the right to contest the validity of such patent in any court wherein the same may be called in question."

By § 4915 a remedy by bill in equity is given where a patent is refused, and reads as follows:

"§ 4915. Whenever a patent on application is refused, either by the commissioner of patents of by the Supreme Court of the District of Columbia upon appeal from the commissioner, the applicant may have remedy by bill in equity; and the court having cognizance thereof, notice to adverse parties and other due proceedings had, may adjudge that such applicant is entitled, according to law, to receive a patent for his invention, as specified in his claim, or for any part thereof, as the facts in the case may appear. And such adjudication, if it be in favor of the right of the applicant, shall authorize the commissioner to issue such patent on the applicant filing in the patent office a copy of the adjudication, and otherwise complying with the requirements of law. In all cases, where there is no opposing party, a copy of the bill shall be served on the commissioner; and all the expenses of the proceeding shall be paid by the applicant, whether the final decision is in his favor or not."

The final decision referred to is obviously the judicial decision on the bill in equity, while in interference cases and in all others going up from the commissioner to the court of appeals there is no final judgment in the cause, but one interlocutory in its nature and binding only upon the commissioner "to govern the further proceedings in the case." The opinion or decision of the court reviewing the commissioner's decision is not final, because it does not preclude any person interested from contesting the validity of the patent in court, and if the decision of the commissioner grants the patent that is the end of the matter as between the government and the applicant; and if he refuses it and the court of appeals sustains him, that is merely a qualified finality, for, as we have seen, the decision of that court may be challenged generally and a refusal of patent may be reviewed and contested by bill as provided.

The appeal given to the court of appeals of the district from the decision of the commissioner is not, as Mr. Justice Matthews said in Butterworth v. Hoe,

"the exercise of ordinary jurisdiction at law or in equity on the part of that court, but is one in the statutory proceeding under

the patent laws whereby that tribunal is interposed in aid of the patent office, though not subject to it. Its adjudication, though not binding upon any who choose by litigation in courts of general jurisdiction to question the validity of a patent thus awarded, is nevertheless conclusive upon the patent office itself; for, as the statute declares (Rev. Stat. 4914), 'it shall govern the further proceedings in the case'." (112 U. S. 60.)

In Rousseau v. Brown, 21 D. C. App. 73, 80, 104 O. G. 1122, which was an appeal from the patent office in the matter of an interference between two applications, the court affirmed the decision of the commissioner of patents, ruling against one of the claims on the ground that priority of invention must be awarded to the other claimant, declined to allow a writ of error or appeal, and said, through Chief Justice Alvey:

"There is no final judgment of this court rendered in such cases, nor is there any such judgment required or authorized to be rendered, not even for costs of the appeal. This court is simply required in such cases, after hearing and deciding the points as presented, instead of entering judgment here, to return to the commissioner of patents a certificate of the proceedings and decision of this court, to be entered of record in the patent office, to govern the further proceedings in the case. But it is declared by the statute that no opinion of this court in any such case shall preclude any person interested from the right to contest the validity of any patent that may be granted by the commissioner of patents. (Rev. Stat. U. S., §§ 780, 4914.)

"There is no provision of any statute, within our knowledge, that authorizes a writ of error or an appeal to the Supreme Court of the United States in such case as the present. It would seem clear that the case is not within the purview of § 8 of the act of Congress of February 9, 1893, providing for the establishment of this court. That section only applies to cases where final judgments by this court have been entered, and not to decisions to be made and certified to the patent office, under the special directions of the statute."

We consider these observations as applicable to the present case, and the result is appeal and writ of error dismissed, and certiorari denied.

Mr. Justice White and Mr. Justice McKenna dissent.

[Followed and approved in Johnson v. Mueser, 212 U. S. 283, 53 L. ed. 514, 29 S. Ct. 390, 145 O. G. 767.

Compare the remarkable extension of this position to trademark cases in Union Distilling Co. v. Schneider, 29 App. D. C. 1, 129 O. G. 2503, 1907 C. D. 613, and E. C. Atkins & Co. v. Moore, Com. Pats., 212 U. S. 285, 53 L. ed. 515. See, however, Judicial Code, No. 914a, sec. 250, now abrogating such appeals.]

Mr. Justice Moody did not sit.

[The following under this heading are brief extracts to complete the discussion.]

931. MOORE v. MARSH, 74 U. S. 515, 19 L. ed. 37.

The grantee of territorial right, for a particular district, could not bring an action on the patent in his own name; but the act of Congress having made him a party interested in the patent, it is now equally well settled that he may sue in his own name for invasion of the patent in that territorial district, as no one else is injured by any such infringement.

* * *

Where the patentee has assigned his whole interest, either before or after the patent has issued, the action must be brought in the name of the assignee, because he alone was interested in the patent at the time the infringement took place; but where the assignment is of an undivided part of the patent, the action should be brought for every infringement committed subsequent to the assignment, in the joint names of the patentee and assignee, as representing the entire interest.

* * *

Correct interpretation of the words "person or persons interested" is, that the words mean the person or persons interested in the patent at the time when the infringement was committed, which is the cause of action for which the damages may be recovered.

932. EXCELSIOR WOODEN PIPE CO. v. ALLEN, 104 Fed. 553, 44 C. C. A. 30.

Nor is a court of equity divested of its power to decree appropriate and final relief from the fact, if it be a fact, that the patentee has conspired with the defendant to infringe the rights of the licensee. * * * The former practice of courts of chancery which required the dismissal of a bill in case of the joinder of complainants whose interests were antagonistic, has given place to a more equitable procedure, which recognizes the power of the court to so arrange the parties to the suit as their interests demand, to make a complainant a defendant, and to decree relief to all parties before it, whether they appear as complainants or defendants, so long as they are all the necessary parties to the controversy.

933. SIEMENS-HALSKE ELECTRIC CO. v. DUNCAN ELEC. MFG. CO., 143 Fed. 157, 73 C. C. A. 375.

The facts recited in the statement of the case satisfy us that the company is simply an incorporation of Duncan. Therefore,

the corporation should be enjoined, just as its officers, directors, and stockholders would be, if, as individuals and without resorting to the corporate form, they were aiding and abetting Duncan in the infringement.

934. LIVINGSTON v. WOODWORTH, 15 How. (U. S.) 546, 14 L. ed. 809.

It is true, as a rule of equity pleading, that none should be made parties either as complainants or defendants, who have no interest in the matters in controversy, or which can be affected by the decree. * * * In cases where the want of interest applies, it is equally fatal when applicable to one of several plaintiffs as it is when applicable to one of several defendants. In the former case it is fatal to the whole suit; in the latter it is fatal, if taken in due time, only against the defendant improperly joined. Objection ought to be taken by demurrer, for if not so taken, and the court proceeds to a hearing on the merits it will be disregarded, at least if it does not materially affect the propriety of the decree. In the case before us the objection of misjoinder appears nowhere upon the pleadings, and is urged for the first time after final decree. As to this objection, therefore, it comes too late.

935. ATHERTON MACH. CO. v. ATWOOD-MORRISON CO., 102 Fed. 949, 43 C. C. A. 72.

An averment of title in the complainant must necessarily be made, and is the necessary foundation for all rights asserted or litigated by the complainant. It is an averment without which complainant has no proper standing in court. It matters not whether the title be that of the patentee, derived directly from the grant made by the government, or that of an assignee of the patentee or the assignee of an assignee. In either case it is the statement of a prima facie qualification to institute the suit, and such title, whether direct to the patentee, or derivative from him by assignment or assignments, is the creature of the patent law, and not of the common law; and, whether admitted or attacked by the opposing party, the questions raised are raised under the patent laws, and are, therefore, within the meaning of the Revised Statutes of the United States, justiciable in the circuit court.

936. HART, ETC., MFG. CO. v. ANCHOR ELECTRIC CO., 92 Fed. 657, 34 C. C. A. 606.

Some of the defendants further contend that, even if the defendant corporation should be enjoined in this case, no injunction should issue against the other defendants, its officers. En-

tirely apart from the question of the liability of an officer in a corporation, for damages caused by infringements committed by him, on behalf of the corporation, there can be no doubt that in a case like this the officers of the corporation may be enjoined from further infringement.

937. SINGER MFG. CO. v. CRAMER, 109 Fed. 652, 48 C. C. A. 588.

[The defendant company plead prior suit as estoppel on the ground that it sustained the expense of the former suit for its agent. Held:] The open dismissal of the Singer Company from that suit upon its own motion was significant of its withdrawal from the litigation, and of its purpose not to be bound by the judgment to be rendered therein.

938. WESTERN ELECTRIC CO. v. NORTH ELECTRIC CO., 135 Fed. 79, 67 C. C. A. 553.

With respect to the matter of infringement, the defendants North and Steele are not shown to have been individually guilty of any infringing act. There is therefore no excuse for joining them as parties, unless it be that they were officers of the offending corporation, and this is no excuse. It may be, however, that the complainant mistakenly supposed the officers were active participants in the infringement, and has been disappointed in its proofs. However this may be, the bill was properly dismissed as to them, and so far the decree of the circuit court will be affirmed, with costs of both courts to those defendants.

939. DRAPER CO. v. AMERICAN LOOM CO., 161 Fed. 728, 88 C. C. A. 588.

The bill prays, as usual, an injunction and an account against both the American Loom Company and the officer referred to. The circuit court dismissed the bill, and the complainant appealed to us. So far as the officer of the respondent corporation is concerned, the case is not brought within the rule established by us in National Cash Register Co. v. Leland, 94 Fed. 502, 509, 37 C. C. A. 372, et seq. Therefore, as to him, the final decree will provide that the bill be dismissed; and as he has been brought in as one against whom substantial relief is asked, he will recover his costs in the circuit court.

940. CLARK v. WOOSTER, 119 U. S. 322, 30 L. ed. 392, 7 Sup. Ct. 217.

[The bill was filed 15 days before the expiration of the patent.] The general allegations of the bill were sufficiently comprehensive to meet such a case. But even without that, if the case was one for equitable relief when the suit was instituted,

the mere fact that the ground for such relief expired by the expiration of the patent would not take away the jurisdiction and preclude the court from proceedings to grant the incidental relief which belongs to cases of that sort. This has often been done in patent causes, and a large number of cases may be cited to that effect; and there is nothing in the decision in Root v. R. Co., 105 U. S. 189, to the contrary.

941. BEEDLE v. BENNETT, 122 U. S. 71, 30 L. ed. 1074, 7 Sup. Ct. 1090.

As the patent was in force at the time the bill was filed, and the complainants were entitled to a preliminary injunction at that time, the jurisdiction of the court is not defeated by the expiration of the patent by lapse of time before final decree. There is nothing in the case of Root v. R. Co., 105 U. S. 189, to sustain the objection made by the appellant on this account. See, also, Clark v. Wooster, 119 U. S. 322, 325, and cases there cited.

942. UNITED STATES MITIS CO. v. DETROIT STEEL, ETC., CO., 122 Fed. 863, 59 C. C. A. 589.

The bill was filed nearly three months before the expiration of the patent, and contained prayers for a preliminary and a perpetual injunction. The patent had yet a month to run after the defendant was required to answer under the rules. It was therefore clearly within the power of the court, when the suit was begun, not only, upon proper proof, to grant a preliminary injunction, but, either by a decree pro confesso, in case of default, or upon the bill and answer, if an answer should be filed within rules, to dispose of the case finally, by awarding a permanent injunction, before the expiration of the patent. The conditions at the time the bill was filed thus availing to give the court jurisdiction, both for the purpose of a preliminary injunction and of a permanent decree, during the life of the patent, such jurisdiction could not be defeated by subsequent happenings, whether due to the delay of the defendant or the contingencies of litigation.

943. GRAY v. GRIMBERG, 159 Fed. 138, 86 C. C. A. 328.

Complainant's counsel contends before this court, however, that the defendants, by filing a general appearance in the cause without objection to the jurisdiction of the court, waived their right to object to being sued in the eastern district of Pennsylvania, and hence that, as the action is within the general jurisdiction of the circuit court, the complainant, because of such waiver, may show in support of his bill acts of infringement

committed outside of such district. If that be admitted, however, as a general proposition, it does not relieve the complainant in this case of the burden of proving that the defendants have committed infringing acts within said district, since that was substantially the issue tendered by the bill, denied by the answer, and to the maintenance of which the proofs were directed.

944. RICHARDSON v. OSBORNE, ETC., CO., 93 Fed. 828, 36 C. C. A. 610.

This suit was brought about 2½ months before the expiration of the patent, and after the extensive and expensive manufacture of Appleby machines had progressed at an increasingly active rate, within the complainant's knowledge and observation for about 14 years. * * * All the adjudged cases in regard to laches proceed upon the inequitable conduct of the complainant, and the inequity which would result if the stale claim was permitted to be enforced, and the judgments adverse to the complainant are founded upon the fact that the party to whom laches is imputed has all the time "knowledge of his rights, and an ample opportunity to establish them in the proper forum; that, by reason of his delay, the adverse party has good reason to believe that the alleged rights are worthless or have been abandoned; and that, because of the change in conditions or relations during this period of delay, it would be an injustice to the latter to permit him to now assert them." A further reference to the decided cases is unnecessary, as Judge Coxe has cited many of them in his opinion (82 Fed. 95).

945. ATHERTON MACH. CO. v. ATWOOD-MORRISON CO., 102 Fed. 949, 43 C. C. A. 72.

It, however, took another course that was clearly open to it to take, and that was to state the defense of this pretended assignment by way of anticipation in the bill, in order that it might make special answer thereto, and thus avoid the disadvantageous position in which it would be placed by the forty-fifth equity rule, by which special replications are prohibited. If the bill sets forth a case within the jurisdiction of the court, the jurisdiction can not be ousted by the anticipation and denial of possible defenses that may or may not be made. Even if the title of complainant, as set forth in the bill, were put in issue by plea or answer, the question would still be one arising under the patent laws of the United States. Such an issue would be incidental and collateral to the main purpose of the suit. In this case the patentee and original assignor is not a party to the suit, and the suit could not, therefore, be said to be upon the contract

with him. This is not a suit to enforce a contract or to avoid one, but is a claim of ownership under the laws of the United States, which is properly justicable in the federal circuit courts.

946. GAMEWELL FIRE ALARM TEL. CO. v. MUNICIPAL SIGNAL CO., 61 Fed. 208, 9 C. C. A. 450.

Pending the appeal and before argument of the cause in this court, the letters-patent in suit expired, and with that expiration the interlocutory injunction appealed from terminated. There is, therefore, nothing remaining for a judgment of this court to act upon. In this condition of the cause the court will no further consider whether the injunction was or was not properly granted, but will dismiss the appeal.

947. HUBBELL v. UNITED STATES, 171 U. S. 203, 43 L. ed. 136, 18 Sup. Ct. 828.

As the prior action was between the same parties, and was based in part, at least, and principally, upon the same patent, it would appear that the judgment of the court dismissing the petition would operate as a complete estoppel to the present suit, unless the proceedings subsequent to the judgment in the former suit in some way deprived that judgment of its force and effect as res judicata.

* * *

*the patentee can not bring suit against an infringer upon a certain state of facts, and after a dismissal of his action, bring another suit against the same party upon the same state of facts, and recover upon a different theory. The judgment in the first action is a complete estoppel in favor of the successful party in the subsequent action upon the same state of facts.

948. DUPLEX PRINTING PRESS CO. v. CAMPBELL PRINTING PRESS, ETC., CO., 69 Fed. 250, 16 C. C. A. 220. (Sixth Circuit).

It has been decided in this court, and in the courts of appeals of the second and seventh circuits, that an adjudication of another circuit court than that whose action is being considered, finding the validity of the patent and its infringement, is a sufficient ground, not only in the circuit court for an order granting a preliminary injunction, but also in the appellate court for affirming such an order.

949. AMERICAN STOVE CO. v. CLEVELAND FOUNDRY CO., 158 Fed. 978, 86 C. C. A. 182.

The defendants in the cases before us are other persons than the defendant in the former case, and of course are not concluded

by the judgment in that case. But it must be expected that we should adhere to our former opinion upon a record substantially the same.

950. NEW YORK FILTER CO. v. NIAGARA FALLS WATERWORKS CO., 80 Fed. 924, 26 C. C. A. 252.

Under such circumstances, where a new defense is interposed, the evidence to support it must be so cogent and persuasive as to impress the court with the conviction that, if it had been presented and considered in the former case, it would probably have availed to a contrary conclusion.

951. STANDARD ELEVATOR CO. v. CRANE ELEVATOR CO., 76 Fed. 767, 22 C. C. A. 549.

The general rule that a court of review may, whether the adjudication appealed from be interlocutory or final, direct the court of original jurisdiction to enter whatever decree ought to have been entered in the first instance, as in LeGuen v. Gouverneur, 1 Johns, Cas. 436; Richmond v. Atwood, 2 C. C. A. 596, 52 Fed. 10; Bissell Carpet Sweeper Co. v. Goshen Sweeper Co., 19 C. C. A. 25, 72 Fed. 545; and Green v. Mills, 16 C. C. A. 516, 69 Fed. 852, the opinion in the last named case being by Chief Justice Fuller,—need not be dwelt on.

952. THOMSON v. WOOSTER, 114 U. S. 104, 29 L. ed. 105, 5 Sup. Ct. 788

The bill, we have seen, was taken pro confesso, and a decree pro confesso was regularly entered up. * * * The defendants are concluded by that decree, so far at least as it is supported by the allegations of the bill, taking the same to be true. Being carefully based on these allegations, and not extending beyond them, it cannot now be questioned by the defendants unless it is shown to be erroneous by other statements contained in the bill itself. A confession of facts properly pleaded dispenses with proof of those facts, and is as effective for the purposes of the suit as if the facts were proved; and a decree pro confesso regards the statements of the bill as confessed.

953. GRANT v. RAYMOND, 6 Pet. (U. S.) 218, 8 L. ed. 376.

Courts did not, perhaps, at first distinguish clearly between a defense which would authorize a verdict and judgment in favor of the defendant in the particular action, leaving the plaintiff free to use his patent, and to bring other suits for its infringement; and one which, if successful, would require the Court to enter a judgment not only for the defendant in the particular case, but one which declared the patent to be void. This distinction is now well settled.

954. WASHINGTON, ETC., PACKET CO. v. SICKLES, 65 U. S. 333, 16 L. ed. 650.

This court described the rule in Aspden v. Nixon, 4 How. 467, in such cases to be, that a judgment or decree set up as a bar by plea, or relied on as evidence by way of estoppel, must have been made by a court of competent jurisdiction upon the same subject-matter, between the same parties for the same purpose.

955. RUSSELL v. PLACE, 94 U. S. 606, 24 L, ed. 214.

It is undoubtedly settled law that a judgment of a court of competent jurisdiction, upon a question directly involved in one suit, is conclusive as to that question in another suit between the same parties. But to this operation of the judgment it must appear, either upon the face of the record or be shown by extrinsic evidence, that the precise question was raised and determined in the former suit. If there be any uncertainty on this head in the record—as, for example: if it appear that several distinct matters may have been litigated, upon one or more of which the judgment may have passed, without indicating which of them was thus litigated, and upon which the judgment was rendered—the whole subject-matter of the action will be at large and open to a new contention, unless this uncertainty be removed by extrinsic evidence.

956. CRAMER v. SINGER MFG. CO., 147 Fed. 917, 78 C. C. A. 53.

The Supreme Court had ordered a new trial. The Supreme Court having thus held, upon a consideration of the written instruments themselves, that the Cramer invention was not of a pioneer character, and that the alleged infringing device is essentially different in construction from that of Cramer, there was nothing left for the court below to do on the last trial of the case but to follow the decision of the Supreme Court.

957. KINLOCH TEL. CO. v. WESTERN ELECTRIC CO., 113 Fed. 659, 51 C. C. A. 369.

Again, the court below has considered this question in the light of the state of the art, and of the conflicting testimony of the witnesses, and has decided that Seeley's combination was an invention. This conclusion is presumptively correct, and ought not to be reversed unless an obvious error has intervened in the application of the law, or some serious mistake has been made in the consideration of the facts by the circuit court.

958. TORREY et al. v. HANCOCK, 184 Fed. 61, 107 C. C. A. 79.

To avoid the defense that the latter was an anticipation of the invention of the patent, the complainant undertook to carry the Hardy invention back to May or June, 1894, and to connect Hardy with the box of the B-6 plow as its inventor. Without commenting upon the evidence produced for that purpose except to observe that Hardy himself, who was available to the complainant, was not called as a witness on this point, we content ourselves by saying that the proof is too contradictory, vague and general to satisfy our minds. The burden was on complainant to do so by satisfactory and convincing proof. Clark Thread Co. v. Willimantic Linen Co., 140 U. S. 481, 11 Sup. Ct. 846, 35 L. ed. 521; Rogers v. Fitch, 27 C. C. A. 23, 81 Fed. 959; Brooks v. Sacks, 26 C. C. A. 456, 81 Fed. 403; Eastern Paper Bag Co. v. Continental Paper Bag Co., (C. C.) 142 Fed. 479; Kraatz v. Tieman, (C. C.) 79 Fed. 322, and cases cited.

Whether he knew it in fact or not he is conclusively presumed to have been entirely familiar with all the prior art as disclosed either by patents or prior devices; and the originality of his accomplishment must be determined in the light of this presumption. Voigtmann v. Weis & Ridge Cornice Co., 78 C. C. A. 538, 148 Fed. 848, 851, and cases cited.

959. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107.

Questions on appeals of this character are ordinarily to be treated in this court from the standpoint from which they were viewed by the circuit court, and the decision on the merits by a circuit court of another circuit, sustaining the patent, is therefore usually of controlling weight here, as it should be in the court below.

960. BEACH v. HOBBS, 92 Fed. 146, 34 C. C. A. 248.

Although the defendants in this case are not the same, or in privity with the defendants in the other cases, we think, as a general rule, and especially in patent cases, we should follow the decision of the circuit court of appeals, of another circuit upon final hearing with respect to the issues determined, if based upon substantially the same state of facts, unless it should clearly appear that there was manifest error.

961. WESTINGHOUSE ELECTRIC, ETC., CO. v. STANLEY INSTRUMENT CO., 133 Fed. 167, 68 C. C. A. 523.

[Speaking of following decisions of circuit courts of appeals.] We have especially shown the propriety of this with regard

to decisions touching letters patent for inventions in Beach v. Hobbs, 92 Fed. 146, 147, 34 C. C. A. 248; Hatch v. Electric, etc., Co., 100 Fed. 975. The Supreme Court laid down a like practical rule in Hobbs v. Beach, 180 U. S. 383. In the present case, however, while the Circuit Court might well have felt constrained to follow the result of the Circuit Court of Appeals for the Second Circuit, the body of prior judicial decisions is of such an inharmonious character that we may well make an independent investigation based on the evidence before us.

962. ECAUBERT v. APPLETON, 67 Fed. 917, 15 C. C. A. 73.

The equity rule, apart from statutory or code provisions, is not the same with respect to the effect of assignments pendente lite by plaintiff and by defendant. "An assignment by a defendant of his interest in a litigation does not necessarily defeat a suit. *The assignee may, at his own election,* come in by an appropriate application, and make himself a party, so as to assume the burden of the litigation in his own name, or he may act in the name of his assignor." Ex parte Railroad Co., 95 U. S. 221. If a sole plaintiff, suing in his own right, assigns his whole interest to another, he is no longer able to prosecute the suit, because he is without interest in the litigation. Story Eq. Pl., § 348; Hoxie v. Carr, 1 Sumn. 173; Fed. Cas. No. 6802; Ross v. City of Fort Wayne, 11 C. C. A. 288, 63 Fed. 466. But this does not mean that the bill must be dismissed. The effect of the assignment is stated by Judge Story not to be "necessarily a destruction of the suit, like an abatement at law, where a judgment quod cassetur is entered. It is merely an interruption to the suit, suspending its progress until the new parties are brought before the court, and if this is not done at a proper time the court *will* dismiss the suit."

963. ILLINOIS CENT. R. R. CO. v. TURRILL, 110 U. S. 301, 28 L. ed. 154, 4 Sup. Ct. 5.

Since the present appeals were taken, the patentee has died, and the appellants now suggest that the causes of action do not survive, and the suits cannot be further prosecuted in the name of the legal representatives of the decedent. As to this, it is sufficient, to say that what was called by Chief Justice Marshall, in Gordon v. Ogden, 3 Pet. 35, "the silent practice of the court," has always been the other way. It is every day practice to revive such suits, and the books are full of cases in which this has been silently done, no one apparently entertaining a doubt of its propriety.

964. EVANS v. SUESS, ETC., GLASS CO., 83 Fed. 706, 28 C. C. A. 24.

An assignment of error which is predicated upon the opinion of the court or upon a reason given by the court for its ruling or decree, is not available * * * It is something done by the court—a ruling, judgment, order or decree—and not a reason therefor, which may be assigned as error. A sufficient assignment in this case would have been simply that the court erred in dismissing the bill.

965. WESSEL v. UNITED MATTRESS MACH. CO., 139 Fed. 11, 71 C. C. A. 423.

The first assignment is that "the court erred in not dismissing the bill of complaint," and it is said it is too general. But if this be so, we think the error is plain, and that we may, in the exercise of our discretion, and ought to, notice it. This defense was distinctly raised by the answer, the issue is vital to the merits of the controversy, and the case cannot be rightly decided without adverting to it.

966. MINNESOTA, ETC., PLOW CO., v. DOWAGIAC MFG. Co., 126 Fed. 746, 61 C. C. A. 352.

That decree allowed an injunction, and for that reason the defendants had a right to review it by appeal, and this court had jurisdiction to consider and determine upon that appeal what kind of a decree ought to be rendered. The complainant had no right to maintain a cross-appeal, because no injunction was granted against it, and the decree was not final.

967. BISSELL CARPET-SWEEPER CO. v. GOSHEN SWEEPER CO., 72 Fed. 545, 19 C. C. A. 25.

The injunction decree appealed from was not a mere preliminary injunction granted in the exercise of the discretion of the circuit court. The case had been fully prepared by both parties. It came on regularly to be heard on the merits and was so heard. The court was obliged to decide, and did decide—First, that the complainant's patent was valid and infringed. Upon this basis the court awarded, as it was bound to do, a perpetual injunction and an accounting. Under the rule of the supreme court as to an appealable final decree, this was not one, although the merits had been determined and nothing remained to be done except to ascertain the damages.

968. STANDARD ELEVATOR CO. v. CRANE ELEVATOR CO., 76 Fed. 767, 22 C. C. A. 549.

The "interlocutory order or decree" made appealable by amended section 7 must be one wherein the court grants ,continues, refuses, dissolves, or refuses to dissolve an injunction. The state of the record or progress of the cause must be such, when said appealable "interlocutory order or decree" is entered, that a "final decree" upon the matter with which said "interlocutory order or decree" has to do may yet be made. The contrast suggested by the words "interlocutory order or decree" and "final decree" as used in the first paragraph of amended section 7, is between a decree which is preliminary to a hearing on the merits, and hence discretionary in the court, and one which follows a hearing on the merits, and is hence final, conclusive, and as of right in the prevailing party; between a decree which is meant to preserve the subject-matter of the litigation, or prevent irreparable injury, till a hearing on the merits can be had, and a decree which follows the hearing on the merits, and ultimately determines the rights of the litigants. The "interlocutory order or decree" made appealable by amended section 7 must be one which leaves the cause pending on the issues in the court of original jurisdiction.

969. RICHMOND v. ATWOOD, 52 Fed. 10, 2 C. C. A. 596.

The record before us is complete. Everything is here for our consideration which was before the court below. We must go to the full merits, as shown by the record, in order to determine whether the interlocutory decree for a perpetual injunction is founded in error, and, if we determine the property right adversely to the complainant the injunction should be dissolved; and no sufficient reason has been suggested why the accounting —to which the complainant is not entitled, and, which would be an evasion of a right, and therefore, inequitable and improper, under our view of the case—should proceed.

970. MARDEN v. CAMPBELL, ETC., MFG. CO., 67 Fed. 809, 15 C. C. A. 26.

The rule is one of equitable convenience that when the whole record touching the decree so far as it supports the injunction comes up before the court of appeals, or can come there, so that the court has before it everything in this respect which the circuit court had or which the court of appeals would have on an appeal from a final decree, the court will go fully into the merits of the appeal.

971. LIBRARY BUREAU v. YAWMAN, ETC., MFG. CO., 147 Fed. 245, 77 C. C. A. 387.

The interlocutory decree held one of the claims of the patent valid and infringed, and the other claims invalid or not infringed, and the complainant appealed from so much thereof as related to the claims which were adjudged invalid or not infringed. Thereupon the respondent below, now the appellee, filed a motion to dismiss on the ground that the appeal was premature. The respondent below took an appeal from so much of the interlocutory decree as adjudged one of the claims valid and infringed. The motion to dismiss this appeal must be allowed on the authority of our decision in Marden v. Campbell, 67 Fed. 809; * * * and also Ex parte National Enameling, 201 U. S. 156.

972. DONALLAN v. TANNAGE PATENT CO., 79 Fed. 385, 24 C. C. A. 647.

Where, after a hearing, a cause is disposed of by the court on appeal, for some reason not touching the merits, it is now well settled that the judgment should usually show that it is without prejudice. So, on his own motion to dismiss, an appellant may sometimes show inadvertence or mistake or some other special reason which may entitle him to equitable consideration and a special order. But we have no suggestion of any such exceptional matter here. We have no judicial knowledge of anything except what we have stated, and that there has been no hearing by us on the merits. Whether, under our expressions in Gamewell Fire-Alarm Telegraph Co. v. Municipal Signal Co., 9 C. C. A. 450, 61 Fed. 208, and in Marden v. Mfg. Co., 15 C. C. A. 26, 67 Fed. 809, the appellant is not, in any event, sure of all he desires to reserve, is for him to consider. As he moves to dismiss his appeal of his own volition, we have no occasion whatever to aid him, under the circumstances of the case, either by any special order, or by any expressions of opinion.

973. CAMPBELL v. HAVERILL, 155 U. S. 610, 39 L. ed. 280, 15 Sup. Ct. 217.

Where a party upon a trial excepts to a ruling of the court, but does not stand upon such exception, and acquiesces in the ruling and elects to proceed with the trial, he thereby waives his exception.

974. AMERICAN SALES BOOK CO. v. BULLIVANT, 117 Fed. 255, 54 C. C. A. 287.

Where the parties consent that the case be tried before a judge or referee, the only question presented by the writ of error

is whether there is any error of law in the judgment upon the facts as found by the judge or referee. The court's findings upon questions of fact are not subject to review in the appellate court if there is any legal evidence upon which such findings could be made.

975. CONSOLIDATED CAR HEATING CO. v. WEST END ST. RY. CO., 85 Fed. 662, 29 C. C. A. 386.

Orders, relating to the conduct of a trial and to amendments adjusting the parties to a controversy are generally treated as orders made in the exercise of discretion, and not subject to exception and review. In an equity case, however, where the appeal brings up questions of law and of fact, the court of review may doubtless examine to see whether the case, as presented is, either upon the law, the facts, or the pleadings, an inequitable case; and if, for any reason, it so appe..rs, relief may and should be withheld.

976. EXCELSIOR WOODEN PIPE CO. v. SEATTLE, 117 Fed. 140, 55 C. C. A. 156.

And as a patentee may be joined as a co-complainant against his consent originally, no good reason is perceived why he may not be so retained for the protection of the rights of his licensee after judgment once rendered and the cause remanded for further proceedings. The patentee may be content with a decree against him; but when his co-complainant is not, and has the right of appeal, the doctrine of summons and severance may be invoked, and upon the refusal of the patentee to join in the appeal after being duly notified to do so, the appeal of his licensee may be allowed upon the entry of such refusal of record, the judgment remaining conclusive as to the party refusing.

977. BOESCH v. GRAFF, 133 U. S. 697, 33 L. ed, 787, 10 Sup. Ct, 378.

The refusal of the circuit court to grant a rehearing is not open to consideration in this court.

978. ECAUBERT v. APPLETON, 67 Fed. 917, 15 C. C. A. 73.

The fact of the assignment of the Hofmann patent pendente lite, and of all rights thereunder to any claims for profits or damages, was not known to the circuit court. The defendant definitely learned of this assignment on Nov. 28, 1894, and thereafter, and before the argument upon the appeal, moved this court to remand the case to the circuit court with directions to dismiss the bill, but without prejudice to the rights of the assignee to apply for leave to file an original bill in the nature of a sup-

plemental bill. This motion was properly denied. A peremptory dismissal of the bill, as will be seen hereafter, was not permissible; and furthermore, while Appleton and others were complainants, Ecaubert was seeking affirmative relief against them by his cross bill, and his right to relief, if any he had, could not be injuriously affected by the complainant's assignment. If the court should decree adversely to the validity of the Hofmann patent, its assignees would be bound by the decree, because, irrespective of the question whether they had become the actual parties, they, being assignees were charged with notice of the suit, and bound by its results. Thus, where a plaintiff—who, as owner of a patent, had brought suit for infringement and had assigned his interest in the patent pendente lite—asked the court to dismiss his bill, after an answer praying for affirmative relief, it was held that a possible right in the defendant to have a decree in his favor could not be defeated by such an assignment and by permission to dismiss the bill.

979. HEATON, ETC., BUTTON-FASTENER CO. v. SCHLOCHTERMEYER, 72 Fed. 520, 18 C. C. A. 674.

It will be observed that the learned judge in the court below was able to point out instances of similar devices within his personal observation of a kind necessarily within common knowledge. Herein is the distinction between this case and the Fibre-Chamois Cases (just decided) 72 Fed. 508, 516. [Patents Nos. 324,053 and 451,070 held void on demurrer.]

980. MILNER SEATING CO. v. YESBERA, 111 Fed. 386, 49 C. C. A. 397.

We think the court erred in holding upon demurrer that the patent was void upon its face. It may be admitted that the invention is one of narrow limitations, but we are not prepared to hold that in the circumstances, which may be susceptible of proof, the patent should be held void in the absence of any anticipation, and supported, as it is possible it may be, by evidence that it fulfills a useful purpose, and has been extensively adopted by the public in practical use, and further supported by the presumption of validity arising from the allowance of the patent by the patent office, the force of which presumption is augmented by the fact that there was a serious contest in the office. * * * It is undoubtedly established law that the court may, in a clear case, dismiss upon demurrer, a bill. * * * But this court has on former occasions in substance said that this ought only to be done when there is no room for thinking that any evidence could be adduced which would, if put into the case, alter the clear conviction of the court. [Compare Equity Rules of November 4, 1912.]

981. THOMAS v. ST. LOUIS, ETC., R. CO., 149 Fed. 753, 79 C. C. A. 89.

There is nothing new in this device. * * * This is a matter of such common knowledge that the court below took judicial notice of it, and properly held the patent void on demurrer for lack of novelty. The fact that the action was one at law did not place the initial pleading beyond the reach of the demurrer.

982. POWDER v. POWDER, 98 U. S. 126, 25 L. ed. 77.

The main defense relied on by the counsel of the defense, on the demurrer is, that it is apparent that the reissued patents numbered 4818 and 4819 are not for the same invention as that which was described in the original letters patent numbered 50617 for a portion of which they purport to be reissues.

* * *

Since, therefore, the reissues in question are not for the same invention for which the original patent was granted, it follows that they are void; and the bill must be dismissed so far as relates to the said reissued patents numbered respectively 4818 and 4819.

As nothing is shown, however, in the statements of the bill, which affects the validity of the third party sued on, the bill should not have been dismissed as a whole, but only as to the said reissues 4818 and 4819.

983. FOWLER v. NEW YORK, 121 Fed. 747, 58 C. C. A. 113.

There can no longer be a doubt that where, in an infringement suit, profert of the patent is made in language similar to that quoted, supra, the patent is regarded as a part of the bill and will be examined on demurrer.

984. AMERICAN CARAMEL CO. v. MILLS BROS., 162 Fed. 147.

Among the prayers of the bill was one that the infringing machines should be delivered up to be destroyed. * * * This was an unusual prayer, * * * although, of course, not an unwarranted one, if the circumstances called for it. * * * It was only, however, by inadvertence that it was sanctioned here; and, application having been made to reform the mandate so as to exclude this relief, it will be recalled and corrected accordingly.

985. UNITED STATES v. HARVEY STEEL CO., 196 U. S. 310, 49 L. ed. 492.

A plea of that condition, to satisfy the words "in case it should at any time be judicially decided" that the patent was

bad, would have to be that it had been decided to that effect. It would not be enough to say that the defendant thought the patent bad and would like to have the court decide so now.

986. TUTTLE v. CLAFLIN, 76 Fed. 227, 22 C. C. A. 138.

The question is not whether the rules of pleading required the allegation of notice in a bill in equity which asked for damages and profits (that question is settled in Dunlap v. Schofield, supra); but it is whether the neglect to take notice of the omission, either by answer or in any other form, until after the final decree, was not a waiver of the want of notice. It was so held in Rubber Co. v. Goodyear, 9 Wall. 811, where the point of want of notice, did not appear until the hearing before the master, and the court held that the triable issue must be confined to the pleadings. This was affirmed in Sessions v. Romadka, 145 U. S. 29. In Dunlap v. Schofield, supra, (a bill in equity to recover damages), the bill and answer made the proper averments and denials, but no proof was given, and the court held that the burden of proof rested upon the complainant. In Coupe v. Royer, 155 U. S. 583 (an action at law), the pleadings were silent; but the question was actually litigated upon the trial by contradictory evidence, and the court thought that it should have been submitted to the jury. In this case the pleadings were silent. The question never became one actually in issue, and was never raised in the circuit court.

It is too late to raise for the first time in the appellate court technical questions of pleading or proof which are not jurisdictional in their character, and which were not raised either in the pleadings or before the trial courts, where defects might have been remedied, and which must therefore, be considered to have been waived. It is therefore not necessary to consider whether the provisions of section 4900 are applicable only to cases in law or in equity, in which damages, as distinguished from profits, are the subject of investigation.

987. MARTIN, ETC., CASH-CARRIER CO. v. MARTIN, 71 Fed. 519, 18 C. C. A. 234.

We think the distinction must be kept clearly in view between amendments allowable before an appeal and those for which a case is to be kept along thereafter. * * * This case comes within the closing remarks of our opinion in American Bell Tel. Co. v. U. S., 15 C. C. A. 569, 68 Fed. 542, 570, as follows: "We have already found that, as the record now stands, it contains no proof to sustain an allegation of this character. Therefore, an amendment of this nature would require the opening of the record below for further proofs. It is not at all a case where a

complainant has proved his case, but his allegations are found by the appellate court to be inapt. To grant this motion would, under the circumstances, violate all the rules requiring diligence from parties complainant."

988. SEYMOUR v. OSBORNE, 78 U. S. 516, 20 L. ed. 33.

Parties defendant, such as infringers, are not allowed in an action at law to set up the defense of a previous invention, knowledge, or use of the thing patented, unless they have given notice of such a defense thirty days before the trial, and have stated in the notice "the names and places of residence of those whom they intend to prove to have possessed a prior knowledge of the thing, and where the same had been used;" and the settled practice in equity is to require the respondent, as a condition precedent to such defense, to give the complainant substantially the same information in his answer.

989. ATHERTON MACH. CO. v. ATWOOD-MORRISON CO., 102 Fed. 949, 43 C. C. A. 72.

If it were so, such profert were unnecessary to be made, as none of the assignments of the patent referred to are required to be under seal. If profert is made of any document, of which it is not necessary, it will be treated as mere surplusage, and will not entitle the defendant to over. Walk. Pat., § 433, 1 Chit. Pl. 366. The complainant was entitled to stand upon its prima facie case as to title, and the failure to set out the assignments referred to could not, under the circumstances, be taken advantage of by demurrer.

990. NEWARK SPRING MATTRESS CO. v. RYAN, 102 Fed. 693, 42 C. C. A. 594.

The complainant has not pleaded the estoppel he claims, and defendant was without the notice in the pleadings to which he was entitled. Notwithstanding the forty-fifth equity rule, the complainant was at liberty, and should have availed himself thereof, to plead, by way of anticipation, the estoppel to the defense of non-validity of the patent.

991. CHESTER FORGING, ETC., CO. v. TINDEL-MORRIS CO., 165 Fed. 899, 91 C. C. A. 577.

It is now objected that a preliminary injunction ought not to be allowed while a demurrer is pending. Ordinarily, that is true, but there are exceptions to the rule. In a case where, on examining the bill and the demurrer, the court is not satisfied that the demurrer will, on the argument of it, be sustained, and

where, on the proofs submitted, allegations of fraud pleaded in the bill are clearly proven, the court has, within reasonable bounds, a discretionary power to preserve the existing status of affairs by a preliminary injunction to prevent the carrying out of the fraud until the demurrer is argued and disposed of. Any other rule would open a wide door to the grossest injustice. Prima facie, the complainant's patents, in the case in hand, are valid, and since the demurrer admits, for the purpose of the argument of it, the fraud pleaded in the bill, we should not disturb the order for an injunction pendente lite unless we are satisfied that there is reasonable doubt as to the sufficiency of the bill in other respects than in the "formal defects" found by the court below, or unless, on an independent examination of the facts, we are satisfied no fraud has been shown.

* * *

The only specific objections to the bill are that it fails to allege * * * (1) that the subject-matter of the patent was not abandoned, (2) that its subject-matter was not patented in any foreign country more than two years prior to the application for it, and (3) that its subject-matter was not patented in any foreign country more than seven months (in the case of one of the patents), or more than twelve months (in the case of each of the other two patents), before the application for it in this country was filed. These were the "formal defects" which were cured by amendments, and we think that, in view of the fraud which seems on the present ex parte proofs to be established, those defects were properly regarded as not sufficient to defeat the application for a preliminary injunction.

992. BROWN v. PIPER, 91 U. S. 37, 23 L. ed. 200.

Evidence of the state of the art is admissible in actions at law under the general issue without a special notice, and in equity cases without any averment in the answer touching the subject. It consists of proof of what was old and in general use at the time of the alleged invention. It is received for three purposes and none other—to show what was then old, to distinguish what was new, and to aid the court in the construction of the patent.

993. KEYSTONE BRIDGE CO. v. PHOENIX IRON CO., 95 U. S. 274, 24 L. ed. 344.

The defendant may at all times, under proper pleadings, resort to prior use and the general history of the art to assail the validity of a patent or to restrain its construction. The door is then opened to the plaintiff to resort to the same kind of evidence in rebuttal; but he can never go beyond his claim.

994. NATIONAL CASH REGISTER CO. v. LELAND, 94 Fed. 502, 37 C. C. A. 372 (First Circuit).

The Massachusetts interrogatories are sought as a "mode of proof in trials at law." The answers to them are not oral testimony, and therefore, to be admitted, must be brought within the exceptions specified in the Revised Statutes. They are not a deposition taken under the circumstances in which it is permitted to take a deposition by sections 863 to 865 of the Revised Statutes and, like the New York examination, the Massachusetts interrogatories violate common usage by seeking to call the party in advance of the trial at law, and to "subject him to all the skill of opposing counsel to exact something which he may use then or not as it suits his purpose." As the Massachusetts interrogatories fall neither within the rule of section 861 nor within the exceptions allowed by the following section, and as that rule and those exceptions provide an exclusive mode of proof in trials at law in the federal courts, it would seem that the interrogatories are inadmissible here.

* * *

It is further contended by the plaintiff that the interrogatories in question are admissible as a statutory substitute for a bill of discovery in aid of an action at law, and are thus brought within the provision of section 914 of the Revised Statutes. This view of the Massachusetts interrogatories was taken by the circuit court for this district in Bryant v. Leyland ,6 Fed. 125. We think the contention unsound. The Supreme Court has constantly maintained the distinction between the systems of law and equity, and has refused to adopt into the practice of the federal courts any part of the practice of the state courts which confounds the two systems. Moreover, the provisions of section 914 apply only to suits at law in the federal courts, and, in the absence of express language, can hardly be intended to introduce into the practice and procedure of such suits statutory procedure which is in its nature plainly equitable. We find, therefore, that it has been decided by the Supreme Court that, if the statutory interrogatories are to be treated as laying the foundation for a deposition, they are inadmissible in federal practice, because a deposition is not authorized to be taken in such a case by the statutes of the United States; that an examination authorized by state statutes has been excluded on this ground when such examination, though not altogether similar, was yet in most respects similar to the interrogatories in the case at bar, the grounds for the exclusion, as stated by the Supreme Court, being largely applicable to the interrogatories in this case. We find, furthermore, that, if these interrogatories are to be treated, not as questions put to a deponent, but as a statutory substitute for

a bill of discovery, they are excluded as an encroachment upon that control of equity procedure which belongs to the federal courts except when regulated in express terms by an act of congress.

* * *

The plaintiff further contends that, even if the statutory interrogatories be treated as the taking of an ordinary deposition, and hence forbidden by section 861, yet they are permitted by chapter 14 of the Act of 1892 (27 Stat. 7), which permits the taking of depositions in the mode described by the laws of the state in which the courts are held. This position seems to us plainly untenable. The act of 1892, as stated by the learned judge in the circuit court, was intended only to "simplify the practice of taking depositions by providing that the mode of taking in instances authorized by the federal laws might conform to the mode prescribed by the laws of the state in which federal courts were held," and not "to authorize the taking of depositions in instances not heretofore authorized by the federal statutes, and to confer additional rights to obtain proofs by interrogatories addressed to the adverse party in actions at law." For these reasons the exception to the refusal of the judge of the circuit court to default the defendants must be overruled.

994a. HANKS DENTAL ASSO. v. INTERNATIONAL TOOTH CROWN CO., 194 U. S. 303, 48 L. ed. 989, 24 Sup. Ct. 700.

In short, the courts of the United States are not given discretion to take depositions not authorized by Federal law, but, in respect of depositions thereby authorized to be taken, they may follow the Federal practice in the manner of taking, or that provided by the state law.

995. TYLER v. BOSTON, 74 U. S. 327, 19 L. ed. 93.

It is said properly, that, whether one compound of given proportions is substantially the same as another compound varying in the proportions—whether they are substantially the same or substantially different—is a question of fact and for the jury.

996. WOODBURY PLANING MACH. CO. v. KEITH, 101 U. S. 479, 25 L. ed. 939.

An objection to the examination of a witness should state specifically the ground of the objection, in order that the opposite party may have the opportunity of removing it, if possible.

* * *

Anson and Cole were both examined and testified, without any objection to their competency because of want of notice.

Hence it is too late to object to their testimony now. Had objection been taken at the time, the answer might have been amended.

997. RODWELL SIGN CO. v. TUCHFARBER CO., 127 Fed. 138, 62 C. C. A. 252.

That no two of these witnesses testify as to the same identical plate, and that none of these old plates [is] produced, is urged as ground upon which we should hold the anticipation not proven. We are not unmindful of the liability to mistake in oral evidence of an anticipation, and of the rule which requires that the evidence relied upon to overthrow the presumption of novelty should be of the most cogent character. Deering v. Winona Harvester Works, 155 U. S. 286, 300, 39 L. ed. 153; American Roll Paper Co. v. Weston, 59 Fed. 147, 8 C. C. A. 56. Nevertheless we cannot escape the conviction that this method of making door name-plates is established as convincingly as any such fact can be established where the original article is not produced. So far as we can see, the witnesses are without bias or incentive to color their evidence. The probability of mistake is reduced to a minimum by the very simple character of the subject about which they testify. The case is therefore quite exceptional, and, if the evidence does in fact produce conviction beyond all reasonable doubt, we are unadvised of any rule which denies to it legal effect in any class of case, criminal or civil.

998. CROWN CORK, ETC., CO. v. ALUMINUM STOPPER CO., 108 Fed. 845, 48 C. C. A. 72.

The burden is upon the defendant, in a case like this, to prove want of utility. He must show either that it is theoretically impossible for such a device to operate, or demonstrate by clear proof that a person skilled in the art to which the invention pertains has endeavored in good faith to make the patent work, and has been unable to do so; and it follows that such evidence is overthrown, or will be overthrown, if it is demonstrated by practical experiments of credible persons that they have succeeded in producing by the patent process the results claimed by the patent.

999. BATES v. COE, 98 U. S. 31, 25 L. ed. 68.

Neither the defendant in an action at law nor a respondent in an equity suit can be permitted to prove that the invention described in the prior patent, or the invention described in the printed publication, was made prior to the date of such patent or printed publication, for the reason that the patent or publication

can only have the effect as evidence that is given to the same by the Act of Congress. Unlike that, the presumption in respect to the invention described in the patent in suit, if it is accompanied by the application for the same, is that it was made at the time the application was filed; and the complainant or plaintiff may, if he can, introduce proof to show that it was made at a much earlier date.

* * *

Evidence to sustain the second defense is sufficient, if the patent introduced for the purpose, whether foreign or domestic, was duly issued or the complete description of the invention was published in some printed publication prior to the patented invention in suit; and the patent offered in evidence or the printed publication will be held to be prior, if it is of prior date to the patent in suit, unless the patent in suit is accompanied by the application for the same, or unless the complainant introduces parol proof to show that his invention was actually made prior to the date of the patent or prior to the time the application was filed.

1000. JONES v. CYPHERS, 126 Fed. 753, 62 C. C. A. 21.

These two patents were not set up in the answer, and cannot, therefore, be availed of as an anticipation to invalidate the claim upon the ground of want of novelty. Grier v. Wilt, 120 U. S. 429, 30 L. ed. 712. But they are admissible in evidence as showing the state of the prior art; and when the court, advised as to the prior art, reaches the conclusion that the improvement on such prior art described in the patent sued on did not embody or require invention, and was not patentable, it is the duty of the court to dismiss the cause on that ground. "The question whether the invention which is the subject-matter in controversy is patentable, or not, is always open to the consideration of the court, whether the point is raised by answer or not."

1001. SCOTT v. LAZELL, 160 Fed. 472, 87 C. C. A. 456.

The complainant introduced "Complainant's Exhibit Scott Bustle," the counsel for the respective parties having previously agreed "that the same is a fair specimen of the device of the patent in suit." * * * This is, in effect, an admission that the bustle purchased of defendant's is substantially identical with the one made under the patent, or, in other words, it is an admission of infringement. However, as counsel for the defendants insist that the stipulation of April 24th was made inadvertently and under a misapprehension of the facts, we think the defendants should not be foreclosed thereby.

1002. CARNEGIE STEEL COMPANY v. CAMBRIA IRON COMPANY, 185 U. S. 403, 46 L. ed. 969.

But while the stipulation is undoubtedly admissible in evidence it ought not to be used as a pitfall, and where the facts subsequently developed show, with respect to a particular matter, that it was inadvertently signed, we think that, upon giving notice in sufficient time to prevent prejudice to the opposite party, counsel may repudiate any fact inadvertently incorporated therein. This practice has been frequently upheld in this and other courts. The Hiram, 1 Wheat. 440, 4 L. ed. 131; Hurt v. Hollingsworth, 100 U. S. 100, 103, 25 L. ed. 569, 570; Malin v. Kinney, 1 Cal. 117; Barry v. New York Mut. L. Ins. Co., 53 N. Y. 536.

1003. KEASBEY, ETC., CO. v. AMERICAN MAGNESIA, ETC., CO., 143 Fed. 490, 74 C. C. A. 510.

When the question was again asked, but limited to Mr. Keasbey, he answered "To the best of my knowledge and recollection, he never did!" This will not do as an answer to the unequivocal testimony of Keasbey.

1004. WINANS v. NEW YORK, ETC., R. CO., 21 How. (U. S.) 88,, 16 L. ed. 68.

Experts may be examined to explain terms of art, and the state of the art, at any given time. They may explain to the court and jury the machines, models or drawings exhibited. They may point out the difference or identity of the mechanical devices involved in their construction. The maxim of *"cuique in sua arte credendum"* permits them to be examined to questions of art or science peculiar to their trade or profession; but professors or mechanics cannot be received to prove to the court or jury what is the proper or legal construction of any instrument of writing. A judge may obtain information from them, if he desire it, on matters which he does not clearly comprehend, but cannot be compelled to receive their opinions as matter of evidence.

1005. NORTON v. JENSEN, 49 Fed. 859, 1 C. C. A. 452.

Expert testimony is admissible to explain the several drawings, models, and machines that are exhibited upon the trial, their operation, purpose, and effect, and the differences which exist in the various devices involved in their construction. The opinion of an expert is, in certain cases, admissible in evidence, but it is not conclusive upon the courts. It is to be considered as the judgment and opinion of a person who has had extensive practice, education and knowledge in relation to the particular

subject upon which his testimony is given. If the reasons given by the expert witness are deemed reasonable and satisfactory, the court may adopt them, but, if they are unsatisfactory, the court will discard the testimony, and act upon its own knowledge and judgment.

1006. IDEAL STOPPER CO. v. CROWN CORK, ETC., CO., 131 Fed. 244, 65 C. C. A. 436.

Unhappily we cannot accept without reservation the opinions of the experts who have been examined as witnesses, for they are necessarily partisans of the side calling them, and essentially advocates, and their opinions are contradictory, and tend to perplex, instead of elucidating, although they appear to be gentlemen of great ability and deserved eminence.

1006a. IN RE ROBERT GAIR CO., 196 Fed. 492 (C. C. A., First Circuit).

The doubts of Judge Lacombe in Arnold v. Chesebrough (C. C.) 35 Fed. 16, as to appointing an examiner to take testimony outside of the district of the court having jurisdiction of the case have become obsolete, and are fully met by the opinion of the Circuit Court of Appeals for the Second Circuit in White v. Toledo Company, 79 Fed. 133, 24 C. C. A. 467. That establishes the proposition that the appointment of an examiner out of the district is fully supported by section 868 of the Revised Statutes (U. S. Comp. St. 1901, p. 664) therein referred to. This seems to require that the witness should be named. Whether the witness was named in the case in the Second Circuit is not clear.

Also, McClellan v. Carland, 217 U. S. 268, 30 Sup. Ct. 501, 54 L. ed. 762, has so far broadened out the prior decisions as to the jurisdiction of Circuit Courts of Appeals over writs of mandamus that apparently, as the present topic might have ripened into matters which would clearly be appealable to the Circuit Court of Appeals, mandamus might lie.

The fundamental difficulty is that the petition in this case shows that the examination was being conducted by consent of the parties, and that there was no commission as required by the Revised Statutes. They require that a commission should have been issued by the court for the taking of the testimony of the witness involved, and provide that thereupon a subpoena might be issued by the clerk of the federal court of the district where the witness was to be examined. It does not appear here that any subpoena was issued, or that there was anything more than an agreement that an order might be entered appointing a special examiner nunc pro tunc. All this might be sufficient, ordinarily, to enable the court where a case is pending to control a witness after he has appeared voluntarily before it; but in the present case it is clearly a condi-

tion precedent that the statute should be strictly complied with. So far as we can see, the only remedy the petitioner has is to induce the court, if it can, to refuse to allow the deposition to be used on the ground of the refusal of the witness to submit to a full cross-examination, though as to that we express no opinion.

1007. REEDY v. SCOTT, 90 U. S. 352, 23 L. ed. 109.

Nothing is exhibited in the record to show that the arbitrator erred in the construction of the patent, and if he did not and his finding as to the character of the machine manufactured by the respondent is correct, it is settled law that his decision is correct.

1008. BRADLEY v. ECCLES, 139 Fed. 447, 71 C. C. A. 291.

There are some elementary details of everyday domestic mechanics of which a court will take judicial notice. No sworn testimony is needed to inform it that the use of leather washers to relieve friction, prevent rattling, secure even pressure, and avoid wear and tear between metal surfaces, has been the common property not only of mechanics, but of all persons possessing ordinary intelligence, for many generations.

1009. OSGOOD DREDGE CO. v. METROPOLITAN DREDGING CO., 75 Fed. 670, 21 C. C. A. 491.

It is a thoroughly well settled principle of patent law that in clear cases the court may, of its own motion, adjudge a patent invalid, even if its validity is not set up by the alleged infringer.

1010. SLAWSON v. GRAND STREET R. R. CO., 107 U. S. 649, 27 L. ed. 576, 2 Sup. Ct. 663.

We think the practice thus sanctioned is not unfair or unjust to complainants in suits brought on letters patent. If letters patent are void because the device or contrivance described therein is not patentable, it is the duty of the court to dismiss the cause on that ground, whether the defense be made or not. It would ill become a court of equity to render money decrees in favor of a complainant for the infringement of a patent which the court could see was void on its face for want of invention. Every suitor in a cause founded on letters patent should, therefore, understand that the question whether his invention is patentable or not is always open to the consideration of the court, whether the point is raised by the answer or not.

1011. PARSONS v. SEELYE, 100 Fed. 452, 40 C. C. A. 484.

The state of the art, under many circumstances, is a matter of which the court can take judicial notice, especially in equity suits, where the court exercises the privileges of a jury as well as of judges sitting to determine questions of law. * * * It is also true there may be, with reference to a particular subject-matter, such a mass of patents, covering so long a period, that they may be taken to have become part of the common knowledge which the court shares. So, also, a mass of patents, continued for a long period, may so clearly indicate such a state of the art as to be sufficient to invalidate a patent precisely as the common state of the practical arts existing throughout the community may invalidate it. Of course under such circumstances, in neither the one case nor the other need the defense be specially pleaded under the statute.

This court has several times said that it cannot assume to take notice of special facts, within a limited and peculiar field, like that which the appellee seeks to bring to our attention. * * * It is plain that the state of the art of which the court may take judicial notice, and as to which it can be assisted by the statements of the parties or their counsel, without proofs furnished in accordance with the rules of law, is matter of general knowledge, and such judicial notice cannot extend to a single patent, relating to a particular fact in a limited art.

1012. RUMFORD CHEMICAL WORKS v. HYGIENIC CHEMICAL CO., 159 Fed. 436, 86 C. C. A. 416.

If there were any doubt as to what those questions are, we could take judicial notice of the records of our own court for the purpose of informing ourselves.

1013. BROWN v. PIPER, 91 U. S. 37, 23 L. ed. 200.

Of private and special facts, in trials in equity and at law, the court or jury, as the case may be, is bound carefully to exclude the influence of all previous knowledge.

1014. AMERICAN CARAMEL CO. v. MILLS BROS., 162 Fed. 147, 89 C. C. A. 171.

As a result of a neglect to mark, or to notify the defendants in the absence of it, damages are denied by the statute; the infringement being otherwise presumptively innocent. An issue being made by the answer, a compliance with the statute is required to be affirmatively shown in order to lay ground for an account. * * * It is immaterial that in the present instance the complainants neither license nor sell their machines, reserv-

ing the benefit of the patent for the advantage of their own business. The fact still remains that without notice, either direct or constructive, the defendants are entitled to be regarded as acting innocently, and so not liable to damages, by the express provision of the statute.

1015. MAIMEN v. UNION SPECIAL MACH. CO., 165 Fed. 440, 91 C. C. A. 384.

There is no evidence in the record which shows or tends to show any actual or constructive notice to the defendant of the patent in suit prior to the filing of the bill of complaint. Under circumstances like these, however, an accounting of profits and damages subsequent to the date of filing of the bill was allowed by this court in American Caramel Co. v. Thomas Mills & Bro., (C. C. A.) 162 Fed. 147. The mandate in that case, by implication at least, clearly permitted such an accounting, and we have not been referred to any controlling authority to the contrary. Turning to the statute upon this point (R. S. 4900), * * * this goes no further than to prohibit the recovery of damages without proof of notice. It prescribes no particular form of notice or any particular time for the accounting. To permit an accounting, therefore, after notice given by the filing of the bill, if the complainant shall establish his right thereto, does not contravene the statute, since, notwithstanding such notice, the complainant can recover no damages unless it affirmatively shows infringement after notice.

As the proofs now stand, the complainant can recover no damages; but if he shall be able to show infringement after the bill was filed, we see no reason why it should not be permitted to do so, and to recover the amount so shown, and in this suit. * * * If the complainant's proofs, when taken, shall not affirmatively disclose infringement subsequent to the filing of the bill, it will be mulcted with costs, and the defendant will not have been injured.

A petition was filed asking leave to file the amended and supplemental bill. Notice was given. A day was fixed for the hearing, and full discussion was had. * * * We see no abuse of discretion in the court.

1016. BOSTON, ETC., ST. RY. CO. v. BEMIS CAR-BOX CO., 98 Fed. 121, 38 C. C. A. 661.

The question has been made whether, ordinarily, equity requires that a bill of review should be permitted to be filed on a new issue which might have been presented in the principal cause, but was not. On general principles, it would seem that there would be no equity in this behalf; unless in very exception-

al cases. * * * Nevertheless the later authorities do not permit a formulated rule of this character; and, as no fixed formula can ever be laid down, limiting equity as to relief against error, fraud, or misfortune, all that can be said in this behalf is that, under some circumstances, the fact that a petitioner for review was originally contented to rest his case on certain issues ought to bar him from calling on equity to aid him to present new issues after he has been defeated as the result of protracted litigation in the principal cause.

* * *

With reference to the nature and degree of diligence which must be shown in a petition of this character, Lord Bacon's rule * * * requires that the new proof "could not possibly have been used at the time when the decree was passed." Story, Eq. Pl. (10th ed.) § 414, says that it must be such as the party, by the use of reasonable diligence, could not have known. The necessity of enforcing this rule strictly, with reference to anticipatory matter, was stated in re Gamewell Fire-Alarm Tel. Co. already cited; and the new defense now sought to be raised is of the same family.

* * *

The record shows that not until after the patent had been long contested did the real defendant, the Brill Company, make any effort to discover prior use where it would be most likely to be found. When defendant did go to the residence of the inventor at the time he obtained his patent, it only required a single day to at once discover substantially all of the material evidence presented on the petition. It was held that in view of this fact, and in view of the fact that defendant was dealing with the railroad companies, constantly, by whom such prior use would have been had, presented a case where due diligence was palpably wanting.

1017. MORTON TRUST CO v. AMERICAN CAR, ETC., CO., 129 Fed. 916, 64 C. C. A. 367. (Third Circuit).

In some rare instances where the cases seem to have been exceptional, the plaintiff in an infringement suit has been required to specify in limine the claims relied on, but there is no such precedent in this circuit for such an order. Applications therefor were denied by the Circuit Court for the Eastern District of Pennsylvania in Johnson v. Columbia Phonograph Co. and Johnson v. National Graphophone Co., 106 Fed. 319.

1018. WOODMANSEE, ETC., MFG. CO. v. WILLIAMS, 68 Fed. 489, 15 C. C. A. 520.

Laches is a defense which may be made by demurrer, or by plea, or by answer, or presented by argument, either upon a preliminary or final hearing.

1019. ADAM v. FOLGER, 120 Fed. 260, 56 C. C. A. 540.

We do not regard a bill multifarious which seeks to enjoin an unauthorized person from using a patented article, and also from using the generic name of the latter.

1020. BISSELL CARPET SWEEPER CO. v. GOSHEN SWEEPER CO., 72 Fed. 545, 19 C. C. A. 25.

It follows, therefore, that if the court finds it essential to pass upon the merits of the case in order to determine the propriety of the injunction, and in no way reserves to the lower court a right to review or re-examine the grounds upon which it had originally proceeded, the decision of this court becomes the law of the case.

1021. EX PARTE NATIONAL ENAMELING, ETC., CO., 201 U. S. 156, 50 L. ed. 707, 26 Sup. Ct. 404.

If an injunction is granted by an interlocutory order and the order is taken on appeal to the circuit court of appeals, and that court is of opinion that the patent is, on its face, absolutely void, it would be a waste of time and an unnecessary continuance of litigation to simply enter an order setting aside the injunction and remanding the case for further proceedings. The direct and obvious way is to order a dismissal of the case, and thus end the litigation.

1022. BRILL v. PECKHAM MOTOR TRUCK, ETC., CO., 108 Fed. 267, 47 C. C. A. 315.

The case is one in which it is apparent that the complainant cannot ultimately prevail, and following the practice sanctioned by Mast, Foos & Co. v. Stover Mfg. Co., 177 U. S. 485, 44 L. ed. 856, one in which the bill should be dismissed.

1023. BERLINER GRAMOPHONE CO. v. SEAMAN, 113 Fed. 750, 51 C. C. A. 440.

Under Act Cong. June 6, 1900 (31 Stat. 660) this court no longer can entertain an appeal from an interlocutory decree refusing to dissolve an injunction.

1024. EX PARTE NATIONAL ENAMELING, ETC., CO., 201 U. S. 156, 50 L. ed. 707, 26 Sup. Ct. 404.

It will be noticed that the appeal is allowed from an interlocutory order or decree granting or continuing an injunction, that it must be taken within thirty days, that it is given precedence in the appellate court, that the other proceedings in the

lower court are not to be stayed, and that the lower court may require an additional bond. Obviously that which is contemplated is a review of the interlocutory order, and of that only. It was not intended that the cause as a whole should be transferred to the appellate court prior to the final decree. The case, except for the hearing on the appeal from the interlocutory order, is to proceed in the lower court as though no such appeal had been taken, unless otherwise specially ordered.

1025. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107.

It is well settled that on appeals like this, this court will ordinarily look into the case merely to see whether the discretion of the court below in issuing or withholding the order of preliminary injunction has been abused; and that only in exceptional cases, in which a controlling question of law may be as fully and fairly considered as upon a final hearing, and the court has no doubt upon it, will it finally dispose of the injunction and the case on a hearing like this.

1026. KISSINGER-ISON v. BRADFORD BELTING CO., 123 Fed. 91, 59, C. C. A. 221.

That a searcher was sent to examine the Patent Office for the purpose of obtaining all matter which was material to the defense of want of patentable novelty, and that this searcher did not come across these particular patents, is not such extraordinary circumstance as would justify the review of a decree sustaining the validity of a patent. Such evidence is of a cumulative character. These patents were public records, and accessible if the search had been sufficiently diligent. The discovery of other patents bearing upon the question of anticipation should not be made the basis for a bill of review, in the absence of some very particular circumstance.

1027. JOHNSON v. FOOS MFG. CO., 141 Fed. 73, 72 C. C. A. 105.

It is immaterial that pending the litigation there has been no further infringement. Whether there has been or not is only a matter for consideration if an accounting for damages shall be ordered. They have never put upon the record their purpose not to duplicate the device which they did make, nor contradicted the evidence that they intended to make and sell such devices. The assertion of a right to make the devices complained of as an infringement, in the absence of a very express denial of a purpose to exercise the right claimed, justifies the presumption that further infringement is to be apprehended if that device shall prove to be an infringement. Cayuta Wheel Co. v. Kennedy Valve Co., (C. C.) 127 Fed. 355; Westinghouse Machine

Co. v. Press Pub. Co., (C. C.) 127 Fed. 822, 827; Potter v. Crowel, Fed. Cas. 11,323. The case is distinguished from that of Globe-Wernicke Co. v. Brown & Besley, 121 Fed. 97, 57 C. C. A. 434, in the fact that an intention to continue to make and sell the devices complained of was avowed before suit was brought, and is not disavowed upon the record.

1028. DEERE, ETC., CO. v. DOWAGIAC MFG. CO., 153 Fed. 177, 82 C. C. A. 351.

Does the allegation in the answer that defendant does not intend to infringe any more prevent the granting of injunctive relief? * * * When after some infringement and after conduct disclosing danger of a continued or renewed infringement a patentee finds it necessary to incur the expense of bringing a bill to protect his rights, he is entitled to all the remedies which the law affords him, and among them is a final adjudication of his rights and a permanent and effective injunction against further infringement, and he should not be driven from the court to which he has rightfully resorted with a mere promise by the offender of better conduct in the future.

PART XVI.

ACTIONS AT LAW—DAMAGES.

[For fuller review of the relation of profits and damages, and equity procedure, see Part XVII.]

STATUTES.

Suits for Infringement—Damages.

Sec. 1029. Damages for the infringement of any patent may be recovered by action on the case, in the name of the party interested either as patentee, assignee, or grantee. And whenever in any such action a verdict is rendered for the plaintiff, the court may enter judgment thereon for any sum above the amount found by the verdict as the actual damages sustained, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs.

Sec. 721. [Laws of the states, rules of decision.] The law of the several states, except where the constitution, treaties, or statutes of the United States require or provide, shall be regarded as rules of decisions in trials at common law, in the courts of the United States in cases where they apply.

["Conformity Act."]

Sec. 914. [Practice and proceedings in other than equity and admiralty causes.] The practice, pleadings, and forms and modes of proceeding in civil causes, other than equity or admiralty causes, in the circuit and district courts, shall conform, as near as may be, to the practice, pleadings and forms and modes of proceeding existing at the time in like causes in the courts of record of the state within which said circuit or district courts are held, any rule of court to the contrary notwithstanding.

1030. BIRDSALL v. COOLIDGE, 93 U. S. 64, 23 L. ed. 803 (1876).

Mr. Justice Clifford, J.:

Juries, in an action at law for the infringement of a patent, are required to find the actual damages sustained by the plaintiff in consequence of the unlawful acts of the defendant. Power is given to the court, in such a case, to enter judgment for any sum above the amount of the verdict, not exceeding three times

the amount of the same, together with costs; but the jury are strictly limited in their finding to the actual damages which the plaintiff has sustained by the infringement. 16 Stat. 207, 5 id. 123; R. S. sec. 4914, p. 960.

Damages are given as a compensation, recompense, or satisfaction to the plaintiff, for an injury actually received by him from the defendant. Compensatory damages and actual damages mean the same thing; that is, that the damages shall be the result of the injury alleged and proved, and that the amount awarded shall be precisely commensurate with the injury suffered, neither more nor less, whether the injury be to the person or estate of the complaining party. 2 Greenl. Ev. (10th ed.) sec. 253. * * *

Reference to the specification will show that the patented improvement is called a new and improved gold and silver amalgamator and pulverizer, and that the object of the invention, as stated by the patentee, is to obtain a device of simple construction, which will cause a thorough incorporation of the quicksilver with the pulp containing the metal, so as to insure a perfect amalgation of the latter. Mechanically considered, the invention consists in the arrangement of spiral ribs on the periphery of the rotary muller, and spiral ribs reversed on the inner side of the pan, to operate in connection with curved grooves on the face or under side of the muller, and curved grooves reversed in the bottom of the pan, for the purpose explained.

These explanations are the same as those given in the specification; and the patentee also states, that the invention consists in the manner of connecting the muller to its shaft by a universal joint, so as to insure its parallelism with the bottom of the pan, and in the employment or use of curved plates, which are placed in the pan just above the muller, and arranged in such a manner as to be capable of being adjusted higher or lower, as set forth in the specification.

Two of the claims of the patent—to wit, the first and second—are omitted, as the plaintiff admits that those claims have not been infringed by the defendants. What he charges is, that they have infringed the third claim, which is as follows: "In combination with the muller and pan, the curved plates supported at their outer ends on slides, and at their inner ends in a frame, which is supported on the upper end of the shaft in such a manner that the plates will follow any adjustment of the muller, and thus bear the same relation to it, whether in its highest or lowest working position."

Viewed in the light of these suggestions, it is clear that the charge of infringement has respect chiefly to the curved plates supported, as explained, when used in combination with the muller and pan.

Subsequently the parties went to trial; and the verdict and judgment were for the plaintiff, in the sum of $2,266.66, with costs of suit. Exceptions were duly filed by the defendants, and they sued out the present writ of error.

By the bill of exceptions, it appears that the plaintiff introduced his patent in evidence, together with a model of the patented machine for amalgamating gold and silver, and gave testimony tending to show that the defendants purchased twenty amalgamating pans, which contained wings or curved plates of iron twelve inches wide and fourteen inches long, fastened at one end to the inner side of the rim of the pans in a vertical position, in such a manner that they could be raised or depressed by sliding up or down in a groove or fastening, and could be adjusted at different heights, and extending lengthways towards the center of the pans, which were a little more than four feet in diameter.

Wings of the kind, however, were used in only sixteen of the pans for a few weeks after the defendants commenced to use the pans for amalgamating purposes; and the defendants testified that the wings were useless, and even detrimental, for working over old tailings, which was the work on which they were engaged, for the reason that such material does not require further grinding or pulverization; that, finding the wings useless or detrimental, they took them out of the sixteen pans, and sold them for old iron.

They also gave evidence tending to show, that, when they used the mill as a quartz-mill, they used the wings in sixteen only of the pans, but that when they commenced to work what are called "tailings," they took out the wings, because they found them to be detrimental or useless; and the bill of exceptions also states that the defendants took the wings out of four of the pans before they used them at all, and only used the wings in some of the other pans for a short time, and that they did not use any of them more than six weeks; which is all the evidence introduced to show the extent of the infringement.

Wide differences of opinion existed between the parties as to the rule of damages in such a case; and, to aid in the solution of that question, the plaintiff introduced testimony tending to show that the decedent in his lifetime allowed manufacturers to make and sell the invention for a royalty of $100 for a machine containing only the same combination as that used by the defendants, and proved that he, the plaintiff, had sold royalties to a large amount at the same rate.

Questions of various kinds, other than those relating to the measure of damages, are also presented in the bill of exceptions; but the court here, in the view taken of the case, do not find it necessary to decide any other in this investigation.

Instructions as to the measure of damages were given by the court to the jury, in substance and effect as follows: That when a person, without license, appropriates the patented invention of another, the measure of damages, if a royalty has been established, is the regular royalty paid by purchasers and licensees; that, if the jury find for the plaintiff, the damages will be the royalty which the plaintiff established for that part of the invention used by the defendants; that, if the royalty paid for that part of the invention is $100, then the jury will allow $100 on each pan used by the defendants, and interest on that sum, at ten per cent. per annum, for the time of the appropriation, which is the rate of interest allowed in that State.

Under those instructions the jury returned a verdict for the plaintiff in the sum of $2,206.66, as appears by the record. Seasonable exception was taken to the instructions by the defendants, and that instruction presents the only question which the court deems it necessary to decide in disposing of the case.

Controversies and cases arising under the patent laws are originally cognizable, as well in equity as at law, by the circuit courts, or by any district court having circuit powers. Prior to the passage of the act of the 8th of July, 1870, two remedies were open to the owner of a patent whose rights had been infringed, and he had his election between the two; he might proceed in equity and recover the gains and profits which the infringer had made by the unlawful use of his invention, the infringer in such a suit being regarded as the trustee of the owner of the patent as respects such gains and profits; or the owner of the patent might sue at law, in which case he would be entitled to recover, as damages, compensation for the pecuniary injury he suffered by the infringement, without regard to the question whether the defendant had gained or lost by his unlawful acts—the measure of damages in such case being not what the defendants had gained, but what the plaintiff had lost. Curtis on Pat. (4th ed.) 461; 5 Stat. 123.

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

Damages of a compensatory character may also be allowed to the complainant suing in equity, in certain cases, where the gains and profits made by the respondent are clearly not sufficient to compensate the complainant for the injury sustained by the unlawful violation of the exclusive right secured to him by the patent. Gains and profits are still the proper measure

of damages in equity suits, except in cases where the injury sustained by the infringement is plainly greater than the aggregate of what was made by the respondent; in which event the provision is, that the complaint "shall be entitled to recover, in addition to the profits to be accounted for by the respondent, the damages he has sustained thereby."

Cases occurred under the prior patent act where manifest injustice was done to the complainant in equity suits, by withholding from him a just compensation for the injury he sustained by the unlawful invasion of his exclusive rights, even when the final decree gave him all that the law allowed. Examples of the kind may be mentioned where the business of the infringer was so improvidently conducted that it did not yield any substantial profits, and cases where the products of the patented improvements were sold greatly below their just and market value, in order to compel the owner of the patent, his assignees and licensees, to abandon the manufacture of the patented product.

Courts could not, under that act, augment the allowance made by the final decree, as in the case of the verdict of a jury; but the present patent act provides that the court shall have the same powers to increase the decree, in its discretion, that are given by the act to increase the damages found by verdicts in actions at law. Such difficulties could never arise in an action at law, nor can it now, as both the prior and the present patent act authorize the court to enter judgment on the verdict of the jury for any sum above the verdict, not exceeding three times that amount. No discretion is vested in the jury; but they are required to find the actual damages, under proper instructions from the court.

Still, it is obvious that there cannot be any one rule of damages prescribed which will apply in all cases, even where it is conceded that the finding must be limited to actual damages. Frequent cases arise where proof of an established royalty furnishes a pretty safe guide both for the instructions of the court and the finding of the jury. Reported cases of undoubted authority may be referred to which support that proposition; and yet it is believed to be good law, that the rule cannot be applied without qualification, where the patented improvement has been used only to a limited extent and for a short time, but that in such a case the jury should find less than the amount of the license fee; and it is admitted in several cases that the circumstances may be such that the finding should be larger than the royalty. Seymour v. McCormick, 16 How. 490; Livingston v. Woodworth, 15 id. 560; Dean v. Mason, 20 id. 203; Curtis on Pat. (4th ed.) 459.

Evidence of an established royalty will undoubtedly furnish the true measure of damages in an action at law, where the unlawful acts consist in making and selling the patented improvement, or in the extensive and protracted use of the same, without palliation or excuse; but where the use is a limited one and for a brief period, as in the case before the court, it is error to apply that rule arbitrarily and without any qualification. Packet Co. v. Sickles, 19 Wall. 617; Burdell et al. v. Denig et al., 92 U. S. 716; Suffolk Co. v. Hayden, 3 Wall. 320.

Four of the pans in this case were used throughout without wings, and wings in most of the others were used only for a short time, and in none of the pans for more than six weeks.

Under these circumstances, it was error to charge the jury, that, if they found any damages, they must find the amount of the royalty for each pan so used, as that was instructing the jury in effect that they must find $100 for each pan, which is plainly more than the actual damages proved by the evidence. Actual damage is the statute rule; and, whenever the royalty plainly exceeds the rule prescribed by the Patent Act, the finding should be reduced to the statute rule. Judgment reversed, and cause remanded with directions to issue a venire de novo.

1031. BURDELL v. DENIG, 92 U. S. 716, 23 L. ed. 764 (1875).* * *

Mr. Justice Miller delivered the opinion of the court.

The plaintiffs in error were plaintiffs in the Circuit Court in an action for an infringement of the patent of A. B. Wilson, for a feeding device in sewing-machines. They recovered a judgment for one hundred and twenty-five dollars, but insist that they were entitled to a much larger judgment, of which they were deprived by the rulings of the court in the progress of the trial.

The objections to these rulings will be considered by us under three heads, to which all the assignments of error relate.

1. As to the measure of damages.

Evidence was given tending to prove that plaintiffs had advertised to sell their machines, and had actually sold a shop-right to use one of them for twelve dollars and fifty cents, and had given a verbal license to another person to use an old machine in his house for five dollars, but afterwards refused to sell or license for Franklin County, and told defendants they desired to retain the use of the machine as a close monopoly. Evidence had also been given as to profits made by defendants. On this testimony they asked the court to instruct the jury that "this testimony was not sufficient to change the rule of damages from the profits which plaintiffs would have made if they had not been embarrassed by the interference of the defendants, to

a mere license-price, because they do not establish a customary charge for the right to use the invention in Franklin County," which the court refused.

There are two sufficient objections to this prayer—

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

Second, Profits are not the primary or true criterion of damages for infringement in an action at law. That rule applies eminently and mainly to cases in equity, and is based upon the idea that the infringer shall be converted into a trustee, as to those profits, for the owner of the patent which he infringes—a principle which it is very difficult to apply in a trial before a jury, but quite appropriate on a reference to a master, who can examine defendant's books and papers, and examine him on oath, as well as all his clerks and employes.

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

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

1031a. SEYMOUR v. McCORMICK, 16 Howard (U. S.) 480, 14 L. ed. 1024 (1853).

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

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

It must be apparent to the most superficial observer of the immense variety of patents issued every day, that there cannot, in the nature of things, be any one rule of damages which will equally apply to all cases. The mode of ascertaining actual damages must necessarily depend on the peculiar nature of the monopoly granted. A man who invents or discovers a new composition of matter, such as vulcanized India rubber, or a valuable medicine, may find his profit to consist in a close monopoly, forbidding any one to compete with him in the market, the patentee being himself able to supply the whole demand at his own price. If he should grant licenses to all who might desire to manufacture his composition, mutual competition might destroy the value of each license. This may be the case, also, where the patentee is the inventor of an entire new machine. If any person could use the invention or discovery by paying what a jury might suppose to be the fair value of a license, it is plain that competition would destroy the whole value of the monopoly. In such cases the profit of the infringer may be the only criterion of the actual damage of the patentee. But one who invents some improvement in the machinery of a mill, could not claim that the profits of the whole mill should be the measure of damages for the use of his improvement. And where the profit of the patentee consists neither in the exclusive use of the thing invented or discovered, nor in the monopoly of making it for others to use, it is evident that this rule could not apply. The case of Stimpson's patent for a turn-out in a railroad may be cited as an example. It was the interest of the patentee that all railroads should use his invention, provided they paid him the price of his license. He could not make his profit by selling it as a complete and separate machine. An infringer of such a patent could not be liable to damages to the amount of the profits of his railroad, nor could the actual damages to the patentee be measured by any known ratio of the profits on the road. The only actual damage which the patentee has suffered in such a case is the nonpayment of the price which he has put on his license, with interest, and no more. There may be cases, as where the thing has been used but for a short time, in which the jury should find less than that sum; and there may be cases where, from some peculiar circumstance, the patentee may show actual damage to a larger amount. Of this a jury must judge from the evidence, under instructions from the court that they can find only such damages as have actually been proved to have been sustained. Where an inventor finds it profitable to exercise his monopoly by selling licenses to make or use his improvement, he has himself fixed the average of his actual damage, when his invention has been used without his license. If he claims anything

above that amount, he is bound to substantiate his claim by clear and distinct evidence. When he has himself established the market value of his improvement as separate and distinct from the other machinery with which it is connected, he can have no claim in justice or equity to make the profits of the whole machine the measure of his demand. It is only where, from the peculiar circumstances of the case, no other rule can be found, that the defendant's profits become the criterion of the plaintiff's loss. Actual damages must be actually proved, and can not be assumed as a legal inference from any facts which amount not to actual proof of the fact. What a patentee "would have made, if the infringer had not interfered with his rights," is a question of fact and not "a judgment of law." The question is not what speculatively he may have lost, but what actually he did lose. It is not a "judgment of law" or necessary legal inference, that if all the manufacturers of steam-engines and locomotives, who have built and sold engines with a patented cut-off, or steam whistle, had not made such engines, that therefore all the purchasers of engines would have employed the patentee of the cut-off, or whistle; and that, consequently, such patentee is entitled to all the profits made in the manufacture of such steam-engines by those who may have used his improvement without his license. Such a rule of damages would be better entitled to the epitaph of "speculative," "imaginary," or "fanciful," than that of "actual."

If the measure of damages be the same whether a patent be for an entire machine or for some improvement in some part of it, then it follows that each one who has patented an improvement in any portion of a steam-engine or other complex machine, may recover the whole profits arising from the skill, labor, material, and capital employed in making the whole machine, and the unfortunate mechanic may be compelled to pay treble his whole profits to each of a dozen or more several inventors of some small improvement in the engine he has built. By this doctrine even the smallest part is made equal to the whole, and "actual damages" to the plaintiff may be converted into an unlimited series of penalties on the defendant.

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

It appears, from the evidence in this case, that McCormick sold licenses to use his original patent of 1834 for twenty dollars each. He sold licenses to the defendants to make and vend machines containing all his improvements to any extent for thirty dollars for each machine, or at an average of ten dollars for each of his three patents. The defendants made and sold many hun-

dred machines, and paid that price and no more. They refused to pay for the last three hundred machines, under a belief that the plaintiff was not the original inventor of this last improvement, whereby a seat for the raker was provided on the machine, so that he could ride, and not be compelled to walk as before. Beyond the refusal to pay the usual license price, the plaintiff showed no actual damage. The jury gave a verdict for nearly double the amount demanded for the use of three several patents, in a suit where the defendant was charged with violating one only, and that for an improvement of small importance when compared with the whole machine. This enormous and ruinous verdict is but a corollary or necessary consequence from the instructions given in that portion of the charge of the court on which we have been commenting, and of the doctrines therein asserted, and to which this court can not give their assent or concurrence.

The judgment of the circuit court is reversed, with a venire de novo.

PART XVII.

SUITS IN EQUITY.

[For special cases on injunctions, accounting, etc., see corresponding title parts; and for general rules of jurisdiction, practice, pleading, etc., Part XV.]

1032. ROOT v. RAILWAY CO., 105 U. S. 189, 26 L. ed. 975 (1881).

Mr. Justice Mathews delivered the opinion of the court. * * *

The propositions mainly relied upon by the appellee in support of the decree, are—

First. That after the expiration of a patent, equity has no jurisdiction to entertain a bill, merely for an account and the recovery of the profits of an infringer, during its existence, the remedy being at law for damages; and,

Second. That, even if, in certain cases, such a jurisdiction exists, the present does not fall within it.

On the other hand, it is contended on the part of the appellant that, in cases for the enforcement of the rights of patentees, resort may be had, as matter of right, to a court of equity, as a distinct head of its jurisdiction for the mere purpose of establishing an infringement and ascertaining and recovering the profits of the infringer, upon the independent equity that he is for that purpose a trustee of his gains for the use of the true owner of the patent and liable to account as such. In support of this contention, we are referred by his counsel to numerous decisions of the circuit courts, many of which, it is claimed, are directly upon the point, and to several cases in this court, in which, it is alleged, the same doctrine is either virtually decided or assumed; which, it is further argued, though not supported by the modern decisions of the English chancery, is found in its earlier precedents.

An examination of the practice and opinions of the circuit courts undoubtedly shows much diversity, incapable of reconciliation, and makes it necessary, as far as it can be done, by a deliberate judgment of this court, to remove the question out of its present uncertainty, by a settlement upon some basis of principle, in harmony with our system of equity jurisprudence, developed and modified by legislation. To effect this satisfactorily and intelligently, it will be necessary to review the course of legislation, and judicial decision in this court, so far as it bears upon the question, from the beginning.

Prior to the passage of the act of Feb. 15, 1819, c. 19 (3 Stat. 481), Congress had passed three laws, in execution of the power conferred by the constitution itself, and in furtherance of the policy thereby indicated, to secure to inventors an exclusive right of property in their inventions. The first of them, the act of April 10, 1790, chapter 7 (1 Stat. 109), gave as a remedy for its violation an action at law upon the case for damages, and forfeited the infringing article. The next was the act of Feb. 21, 1793, chapter 11 (1 Stat. 318), which fixed the rule and measure of damages recoverable in an action at law upon the act at three times the price at which the patentee had usually sold or licensed to other persons the use of the invention. This was changed by the act of April 17, 1800, chapter 25 (2 Stat. 37), to three times the actual damage sustained by the patentee by reason of the infringement. By neither of these acts, however, was any jurisdiction conferred upon the courts of the United States in equity. In Livingston v. Van Ingen (1 Paine 45), Mr. Justice Livingston held that to vest such jurisdiction by reason of the subject-matter, as a case arising under the laws of the United States, to be exercised in controversies between parties, without regard to their citizenship, it required the express authority of an act of Congress; and the parties to that suit being citizens of New York, the bill was dismissed. The controversy was thereupon renewed in the courts of that State; and the Chancellor having refused the injunction asked for, it was brought by appeal into the court for the correction of errors. 9 Johns. (N. Y.) 507. It was there objected that the right in question rested upon statute alone, which prescribed remedies at law for its violation, which, it must be deemed, were intended to be exclusive. But the decision affirmed the jurisdiction. "The principle is," said Kent, C. J. (p. 587), "that statute privileges, no less than common-law rights, when in actual possession and exercise, will not be permitted to be disturbed until the opponent has fairly tried them at law and overthrown their pretension." The same learned judge refers also to the practice of the federal courts in granting injunctions under the patent law, mentioning two instances—one, the case of Morse v. Reid, an injunction bill filed in 1796 to restrain the invasion of a copyright; the other, Whitney v. Fort, in which an injunction was granted to restrain the violation of the patent for the cotton-gin. Of course, in those cases the jurisdiction of the court depended on the citizenship of the parties.

Congress then passed the act of Feb. 15, 1819, chapter 19, which enacted "that the circuit courts of the United States shall have original cognizance, as well in equity as at law, of all actions, suits, controversies and cases arising under any law of the United States, granting or confirming to authors or inventors the

exclusive right to their respective writings, inventions, and discoveries; and upon any bill in equity, filed by any party aggrieved in any such cases, shall have authority to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of the rights of any authors or inventors secured to them by any law of the United States, on such terms and conditions as the said courts may deem fit and reasonable."

In the case of Sullivan v. Redfield (1 Paine 441), which was decided in 1825, Mr. Justice Thompson, who in the Livingston case had sat as one of the judges of the State court, had occasion to consider the nature of the equity jurisdiction in patent suits. "The equity jurisdiction," he said, "exercised by the court over patents for inventions is merely in aid of the common law, and in order to give more complete effect to the provisions of the statute under which the patent is granted." And in answer to the argument that the act of 1819 gave a peremptory right to an equitable remedy by virtue of the patent itself, he said: "This act does not enlarge or alter the powers of the court over the subject-matter of the bill or the cause of action. It only extends its jurisdiction to parties not before falling within it. Before this act it had been held that a citizen of one State could not obtain an injunction in the circuit court for a violation of a patent-right against a citizen of the same State, as no act of Congress authorized such suit. This act removed that objection and gave the jurisdiction, although the parties were citizens of the same State. But in the exercise of the jurisdiction in all cases of granting injunctions to prevent the violation of patent-rights the court is to proceed according to the course and principles of courts of equity in such cases. So that the questions presented in the present case are precisely where they would have been without this act."

The substance of the act of 1819 was incorporated into the seventeenth section of the act of July 4, 1836, c. 357 (5 Stat. 117), so far as it related to inventors, but remained in force, after the passage of the latter act, so far as it gave cognizance to the courts of the United States of cases of copyright. It was under that provision of the act of 1819 that the case of Stevens v. Gladding arose and was decided. 17 How. 447. That was a bill for an injunction to restrain the violation of a copyright, and prayed for the recovery of the penalties given by the seventh section of the act of Feb. 3, 1831, c. 16, and for general relief. Mr. Justice Curtis, delivering the opinion of the court, said: "There is nothing in this act of 1819 which extends the equity powers of the courts to the adjudication of forfeitures: it being manifestly intended that the jurisdiction therein conferred should be the usual and known jurisdiction exercised by courts of equity for the protection of analogous rights. The prayer of this bill for

the penalties must, therefore, be rejected. The remaining question is whether there ought to be a decree for an account of the profits. The complainant has not prayed for such an account, nor have the defendants stated one in their answer; but the bill does pray for general relief. The right to an account of profits is incident to the right to an injunction in copy and patent right cases," citing Colburn v. Simms, 2 Hare 554, 3 Dan. Ch. Pr. 1797. "And this court has held, in Watts et al. v. Waddle (6 Pet. 389), that where the bill states a case proper for an account, one may be ordered under the prayer for general relief."

The seventeenth section of the act of 1836 differs from the act of 1819 in one other particular only. It makes the jurisdiction in patent causes of the court of the United States exclusive.

It was under the act of 1836 that the question arose for the first time, in Livingston v. Woodworth, 15 How. 546, as to the rule for computing the profits of an infringer, upon a decree for such an account. The bill was for an injunction and account. The validity of the patent and the fact of infringement were both admitted by the defendant, who consented to a decree requiring him to account for and pay over the gains and profits made by him, during the infringement, in accordance with the prayer of the bill. The decree confirmed the report of the master, who awarded, not actual gains and profits, but such as he estimated the defendant might have made by due diligence. It was argued, in support of the decree, that where the court has jurisdiction to give the principal relief sought, it will make a complete decree, and give compensation for the past injury, as in bills for specific performance and injunction bills for waste; and that it was a correct rule to hold the party accountable, as an involuntary trustee, for what the patentee might have realized by the same exercise of the right, as a court of equity sometimes forces the character of a trustee upon an intruder, or wrong-doer, or one in possession under color of right, or who takes rents or profits belonging to another, or might have taken them, as in cases of mortgagees; but it was admitted that the case was of first impression. The decree, upon this point, was reversed. The court said: "We are aware of no rule which converts a court of equity into an instrument for the punishment of simple torts. * * * If the appellees, the plaintiffs below, had sustained an injury to their legal rights, the courts of law were open to them for redress, and in these courts they might, according to a practice which, however doubtful in point of essential right, is now too inveterate to be called in question, have claimed, not compensation merely, but vengeance, for such injury as they could show they have sustained. But before a tribunal which refuses to listen even to any, save those whose acts and motives are perfectly fair and liberal,

they can not be permitted to contravene the highest and most benignant principle of the being and constitution of that tribunal. There they will be allowed to claim that which, ex aequo et bono, is theirs, and nothing beyond this." p. 559. The account was, therefore, restricted to the actual gains and profits of the appellants during the time their machine was in operation.

This rule in relation to the profits recoverable in such suits was followed in Dean v. Mason, 20 How. 198, which was a case of a bill for an injunction and account, in which a decree pro confesso had been taken. The final decree was entered, on the report of the master, for the estimated amount of profits which the defendant, with reasonable diligence, might have realized; not what, in fact, he did realize. This was held to be erroneous. The court said: "The rule in such a case is, the amount of profits received by the unlawful use of the machines, as this, in general, is the damage done to the owner of the patent. It takes away the motive of the infringer of patented rights by requiring him to pay the profits of his labor to the owner of the patent. Generally, this is sufficient to protect the rights of the owner; but where the wrong has been done, under aggravated circumstances, the court has the power under the statute to punish it adequately by an increase of the damages."

The important case of Seymour v. McCormick, 16 How. 480, was decided in 1853. That was an action at law. The court below instructed the jury that the actual damages to which the plaintiff was entitled, for an infringement of a patent for an improvement in a machine, might be determined by ascertaining the profits which in judgment of law he would have made, provided the defendants had not interfered with his rights, and that the same rule applied whether the patent covered an entire machine or merely an improvement on a machine. This instruction this court held to be erroneous, and reversed the judgment on that account. Mr. Justice Grier, in delivering the opinion of the court, referred to the rule of damages, prescribed by the acts of Congress, previously in force, stating that "experience had shown the very great injustice of a horizontal rule equally affecting all cases, without regard to their peculiar merits;" and that it was to obviate this that the patent act of 1836 confined the jury to the assessment of actual damages, leaving it to the discretion of the court to inflict punitive damages to the extent of trebling the verdict. He then remarked: "It must be apparent to the most superficial observer of the immense variety of patents issued every day, that there can not, in the nature of things, be any one rule of damages which will equally apply to all cases. The mode of ascertaining actual damages must necessarily depend on the peculiar nature of the monopoly granted., A man who invents or

discovers a new composition of matter, such as vulcanized india-rubber or a valuable medicine, may find his profit to consist in a close monopoly, forbidding any one to compete with him in the market, the patentee being himself able to supply the whole demand at his own price, in which cases "the profit of the infringer may be the only criterion of the actual damage of the patentee;" that "one who invents some improvement in the machinery of a mill could not claim that the profits of the whole mill should be the measure of damages for the use of his improvement; and where the profit of the patentee consisted neither in the exclusive use of the thing invented or discovered, nor in the monopoly of making it for others to use, it is evident that this rule could not apply. The case of Stimpson's patent for a turnout in a railroad may be cited as an example. It was the interest of the patentee that all railroads should use his invention, provided they paid him the price of his license. He could not make his profit by selling it as a complete and separate machine. An infringer of such a patent could not be liable to damages to the amount of the profits of his railroad, nor could the actual damages of the patentee be measured by any known ratio of the profits of the road. * * * It is only where, from the peculiar circumstances of the case, no other rule can be found that the defendant's profits become the criterion of the plaintiff's loss. Actual damages must be actually proved, and can not be assumed as a legal inference from any facts which amount not to actual proof of the fact." Accordingly it was held in Corporation of New York v. Ransom, 23 How. 487, where the rule in Seymour v. McCormick (supra) was expressly approved, that in an action at law, if the plaintiff rested his case, after proof of infringement merely, he was entitled only to nominal damages. It was also applied in Jones v. Morehead, 1 Wall. 155, which was a bill in equity for an injunction and an account, where a decree for a large sum as profits had been rendered against the defendant, upon an entire machine, in respect to which it appeared as matter of fact that the defendants had not infringed the patent sued on, but had admitted to the contrary in the answer. The court construed this admission by applying it to the smallest number of patented articles, and to the use of any part of the patent found to be valid, and, reversing the decree, ordered one to be entered for a "nominal sum of one dollar for profits."

In Rubber Company v. Goodyear, 9 Wall. 788, which was a bill for an injunction and account, a decree for a large sum was rendered in favor of the complainants, which was affirmed on appeal. "The rule," said Mr. Justice Swayne, delivering the opinion of the court," is founded in reason and justice. It compensates one party and punishes the other. It makes the wrong-doer

liable for actual, not possible, gains. The controlling consideration is that he shall not profit by his wrong. A more favorable rule would offer a premium to dishonesty and invite to aggression. The jurisdiction of equity is adequate to give the proper remedy, whatever phase the case may assume; and the severity of the decree may be increased or mitigated according to the complexion of the conduct of the offender."

Mowry v. Whitney, 14 Wall. 620, was also a bill in equity for an injunction and account. A decree was rendered in favor of the complainant for all the profits on the manufactured article, instead of upon the patented process of manufacture, with interest added. On appeal, this court reversed the decree on that point, saying: "The question to be determined in this case is, what advantage did the defendant derive from using the complainant's invention, over what he had in using other processes then open to the public and adequate to enable him to obtain an equally beneficial result. The fruits of that advantage are his profits. * * * That advantage is the measure of profits." On the question of interest, Mr. Justice Strong, speaking for the court, said: "We add only that, in our opinion, the defendant should not have been charged with interest before the final decree. The profits which are recoverable against an infringer of a patent are in fact a compensation for the injury the patentee has sustained from the invasion of his right. They are the measure of his damages. Though called profits, they are really damages, and unliquidated until the decree is made. Interest is not generally allowable upon unliquidated damages. We will not say that in no possible case can interest be allowed. It is enough that the case in hand does not justify such an allowance."

In Packet Company v. Sickles, 19 Wall. 611, which was an action at law, the rule established in Seymour v. McCormick (supra) was reiterated, as "the established criterion of damages in cases to which it was applicable." "In cases where there is no established patent or license fee in the case, or even an approximation to it, general evidence must necessarily be resorted to," as was said by the court in the case of Suffolk Company v. Hayden, 3 Wall. 315. "And what evidence," said Mr. Justice Nelson, in that case, p. 320, "could be more appropriate and pertinent than that of the utility and advantage of the invention over the old modes or devices that had been used for working out similar results? With a knowledge of these benefits to the persons who have used the invention, and the extent of the use by the infringer, a jury will be in possession of material and controlling facts that may enable them, in the exercise of a sound judgment, to ascertain the damages, or in other words, the loss to the patentee or owner by the piracy instead of the purchase of the use of

the invention." He added that "a recovery does not vest the infringer with the right to continue the use, as the consequence of it may be an injunction restraining the defendant from the further use of it."

In Packet Company v. Sickles (supra), Mr. Justice Miller said: "The rule in suits in equity, of ascertaining by a reference to a master the profits which the defendant has made by the use of the plaintiff's invention, stands on a different principle. It is that of converting the infringer into a trustee for the patentee as regards the profits thus made; and the adjustment of these profits is subject to all the equitable considerations which are necessary to do complete justice between the parties, many of which would be inappropriate in a trial by jury. With these corrective powers in the hands of the chancellor, the rule of assuming profits as the groundwork for estimating the compensation due from the infringer to the patentee has produced results calculated to suggest distrust of its universal application even in courts of equity."

The doctrine of this case was reiterated in Burdell v. Denig, 92 U. S. 716, where Mr. Justice Miller, again delivering the opinion of the court, said:—

"Profits are not the primary or true criterion of damages for infringement in an action at law. That rule applies eminently and mainly to cases in equity, and is based on the idea that the infringer shall be converted into a trustee, as to those profits, for the owner of the patent which he infringes; a principle which it is very difficult to apply in a trial before a jury, but quite appropriate on a reference to a master, who can examine defendant's books and papers, and examine him on oath, as well as all his clerks and employes. On the other hand, we have repeatedly *held that sales of licenses of machines, or of a royalty established,* constitute the primary and true criterion of damages in the action at law. No doubt, in the absence of satisfactory evidence of either class in the forum to which it is most appropriate, the other may be resorted to as one of the elements on which the damages or the compensation may be ascertained."

Littlefield v. Perry, 21 Wall. 205, was one where the patentee, by force of an agreement, held the legal title to the patent in trust for the complainant, in violation of which he was making use of his legal rights. It was held, upon a bill filed for an injunction and account, that it was a case under the patent laws, and the defendant was required to account for the profits he had made, according to the rule in Mowry v. Whitney, supra. The Chief Justice said, p. 230: "Profits actually realized are usually, in a case like this, the measure of unliquidated damages. Circumstances may, however, arise which would justify the addition

of interest in order to give complete indemnity for losses sustained by wilful infringements."

By the act of July 8, 1870, c. 230, Congress revised, consolidated, and amended the statutes relating to patents and copyrights. 16 Stat. 198. The fifty-ninth section renewed the provision previously in force, that damages for infringement might be recovered by action on the case, and that whenever, in any such action, a verdict shall be rendered for the plaintiff, the court may enter judgment therein for any sum above the amount found by the verdict as the actual damages sustained, according to the circumstances of the case, not exceeding three times the amount of the verdict. The fifty-fifth section is as follows:—

"That all actions, suits, controversies, and cases arising under the patent laws of the United States shall be originally cognizable, as well in equity as at law, by the circuit court of the United States, or any district court having the power and jurisdiction of a circuit court, or by the Supreme Court of the District of Columbia, or of any territory; and the court shall have power, upon bill in equity filed by any party aggrieved, to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for an infringement, the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby, and the court shall assess the same or cause the same to be assessed under its direction, and the court shall have the same powers to increase the same in its discretion that are given by this act to increase the damages found by verdicts in actions upon the case; but all actions shall be brought during the term for which the letters-patent shall be granted or extended, or within six years after the expiration thereof."

These provisions are substantially carried into the Revised Statutes, § 59 of the act of 1870, being § 4919 of the latter, and § 55 corresponding to § 4921, Rev. Stat., except as to the provision in respect to the limitation upon the right to sue, which is not found in the Revised Statutes. But the rights of the parties in the present suit arose while the act of 1870 was in force, and are determinable under it.

In the case of Birdsall v. Coolidge, 93 U. S. 64, it is declared, in reference to the effect of the act of 1870, that "gains and profits are still the proper measure of damages in equity suits, except in cases where the injury sustained by the infringement is plainly greater than the aggregate of what was made by the respondent;" in which event the provision is, that the complainant "shall

be entitled to recover, in addition to the profits to be accounted for by the respondent, the damages he has sustained thereby."

Mr. Justice Clifford, in the opinion in this case, quotes a passage, slightly altered, from Curtis on Patents, § 341a (4th ed.), p. 461, which, taken by itself, might seem to imply that prior to the act of 1870 the owner of a patent had the election to resort to a court of equity for the recovery of profits, or a court of law for damages, irrespective of any other relief of an equitable character; but the language of the passage is to be restrained to mean merely that the option existed to sue at law for past infringement, or seek equitable relief by way of prevention, the damages or profits following, as either jurisdiction is resorted to, each according to its kind. For if this be not so, it follows that since the passage of the act of 1870 an owner of a patent may recover, in a suit in equity, profits and damages in all cases, according to the rule above stated, without seeking any other relief whatever, the effect of which would be to give two remedies, one in equity, the other at law, merely for the recovery of damages for an injury to a legal right, an anomaly not to be found in any other branch of our jurisprudence. And manifestly, upon such a construction, the action at law would soon become obsolete, as completely as if it had been abolished by legislation. The whole force of the change in the statute consists in conferring upon courts in equity, in the exercise of their jurisdiction in administering the relief, which they are accustomed and authorized to give, and which is appropriate to their forms of procedure, the power not merely to give that measure of compensation for the past, which consists in the profits of the infringer, but to supplement it, when necessary, with the full amount of damage suffered by the complainant, and which, if he had sued for that alone, he would have recovered in another forum, with power to increase the acount of the actual damages, as in courts of law. But as the account of profits, previously, was the incident of the suit, and not its object, so now the power to award damages and to multiply them is added as an incident to the right to an account.

But the difference between the state of the law before and after the act of 1870 finds its best illustration in a comparison between two cases, both of which were decided at the October term, 1877, Elizabeth v. Pavement Company, 97 U. S. 126, and Marsh v. Seymour, id. 348.

In the former the bill was filed before the passage of the act, but prayed, besides an injunction, for both damages and profits. It was held that the court below had rightly decided that a decree for profits alone could be rendered, inasmuch as the jurisdiction of courts of equity to decree damages, as distinct from profits, was first conferred by the statute. Mr. Justice Bradley, deliver-

ing the opinion of the court, remarking that the general question of the profits recoverable in equity by a patentee was surrounded with many difficulties, which the courts had not yet succeeded in overcoming, said:—

"But one thing may be affirmed with reasonable confidence, that, if an infringer of a patent has realized no profit from the use of the invention, he can not be called upon to respond for profits; the patentee in such case is left to his remedy for damages. It is also clear that a patentee is entitled to recover the profits that have been actually realized from the use of his invention, although from other causes the general business of the defendant, in which the invention is employed, may not have resulted in profits,—as when it is shown that the use of his invention produced a definite saving in the process of a manufacture. Mowry v. Whitney, 14 Wall. 434; Cawood Patent, 94 U. S. 695. On the contrary, though the defendant's general business be ever so profitable, if the use of the invention has not contributed to the profits, none can be recovered. The same result would seem to follow where it is impossible to show the profitable effect of using the invention upon the business results of the party infringing. It may be added, that, where no profits are shown to have accrued, a court of equity can not give a decree for profits by way of damages, or as a punishment for the infringement. Livingston v. Woodworth, 15 How. 559. But when the entire profit of a business or undertaking results from the use of the invention, the patentee will be entitled to recover the entire profits, if he elects that remedy. And in such a case, the defendant will not be allowed to diminish the show of profits by putting in unconscionable claims for personal services or other inequitable deductions. Rubber Company v. Goodyear, 9 Wall. 788." And these general propositions, he added, will hardly admit of dispute.

Accordingly, in that case, the bill was dismissed as to the city of Elizabeth, which had infringed, because it appeared that it had made no profit from the use of the patented improvement, while a decree was rendered against the contractor, who had laid the pavement which was the subject of the patent, because he was shown to have made profits from the infringement. The municipal corporation, of course, remained liable to respond in damages in an action at law for any loss which the plaintiff could have established by proof.

The case of Marsh v. Seymour (supra) arose under the act of 1870, and were bills for injunction and account. Decrees were rendered in favor of the complainant, and a reference ordered to a master to state an account of profits. In both cases, the respondents showing that they had made no profits by reason of the use

of the invention, the complainant waived his claim for a recovery on that account, and decrees were rendered for damages on the basis of a license fee for the infringing machines which had been sold, and nominal damages for those manufactured but not sold. These decrees were affirmed, the court saying, Mr. Justice Clifford delivering its opinion, that "damages of a compensatory character may be allowed to a complainant in an equity suit, where it appears that the business of the infringer was so improvidently conducted that it did not yield any substantial profits, as in the case before the court."

In Parks v. Booth, 102 U. S. 96, which was a suit in equity for an injunction, an account of profits and damages, under the act of 1870, a decree was rendered in favor of the complainant, and for profits and damages as found by a master. Under the head of damages there were included items for expenses of conducting the suit, being counsel fees, compensation for the complainant's time, and interest on the profits. The decree was modified on appeal, by striking out all these allowances, except that for the complainant's time, lost in attending to the suit. Interest on profits was, on the authority of Silsby v. Foote, 20 How. 378, disallowed on the ground that profits in such a case are to be regarded in the light of unliquidated damages. No injunction was decreed, as the term of the patent had expired. It does not appear from the report of the case when the suit was begun, but a reference to the original record shows that the bill was filed in April, 1871, before the expiration of the term of the patent.

Hendrie v. Sayles, 98 U. S. 546, was a bill in equity for an account of profits, filed after the expiration of the patent, the same patent on which the present suit is founded. It was decided upon a single point raised on demurrer to the bill, the question of jurisdiction not being noticed either by counsel or court. A decree for the complainant was affirmed on appeal.

This appears to be the only case of the kind, until the present, that found its way into this court.

Eureka Company v. Bailey Company, 11 Wall. 488, is no exception to this remark; although in respect to it the observation has been made, that the injunction prayed for in that case was incidental to the account, and not vice versa. That, however, is a misconception; for, unless upon the ground of a difference of citizenship, the court would not have had jurisdiction to entertain the bill in that case, if it had not prayed for an injunction. For the mere purpose of enforcing the contract for the royalty, it was not a case arising under the patent laws, so as to give jurisdiction to the courts of the United States. It was because the defendant was guilty of an infringement of the complainant's patent that he was suable in equity in these courts,

and to restrain that an injunction was asked until he should pay what he had promised. The object of the suit doubtless was to collect the royalty; but it was sought by means of, and therefore as an incident to, the jurisdiction of the court, invoked for the purpose of enjoining the continuance of what, until the royalty was acknowledged and paid, was found to be an infringement.

All the acts of Congress relating to patents prior to that of 1870 contained provisions specifying the special defenses which might be made in an action at law for an infringement, under the plea of the general issue, notice thereof having been previously given. The sixty-first section of the act of 1870 enumerates the several special matters thus authorized to be proved, and adds, for the first time in the history of this legislation, the clause that "the like defenses may be pleaded in any suit in equity for relief against an alleged infringement, and proofs of the same may be given upon like notice in the answer of the defendant and with the like effect."

The plain and obvious purpose of this provision is to furnish appropriate modes in equity pleading for the trial of all issues, both of fact and law, relating both to the alleged infringement and the validity of the patent, without the necessity of framing special issues out of chancery for trial by jury, or sending the parties to a court of law for the trial of an action in that forum, in order to determine their legal right. It proceeds upon the idea that the court of equity having acquired jurisdiction for the purpose of administering the equitable relief sought by the bill, may determine directly and for itself, in the same proceeding, all questions incidental to the exercise of its jurisdiction, notwithstanding they may be questions affecting legal rights and legal titles.

Although this was the first statutory authority for the practice, it was rather a recognition of what had already been established than its introduction; for the practice had, in fact, originated long before, and was based upon well-known principles of equity jurisprudence. Whatever question may have existed in reference to it previously was settled in the courts of the United States by Goodyear v. Day, 2 Wall. Jr. 283, a case argued by Webster and Choate, and decided by Mr. Justice Grier in 1852. That learned judge on that occasion said: "It is true that in England the chancellor will generally not grant a final and perpetual injunction in patent cases, when the answer denies the validity of the patent, without sending the parties to law to have that question decided. But even there the rule is not absolute or universal; it is a practice founded more on convenience than necessity. It always rests on the sound discretion of the court. A trial at law is ordered by a chancellor to inform his conscience;

not because either party may demand it as a right, or that a court of equity is incompetent to judge of questions of fact or of legal titles." See also Orr v. Merrill, 1 Woodb. & M. 376.

The distinction in the nature of the two proceedings, of an action at law and a suit in equity, is plainly pointed out in this section of the statute, the former as being an action for an infringement, the latter as a suit for relief against an alleged infringement. And while upon the words used in the fifty-fifth section of the act, it may be, that the jurisdiction in equity which is thereby conferred is not exhausted by the power to grant injunctions according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, yet the statute immediately says, that it is upon a decree being rendered in any such case for an infringement—as though that was the only one—that the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby.

It is impossible, we think, to maintain the claim that the language of this act, similar in that respect to the previous acts of 1819 and 1836, conferring jurisdiction in patent cases in equity as well as at law, was meant to obliterate the distinctions between these two jurisdictions, or even to confuse the boundaries between them, as it is alleged was done by the decision in the case of Nevins v. Johnson, 3 Blatchf. 80, and perhaps in other subsequent circuit court decisions. Indeed, it is the settled doctrine of this court that this distinction of jurisdiction, between law and equity, is constitutional, to the extent to which the seventh amendment forbids any infringement of the right of trial by jury, as fixed by the common law. And the doctrine applies in patent cases as well as others. This court said in Parsons v. Bedford, 3 Pet. 433, speaking of the meaning intended by the framers of that amendment, that "by common law they meant what the constitution denominated in the third article, law, not merely suits which the common law recognized among its old and settled proceedings, but suits in which legal rights were to be ascertained and determined, in contradistinction to those where equitable rights alone were recognized and equitable remedies administered." The rule was repeated in Fenn v. Holme, 21 How. 481, in this language: "In every instance in which this court has expounded the phrases, proceedings at the common law and proceedings in equity, with reference to the exercise of the judicial powers of the courts of the United States, they will be found to have interpreted the former as signifying the application of the definitions and principles and rules of the common law to rights and obligations essentially legal; and the latter as meaning the administration with reference to equitable as contradistinguished

from legal rights, of the equity law as defined and enforced by the court of chancery in England.

It becomes necessary, therefore, to consider what support there is in the general doctrines of equity for the contention of the appellant.

It is the fundamental characteristic and limit of the jurisdiction in equity that it can not give relief when there is a plain and adequate and complete remedy at law; and hence it had no original, independent, and inherent power to afford redress for breaches of contract or torts, by awarding damages; for to do that was the very office of proceedings at law. When, however, relief was sought which equity alone could give, as by way of injunction to prevent a continuance of the wrong, in order to avoid multiplicity of suits and to do complete justice, the court assumed jurisdiction to award compensation for the past injury, not, however, by assessing damages, which was the peculiar office of a jury, but requiring an account of profits, on the ground that if any had been made, it was equitable to require the wrong-doer to refund them. as it would be inequitable that he should make a profit out of his own wrong. As was said by Vice-Chancellor Wigram in Colburn v. Simms, 2 Hare 543, "the court does not by an account accurately measure the damage sustained by the proprietor of an expensive work from the invasion of his copyright by the publication of a cheaper book," but, "as the nearest approximation which it can make to justice, takes from the wrong-doer all the profits he has made by his piracy and gives them to the party who has been wronged."

Whether a bill for an account of profits against a wrong-doer would lie, independently of other equitable grounds for the intervention of the court, is a question, as was said by Lord Chancellor Brougham in Parrott v. Palmer, 3 Myl. & K. 632, "which has been oftentimes agitated, and has, perhaps, never received a clear and a general decision; that is to say, a distinct judgment on the general proposition, with its limitations." He concluded that, "from the whole it may be collected that, although as to timber there exists considerable discrepancy, yet the sound rule is to make the account the incident and not the principal, where there is a remedy at law; but that mines are to be otherwise considered and that as to them the party may have an account even in cases where no injunction would lie."

The supposed exception in cases of mines seems to rest upon a dictum of Lord Hardwicke in Jesus College v. Bloom, 3 Atk. 262. that "it was a sort of trade:" but the reference is to the case of Bishop of Winchester v. Knight, 1 P. W. 406, where the bill prayed for an account of ore dug by the ancestor of the defendant, in respect to which the argument was, that being a personal

tort it died with the person. The decision was that the plaintiff was not entitled; but on this point the Lord Chancellor said: "It would be a reproach to equity to say, where a man has taken my property, as my ore or timber, and disposed of it in his lifetime and dies, that in this case I would be without remedy. It is true as to the trespass of breaking up meadow or ancient pasture ground, it dies with the person; but as to the property of the ore or timber, it would be clear, even at law, if it came to the executor's hands, that trover would lie for it; and if it has been disposed of in the testator's lifetime, the executor, if assets are left, ought to answer it." It is plain from these observations that the assumed ground of the equity jurisdiction was the absence of any remedy at law. Powell v. Aiken, 4 Kay & J. 343. It is now clearly established in the English chancery "that a bill will not lie for an account of timber felled any more than for any other money demand, except when the account is asked as an incident to an injunction, and that when the plaintiff has no right to an injunction, he has no right to an account, and his remedy is at law alone." Per Sir Wm. M. James, L. J., in Higginbotham v. Hawkins, Law Rep. 7 Ch. App. 676.

The same rule is applied by the modern decisions in cases of mines, where, as incident to the relief sought by a bill, an account is asked of profits against trespassers. It appears that as to the mode of assessing compensation, in such suits, to an owner of coal which has been improperly worked by the owner of an adjoining mine, a different principle is applicable when the coal is taken inadvertently, or under a bona fide belief of title, and when it is taken fraudulently, with knowledge of the wrong. In cases of the latter description, at law, the strict rule of damages laid down in Martin v. Porter, 5 Mee. & W. 351, was to charge the value of the coal without allowing any of the expenses of getting it; but in those of the former description a milder rule was applied in Morgan v. Powell, 3 Q. B. 278, and Wood v. Morewood, Id. 440, which was to give to the plaintiff the fair value of the coals as if the coalfield had been purchased from him by the defendant. This distinction was adopted and the latter rule applied in equity, by Vice-Chancellor Malins in Hilton v. Woods, Law Rep. 4 Eq. 432, and by Lord Chancellor Hatherley in Jegon v. Vivian, Law Rep. 6 Ch. App. 742, the latter remarking that "this court never allows a man to make profit by a wrong." This rule was adopted in Stockbridge Iron Co. v. Cone Iron Works, 102 Mass. 80.

The same rule applies in England in patent and copyright cases. The Vice-Chancellor Page-Wood, in Smith v. London & Southwestern Railway Co., Kay 408, said: "The true ground of relief in these cases is laid down in Baily v. Taylor, 1 Russ. &

M. 73, where Sir J. Leach, M. R., says: 'The court has no jurisdiction to give to a plaintiff a remedy for an alleged piracy, unless he can make out that he is entitled to the equitable interposition of this court by injunction; and in such case the court will also give him an account, that his remedy here may be complete. If this court do not interfere by injunction, then his remedy, as in the case of any other injury to his property, must be at law.' Unless that primary right to an injunction exists, this court has no jurisdiction with reference to a mere question of damages." The Vice-Chancellor further observed that, as had often been stated by Lord Eldon, as the object of the court in interfering by injunction was the prevention of a multiplicity of suits, which might be rendered necessary by continued infringements of the patent, he was at a loss to see how the jurisdiction could attach or the relief by injunction be arrived at, after the expiration of the patent, unless a case were made out, of a numerous series of past infringements, from which the parties were still deriving advantage. He then referred to Crossley v. Beverly, Web. P. C. 119, as a case where there was a specific ground for that relief, that the defendants had been manufacturing the patented articles, secretly and fraudulently, for the purpose of pouring into the market the articles so manufactured directly the patent should have expired. In that case the bill was filed before the expiration of the patent, and the right to sue having been thus acquired, the court extended it to restrain using the articles so manufactured after the patent had expired. "Such a case," continues the Vice-Chancellor, "of a fraudulent attempt to evade the patent might occur, as would enable the court to restrain the use of articles made in infringement of the patent and kept back until it expired, even after its expiration, and the plaintiff having thus obtained a right to the injunction, the right to an account would follow."

In the case of Price's Pat. Candle Co. v. Bauwen's Pat. Candle Co., 4 Kay & J. 727, the bill was dismissed, because the patent having expired pendente lite, the relief by injunction could not be granted at the hearing; but in Davenport v. Rylands, Law Rep. 1 Eq. 302, the same judge retained the bill, under similar circumstances, for the purpoes of an inquiry as to damages, because the act of 21 & 22 Vict., c. 27, commonly called Cairn's Act, passed after the former decision, had altered the rule. That statute declared that in all cases in which the court has jurisdiction to entertain an application for an injunction against a breach of any covenant, contract, or agreement, or against the commission or continuance of any wrongful act, or for the specific performance of any covenant, contract, or agreement, the same court may award damages to the party injured either in addition to or

in substitution for such injunction or specific performance, and such damages may be assessed in such manner as the court shall direct—a provision which no doubt suggested the like extension of the jurisdiction of the court in patent cases, contained in our Patent Act of 1870. But even after the passage of Cairn's Act, it was decided by Vice-Chancellor Sir Wm. M. James, in Betts v. Gallais, Law Rep. 10 Eq. 392, that the court would not entertain a bill for the mere purposes of giving relief in damages for the infringement of a patent, when the bill had been filed so immediately before the expiration of the patent as to render it impossible to have obtained an interlocutory injunction. He characterized it as "a mere device to transfer a plain jurisdiction to award damages from the court to which that jurisdiction properly belongs, to this court."

Mr. Kerr, in his treatise on Injunctions, 41, summarizes the result of many decisions, which he cites, under this statute, as follows: "The statute did not transfer to the court the general jurisdiction of common law by way of damages, or extend its jurisdiction to cases where previously to the statute it had no jurisdiction, or could not, consistently with its rules and principles, have interfered. The statute merely empowered the court to give damages in cases involving elements or ingredients of an equitable character. If the case as presented to the court was an equitable one, so that the subject-matter of the application is properly cognizable in equity, the court had jurisdiction under the statute to entertain the question of damages. If, on the other hand, the plaintiff had no equitable right at the time of bringing the action, so that the matter has been improperly brought into equity, the statute had no application. Damages may be awarded under the statute if it appear that at the time of bringing the action there was an equitable case, although the case for an injunction fails, or although an injunction is not competent from circumstances which have occurred since the filing of the bill."

It will be observed that the British statute does not touch the question of the account of profits by an infringer, leaving that as it stood before the passage of the act. The unavoidable inference is that damages can only be given under the act, in cases in which an account might be decreed; and that the patentee must, as it was expressly decided by the House of Lords, in De Vitre v. Betts, Law Rep. 6 H. L. 319, in all cases where he has a decree, elect whether he will have an account of profits or an inquiry as to damages, and can not have both. Under the act of Congress of 1870, he may recover damages in addition to the profits to be accounted for by the defendant; but as the recovery is limited by the act of the actual damages, it is manifest that the recovery

of damages and profits is not intended to be double, but that when necessary the damages are to supplement that loss of the complainant which the profits found to have been received are insufficient to compensate, subject to the power of the court as to their increase, as in case of verdicts.

This firm and indisputable doctrine of the English chancery has been recognized and declared by this court, in Hipp v. Babin, 19 How. 271, to be part of the system of equity jurisprudence administered by the courts of the United States, founded not only upon the legislative declaration in the Judiciary Act of 1789, "that suits in equity shall not be sustained in either of the courts of the United States in any case where plain, adequate, and complete remedy may be had at law," but also upon the intrinsic distinctions between the different jurisdictions of law and equity. In delivering the opinion of the court in that case, Mr. Justice Campbell remarked that "the practice of the courts of the United States corresponds with that of the chancery of Great Britain, except where it has been changed by rule, or is modified by local circumstances or local convenience;" and cited the instances in which "this court has denied relief in cases in equity, where the remedy at law has been plain, adequate, and complete, though the question was not raised by the defendants in their pleadings nor suggested by the counsel in their arguments. He then adds: "And the result of the argument is that whenever a court of law is competent to take cognizance of a right, and has power to proceed to a judgment which affords a plain, adequate, and complete remedy, without the aid of a court of equity, the plaintiff must proceed at law, because the defendant has a constitutional right to a trial by jury." It was contended in that case that, notwithstanding this general principle, the bill ought to be maintained, because the complainants, being minors, were authorized to call upon the defendants, who had intruded into possession of their lands, for an account as guardians, and that the court of chancery was better fitted to take an account for rents, profits, and improvements, and might decide the question of title as incidental to the account.

In reply to these points, Mr. Justice Campbell remarked that "there are precedents in which the right of an infant to treat a person who enters upon his estate with notice of his title, as guardian or bailiff, and to exact an account in equity for the profits for the whole period of his occupancy, is recognized." "But," he added, "in those cases the title must, if disputed, be established at law, or other grounds of jurisdiction must be shown." "Nor can the court retain the bill under an impression that a court of chancery is better adapted for the adjustment of the account for rents, profits, and improvements. The rule of

the court is, that when a suit for the recovery of the possession can be properly brought in a court of equity, and a decree is given, that court will direct an account as an incident in the cause. But when a party has a right to a possession which he can enforce at law, his right to the rents and profits is also a legal right, and must be enforced in the same jurisdiction. The instances where bills for an account of rents and profits have been maintained are those in which special grounds have been stated, to show that courts of law could not give a plain, adequate, and complete remedy. No instances exist where a person who had been successful at law has been allowed to file a bill for an account of rents and profits during the tortious possession held against him, or in which the complexity of the account has afforded a motive for the interposition of the court of chancery to decide the title and to adjust the account."

These principles were announced in a case for the recovery of the possession of real estate held adversely, but they are of general application, and embrace, as well, the case of torts to personalty, and infringements of patents and copyrights.

The distinct ground upon which the opposite view is presented to us in argument is, that the infringer of a patent-right is, by construction of law, a trustee of the profits derived from his wrong, for the patentee, and that a court of equity, in the exercise of its acknowledged jurisdiction over trusts and trustees, will require him to account as trustee, without reference to any other relief. And in support of this contention we are referred to passages in the judgments of this court in the cases of Packet Company v. Sickles, Burdell v. Denig, and Birdsall v. Collidge, all of which have been already cited in this opinion, supra, pp. 198, 199.

But the inference sought to be drawn from the expressions referred to is not warranted. It is true that it is declared in those cases that, in suits in equity for relief against infringements of patents, the patentee succeeding in establishing his right is entitled to an account of the profits realized by the infringer and that the rule for ascertaining the amount of such profits is that of treating the infringer as though he were a trustee for the patentee, in respect to profits. But it is nowhere said that the patentee's right to an account is based upon the idea that there is a fiduciary relation created between him and the wrong-doer by the fact of infringement, thus conferring jurisdiction upon a court of equity to administer the trust and to compel the trustee to account. That would be a reductio ad absurdum, and, if accepted, would extend the jurisdiction of equity to every case of tort, where the wrong-doer had realized a pecuniary profit from his wrong. All that was meant in the opinions referred to was to

declare according to what rule of computation and measurement the compensation of a complainant would be ascertained in a court of equity, which, having acquired jurisdiction upon some equitable grounds to grant relief, would retain the cause for the sake of administering an entire remedy and complete justice, rather than send him to a court of law for redress in a second action. The rule adopted was that which the court in fact applies in cases of trustees who have committed breaches of trust by an unlawful use of the trust property for their own advantage; that is, to require them to refund the amount of profit which they have actually realized. This rule was adopted, not for the purpose of acquiring jurisdiction, but, in cases where, having jurisdiction to grant equitable relief, the court was not permitted by the principles and practice in equity to award damages in the sense in which the law gives them, but a substitute for damages, at the election of the complainant, for the purpose of preventing multiplicity of suits. And the particular rule was formulated, as will be seen by reference to the cases already referred to, out of tenderness to defendants in order to mitigate the severity of the punishment to which they might be subjected in an action at law for damages, and because it was thought more equitable merely to deprive them of the actual profits arising from their wrong, than to make no allowances, in estimating damages, for the cost and expense of the business in the prosecution of which they had violated the rights of the complainant. The same reason operated in the establishment of the simillar rule acted in the cases of Hilton v . Woods and Jegon v. Vivian, already cited in a previous part of this opinion, supra, p. 209. The rule itself is reasonable and just, though sometimes perverted and abused. It has been constantly acted upon by the courts. But it is a rule of administration and not of jurisdiction: and although the creature of equity, it is recognized as well at law as one of the measures. though not the limit, for the recovery of damages.

The case is not within the principle, according to which, in certain circumstances, a court of equity decrees a wrong-doer to be a trustee de son tort, and exerts its jurisdiction over him in that character. Where a defendant has wrongfully intermeddled with property already impressed with a trust, he may be required as a trustee to account for it, as was done in the case of People v. Houghtaling, 7 Cal. 348, because trust property may be followed, wherever it can be traced, into whosesoever possession it comes, except that of a bona fide purchaser without notice. It is the character of the property, and not the wrong done in converting or withholding it, that constitutes the wrong-doer a trustee.

Our conclusion is, that a bill in equity for a naked account of profits and damages against an infringer of a patent can not be sustained; that such relief ordinarily is incidental to some other equity, the right to enforce which secures to the patentee his standing in court; that the most general ground for equitable interposition is, to insure to the patentee the enjoyment of his specific right by injunction against a continuance of the infringement; but, that grounds of equitable relief may arise, other than by way of injunction, as where the title of the complainant is equitable merely, or equitable interposition is necessary on account of the impediments which prevent a resort to remedies purely legal; and such an equity may arise out of, and inhere in, the nature of the account itself, springing from special and peculiar circumstances which disable the patentee from a recovery at law altogether, or render his remedy in a legal tribunal difficult, inadequate, and incomplete; and as such cases can not be defined more exactly, each must rest upon its own particular circumstances, as furnishing a clear and satisfactory ground of exception from the general rule.

The case of Garth v. Cotton, 1 Dick. 183 furnishes an interesting and curious illustration of one of the excepted cases. In that case Lord Hardwicke sustained a bill in equity, in a case of waste, for an account of timber felled and sold, where there could be no injunction, in favor of a complainant unborn at the time of its commission, whose estate was a contingent remainder, supported by a limitation to trustees to preserve it, the defendant being the owner of a prior term of years, and the ultimate remainder-man in fee. The Lord Chancellor proceeded on the ground of collusion between the defendants and a nominal or imputed breach of trust on the part of the trustees to preserve the contingent remainder in permitting the wrong; and distinguished the case from Jesus College v. Bloom, 3 Atk. 262, particularly on the ground that the complainant could have no remedy at law. Another instance of an exception is mentioned by Vice-Chancellor Page-Wood in the extract from his judgment in the case of Smith v. The London & Southwestern Railway Co., Kay 408, contained in a previous part of this opinion.

It does not appear from the allegations of the bill in the present case that there are any circumstances which would render an action at law for the recovery of damages an inadequate remedy for the wrongs complained of; and, as no ground for equitable relief is presented, we are of opinion that the circuit court did not err in sustaining the demurrer and dismissing the bill.

Decree affirmed.

1038. CLARK v. WOOSTER, 119 U. S. 322, 30 L. ed. 392 (1886).* * *

Bradley, J.:

This is a suit on a patent, brought by Wooster, the appellee, against the persons composing the firm of Johnson, Clark & Co., of New York, to restrain them from infringing the patent, and to recover profits and damages. The bill was filed on the twentieth of December, 1879, and the patent expired fifteen days afterwards. The patent was for folding guides used on sewing-machines, and is the same that was involved in the case of Thomson v. Wooster, 114 U. S. 104, 5 Sup. Ct. 788. It was granted to one Douglas in October, 1858, for a period of 14 years, was extended in October, 1872, for 7 years longer, and was then, in the same month, surrendered and reissued. * * *

The points taken by the appellants are—First, that the court below, sitting as a court of equity, had no jurisdiction of the case, because the complainant had a plain and adequate remedy at law; second, that the reissue of the patent was illegal by reason of laches in applying for it; third, that the court erred in finding that the measure of damages was an established license fee, and that such license fee was proved.

As to the first point, the bill does not show any special ground for equitable relief, except the prayer for an injunction. To this the complainant was entitled, even for the short time the patent had to run, unless the court had deemed it improper to grant it. If, by the course of the court, no injunction could have been obtained in that time, the bill could very properly have been dismissed, and ought to have been. But, by the rules of the court in which the suit was brought, only four days' notice of application for an injunction was required. Whether one was applied for does not appear. But the court had jurisdiction of the case, and could retain the bill, if, in its discretion, it saw fit to do so, which it did. It might have dismissed the bill, if it had deemed it inexpedient to grant an injunction; but that was a matter in its own sound discretion, and with that discretion it is not our province to interfere, unless it was exercised in a manner clearly illegal. We see no illegality in the manner of its exercise in this case. The jurisdiction had attached, and although, after it attached, the principal ground for issuing an injunction may have ceased to exist by the expiration of the patent, yet there might be other grounds for the writ, arising from the possession by the defendants of folding guides illegally made or procured while the patent was in force. The general allegations of the bill were sufficiently comprehensive to meet such a case. But even without that, if the case was one for equitable relief when the suit was instituted, the mere fact that the ground for such relief expired by the expiration of the patent would not take away the jurisdic-

tion, and preclude the court from proceeding to grant the incidental relief which belongs to cases of that sort. This has often been done in patent causes, and a large number of cases may be cited to that effect; and there is nothing in the decision in Root v. Railway Co., 105 U. S. 189, to the cotnrary. American Cotton-Tie Co. v. Simmons, 106 U. S. 89, 1 Sup. Ct. 52; Lake Shore & M. S. Ry. Co. v. Car-brake Co., 110 U. S. 229, 4 Sup. Ct. 33; Consolidated Valve Co. v. Crosby Valve Co., 113 U. S. 157, 5 Sup. Ct. 513; Thomson v. Wooster, 114 U. S. 104, 5 Sup. Ct. 788. It is true that where a party alleges equitable ground for relief, and the allegations are not sustained, as where a bill is founded on an allegation of fraud, which is not maintained by the proofs, the bill will be dismissed in toto, both as to the relief sought against the alleged fraud, and that which is sought as incidental thereto.

The point insisted on, that the bill contained no charge of continued infringement, or of infringement at the time of commencing the suit, if it were material, is not sustained by the fact. The bill does contain such a charge.

As the court had jurisdiction at the inception of the suit, even though upon a narrow ground, yet, as the defendants did not ask the dismissal of the bill on the ground of want of jurisdiction, we should be very reluctant, if we had the power, now, on an appeal, after the case has been tried and determined, to reverse the decree.

The second point raised was substantially disposed of in the case of Thomson v. Wooster, qua supra The allegations in the present bill are the same as they were in that case. Neither the bill nor the proofs show anything from which the court can infer that the reissue was illegally granted, and the allegations of the answer are unsupported by evidence. The reissued patent itself made a prima facie case for the complainant. The allegations of the answer, that it was issued for the mere purpose of expanding the claim of the original, and that it was for another and different invention, should have been proved. But we have no evidence on the subject, not even the original patent with which to compare the reissue. This point, therefore, is wholly without foundation.

The third point, as to the measure of damages, and the want of proof thereof, is equally untenable. It is a general rule in patent causes that established license fees are the best measure of damages that can be used. There may be damages beyond this,—such as the expense and trouble the plaintiff has been put to by the defendant, and any special inconvenience he has suffered from the wrongful acts of the defendant; but these are

more properly the subjects of allowance by the court under the authority given to it to increase the damages.

As to the sufficiency of the proof, we see no occasion to disturb the conclusion reached by the master on this point. The complainant proved several instances of licenses given by him to large sewing-machine companies, the fees on which were regularly paid, and corresponded with the rate allowed by the master. We think that the defendants have no occasion to complain of the amount awarded.

The decree of the circuit court is affirmed.

1034. TAYLOR v. SAWYER SPINDLE CO., 75 Fed. 301, 22 C. C. A. 203 (1886, Third Circuit).* * *

Before Acheson, Circuit Judge, and Wales and Green, District Judges.

Wales, District Judge.

This is an appeal from the decree of the United State circuit court for the district of New Jersey, made October 19, 1895, sustaining the validity of letters patent No. 253,572, issued to John E. Atwood, dated February 14, 1882, for "improvements in the supports for spindles for spinning machines," declaring that the defendant corporation had infringed the third, fourth, and fifth claims of the patent, and ordering an accounting of profits from March 23, 1891, the date of the organization of the defendant company. * * *

The claims in issue are these:

"(3) The combination, substantially as hereinbefore described of a spindle rail of a spinning machine, a spindle, and a supporting tube flexibly mounted with relation to the spindle rail, and containing step and bolster bearings.

"(4) The combination, substantially as hereinbefore described, of a spindle rail, a spindle, a supporting tube containing step and bolster bearings, flexible connections between said tube and the spindle rail, and adjusting devices for varying the degree of flexibility of the supporting tube and spindle therein.

"(5) The combination of the spindle rail, the spindle, the supporting tube, loosely mounted with relation to the rail, and containing the step and bolster bearings for the spindle, the spring, and the nut for compressing it, substantially as described."

The validity of the complainant's title is admitted. The first defense to the suit is that of laches, which was urged with much earnestness, and is made on the ground that the complainants had deprived themselves of relief in a court of equity by neglecting to prosecute any one for infringement until more than seven years after the date of the patent, and that the defendant had no notice of their claims until more than ten years after that date.

It is alleged that the complainants permitted the manufacture and sale of the spindles complained of to be carried on for many years by men who were ignorant of their claim, and allowed the persons composing the defendant corporation to purchase the business without giving them notice; that spindles mounted flexibly, like those now complained of, were made and sold by the Cooke Locomotive & Machine Company, continuously and to a large extent, from August, 1881, until they sold the business to Mr. Taylor, Mr. Shaw, and Mr. Cocker, and that the latter continued to make and sell the same spindles until the defendant corporation was formed, March 23, 1891,—the date from which infringement is charged in the bill. The first suit brought against any infringer of the Atwood patent was that of these complainants against W. G. & A. R. Morrison Company, September 2, 1889, in the district of Connecticut (52 Fed. 590), in which the validity of the patent was sustained, and there was a decree for the infringement of the second, third, and fifth claims, and for an accounting. Subsequently another suit was brought by complainants against the Morrison Company for infringement of the same patent by types of modified spindles manufactured by them, in which, on motion for a preliminary injunction, the patent was upheld. 54 Fed. 693. The theory of this defense is that there is no absolute right to an injunction on proof of infringement of a patent; that the complainant must present a case for equitable relief, and if it appears by the bill, or by the evidence, that by reason of his delay he is not entitled to the aid of a court of equity, it will be refused on final hearing, as well as on motion for a preliminary injunction. It is insisted that, if the Atwood patent has been infringed by the defendant, the only remedy for the complainant would be by an action at law for damages, and that the only possible relief obtainable in the present suit would be an injunction against future infringement.

It has never been held that mere laches, unaccompanied by circumstances which amount to an equitable estoppel, shut out a party from all relief in a court of equity. Knowledge of and long continued acquiescence by a complainant in an infringement may, in special cases, be fatal on a motion for a preliminary injunction, but will not, on a final hearing, prevent the court from granting such relief as may be just and equitable. This is the general rule which is recognized in the authorities which are cited in the briefs of counsel. There is a want of satisfactory proof that the defendant acted in ignorance of the rights of the complainants, or that the latter had always had full knowledge of the alleged infringement. Notice was given to the public at large that the spindles were patented, and the defendant could not have been blind to the fact that the new spindles had gone

into extensive use. The testimony of Mr. Taylor, of the defendant corporation, had reference to a time prior to the issue of the patent, when, as he says, Mr. Atwood saw the infringing spindles, or ones just like them, in operation in Paterson, and made no claim that the invention was his; but it is not pretended that Taylor, Shaw, and Cocker, or either of them, at the date of their incorporation, in March, 1891, did not know of the complainant's claims, for the suit against the Morrison Company had then been pending for more than a year. In Kittle v. Hall, 29 Fed. 508, it was held that, while long acquiescence might defeat a bill for infringement, no precedent had been discovered for the dismissal of a bill for so short a period as seven years, and that the defendants had not been misled, but knew of the plaintiff's rights. In McLean v. Fleming, 96 U. S. 245, the court said:

"Equity courts will not, in general, refuse an injunction on account of delay in seeking relief, where the proof of infringement is clear, even though the delay may be such as to preclude the party from any right to an account for past profits."

To the same effect are the cases of Menendez v. Holt, 128 U. S. 514, 9 Sup. Ct. 143; Price v. Steel Co., 46 Fed. 107; New York Grape Sugar Co. v. Buffalo Grape Sugar Co., 18 Fed. 638; Gilmore v. Anderson, 38 Fed. 846; Brush Electric Co. v. Electric Imp. Co., 45 Fed. 241. In the last-cited case the court remarked that the doctrine of laches is generally applicable to preliminary injunctions only. In Menendez v. Holt, supra, the court, in discussing the question of laches, said:

"Mere delay or acquiescence can not defeat the remedy by injunction in support of the legal right, unless it has been continued so long, and under such circumstances, as to defeat the right itself. Hence, upon an application to stay waste, relief will not be refused on the ground that, as the defendant had been allowed to cut down half the trees upon the complainant's land, he had acquired by that negligence the right to cut down the remainder [citing Attorney General v. Eastlake, 11 Hare, 205]. * * * Acquiescence, to avail, must be such as to create a new right in the defendant. Where consent by the owner * * * is to be inferred from his knowledge and silence merely, it lasts no longer than the silence from which it springs. It is in reality no more than a revocable license."

The defendant asserts that the complainants are not entitled to an accounting for profits; but the decree of the circuit court orders an accounting only from the date of the defendants' incorporation, from and after which time there were no laches, as complainants had already begun their suit against the Morrison Company. This was sufficient notice to the defendant that the validity of the patent was in litigation, and thus takes away the

excuse of ignorance for continuing the infringement. There is no proof of nonuser or abandonment by the complainants, nor of any act or omission of theirs which could have induced the defendant to believe that it would not be held liable for manufacturing and selling the infringing articles. The evidence falls far short of proving an estoppel, or of proving such delay or acquiescence on the part of the complainants as should defeat the present suit. * * *

[The concluding part of this case might well have been under "Infringement." It has been retained here to indicate the character of the case as a whole.]

The defendant's spindle is almost identical with the Atwood spindle, differing only in form, but containing all the elements, or their equivalents, of the latter. The differences between the two are immaterial. In defendant's spindle a collar and set screw are substituted for the nut below the spring, and the whirl is attached directly to the shaft of the spindle; the supporting tube being made in two parts, and then rigidly fastened together by two arms, which bridge over the whirl, thus practically making one tube for the step and bolster bearings. The defendant has adopted the essential elements of the Atwood combination, namely, the flexibly mounted supporting tube, containing both step and bolster bearings, which is connected with the rail by a strong spiral spring and an adjusting nut. The defenses chiefly relied on are want of invention (as distinguished from mechanical skill) anticipation, and because the claims are inoperative and void. Atwood had invented his spindle, and put it into use, as early as July, 1878, although he did not make application for a patent until February 27, 1880. Prior to his invention, spindles had been run in rigid bearings; and their speed was limited on account of their tendency, under a high rate of revolution, to gyrate and cause severe pressure on the bearings, developing friction, and throwing off the bobbins. The production of a spinning frame is in direct ratio to the speed of the spindles, and every increase in speed at which the spindle can be practically run makes a proportionate increase in the production; and thus it was that inventors had long been endeavoring to mount a spindle in such a way as to obtain a greater rate of speed than was possible with the then existing machines. Numerous patents had been granted for improvements in these machines, but none of them contained the device of Atwood, who was the first to combine the step and bolster bearings of the supporting tube with a flexibly mounted spindle, whose rotary speed was only limited by relation to other parts of the machinery. Invention and patentability, however, are denied on the ground that Atwood's combination is only a new arrangement of well-known

parts, which had already been combined to accomplish the same result, and that its only novelty consists in the location of the yielding attachments between the supporting tube and the rail, and the use of adjusting devices for varying the degree of flexibility,—in substance, nothing more than putting a cushion or spring of some kind between the journal box of a revolving shaft and the fixed base of support, and therefore showing only mechanical skill. In support of this proposition, reliance is placed on the patent of F. J. Rabbeth, No. 227,129, dated May 4, 1880, for "a spinning spindle and bearing," and on certain prior patents for centrifugal machines. The essential difference between the Rabbeth spindle and the Atwood spindle is that the supporting tube in the former is rigidly fixed in the rail, while in the latter it is loosely or flexibly mounted on the rail. This, it has been well said, is the gist of the Atwood improvement, the value and superiority of which have been proved by its general adoption and large use by silk spinners. Its novelty and utility are thus placed beyond doubt, and that it required the exercise of inventive faculty to produce it appears from the prior history of the art. It would require too much space to review the long list of patents set out in the answer as being suggestive of the one in suit, only a few of which, however, are referred to in the brief of defendant's counsel. It may be sufficient to say that, with all the information derived from the alleged anticipations, it does not appear that any one, before Atwood, had caught the idea, and reduced it to practice, of arranging and combining old elements in such a manner as to produce a flexibly mounted spindle. He invented a new arrangement of parts, by which a new relation was formed between the rail and the supporting tube, and by that means superseded the former rigid-bearing spindle. It was a decided advance over all other supports, and that it required more than mechanical skill is evidenced by the fact that it had escaped the notice and observation of numerous inventors whose attention had been directed for many years to the achievement of the same or a similar result as the one reached by Atwood. In coming to this conclusion, we have not overlooked the contention that the use of yielding attachments, with adjustable devices, applied to the combined step and bolster bearings of a spinning spindle, was anticipated by the use of sim r devices in centrifugal machines, or hydro-extractors, for c sugar or creaming milk. In this connection, reference is r four patents for centrifugal machines, namely, Weston's ( )49), of September 8, 1886; Cramer's (No. 144,319), of I ber 4, 1873; English patent to Day (No. 772), of 1874; and L nurst's (No. 199), of January 8, 1878. It is claimed for the defendant that the Atwood spindle and the centrifugal machines contain

the same combination of elements for the purpose of flexible adjustment to an unbalanced load; the only difference being that in the one case it is a spindle flexibly mounted upon a rail, and in the other a larger revolving shaft flexibly attached to the floor. The argument deduced from this is that mere changes of use and dimensions, without any change of function, do not involve invention; in other words, that the Atwood adjustable device is only a "double use" of that made use of in the centrifugal machines for the same purpose. The Cramer patent is particularly relied on in support of this proposition, and may be taken as a fair representative of the class to which it belongs. The two classes of machines are so different in size, in structure, and in the uses to which they are adapted, that, as Mr. Southworth, a witness for the complainants, said, "the inspection of a centrifugal machine would not lead a mechanic to use a flexible spindle, but would be likely to deter one from even experimenting in that direction." The object of flexibly mounting the hydro-extractor is to prevent the jar and concussion which arise from the great weight of the machine and not to increase its speed. On the other hand, the flexible bearings in the spinning spindle are made use of to increase its speed, for the spindle can run as well at a speed of 5,000 revolutions in a rigid bearing. A careful examination of the specifications and drawings of the Cramer patent does not induce the belief that Atwood could have derived any aid from that source in contriving his spindle. Centrifugal machines had been in use in many mills where yarn was spun, and in shops where machinery was made for spinning yarn, for years before the Atwood improvement was invented, and no one ever supposed that a similar construction could be applied to a spinning spindle. One of the objects to be attained by loosely mounting the spindle in the rail was to maintain the spindle in a perpendicular position, and to diminish its inclination to gyrate. It is obvious that the functions of the one machine are different from the functions of the other, and it is also apparent that the means adopted by Cramer to produce a flexible adjustment differ from those adopted by Atwood for a similar purpose. The specifications of the Cramer patent state "that bolts, b, are provided with large heads and a washer, and each is encircled for a portion of its length by a heavy elastic cushion, preferably resembling a rubber car spring. These bolts are passed upward through holes in the platform, and are provided with nuts at their upper ends, and which, on being screwed down, securely and safely fasten the machine to the platform." In contrast to this, the spiral spring in the Atwood patent pulls the supporting tube down upon the rail, so as to prevent the tipping of the spindle; and, all parts of the machine being openly accessible,

the degree of flexibility of the spindle with relation to the rail can be readily graduated. The Cramer patent is only "a paper patent," and has never been put into practical use, and may be considered as an abandoned experiment. It belongs, however, to the same class as the other centrifugal machines which have been referred to as anticipations of the flexible devices of Atwood, to show that the latter are only reproductions of the former. As we have seen, they are very different. The clamping nut and rubber spring, used by Cramer have little or no analogy to the spiral spring, and the provision made for regulating its tension, as described in the Atwood patent. The centrifugal machine must have a strong foundation to rest upon, and to which it is "securely and safely" fastened, while the spinning spindle is sustained in mid-air by the rail on which it is loosely mounted. But, admitting the existence of a closer resemblance and analogy between the two classes of machines than have been shown, it by no means follows that the Atwood spindle would come within the rule of "a double use," and thus fall short of invention and patentability. In the recent case of Potts & Co. v. Creager, 155 U. S. 607, 15 Sup. Ct. 194, Mr. Justice Brown, speaking for the court, said:

"Indeed, it often requires as acute a perception of the relations between cause and effect, and as much of the peculiar inventive genius which is a characteristic of great inventors, to grasp the idea that a device used in one art may be made available in another, as would be necessary to create the device de novo. And this is not the less true if, after the thing had been done, it appears to the ordinary mind so simple as to excite wonder that it was not thought of before; but the decisive answer is that with dozens, and perhaps hundreds, of others laboring in the same field, it had never occurred to any one before. * * * As a result of the authorities upon the subject, it may be said that, if the new use be so nearly analogous to the former one that the applicability of the device to its new use would occur to a person of ordinary mechanical skill, it is only a case of double use; but if the relations between them be remote, and especially if the use of the old device produce a new result, it may at least involve an exercise of the inventive faculty."

To the same effect are Du Bois v. Kirk, 158 U. S. 58, 15 Sup. Ct. 729, and Tannage Patent Co. v. Zahn, 17 C. C. A. 552, 70 Fed. 1003. In Topliff v. Topliff, 145 U. S. 156, 12 Sup. Ct. 825, the court held it—

"not sufficient, in order to constitute an anticipation of a patented invention, that the device relied upon might, by modification, be made to accomplish the function performed by that

invention, if it were not designed by its maker, nor adapted, nor actually used, for the performance of such function."

As a further defense it is contended that the claims sued on must be construed as containing the sleeve whirl, in which case they are not infringed, because the defendant does not use the latter, or else they have no operative mechanism, and are void. The law on this subject is too well settled to be open for discussion. A patentee is not required to claim the entire machine in each claim. Each of the claims at issue is for a complete combination of the spindle and its supporting tube and devices, and there was no necessity for expressing in terms the devices for revolving the spindle; any appropriate means for operating it will be understood. The omission of the sleeve whirl does not effect the validity of either one of the claims, which belong to that class where reference may be made to the specifications to supply in a claim what it is plain, to any one skilled in the art, is a necessary incident. Reece Buttonhole Mach. Co. v. Globe Buttonhole Mach. Co., 10 C. C. A. 194, 61 Fed. 970; Deering v. Harvesters Works, 155 U. S. 286, 15 Sup. Ct. 118. The decree of the circuit court is affirmed.

1035. WESTERN ELECTRIC CO. v. NORTH ELECTRIC CO., 135 Fed. 79, 67 C. C. A. 553 (1905, Sixth Circuit).* * *

Before Lurton, Severns, and Richards, Circuit Judges:

Severns, Circuit Judge. The Western Electric Company complains in its bill of the infringement by the appellees of the rights secured by three several letters patent which it claims to own, namely, one numbered 357,538, granted to Charles E. Scribner, February 8, 1887, one numbered 488,033, granted to Scribner and Warner, December 13, 1892, and one numbered 552,729, granted to Scribner, January 7, 1896, all of which relate to improvements in spring-jack switches for telephone switch boards; and prays for an injunction and an accounting.

The appellees, who were the defendants in the court below, appeared, and interposed a plea, which, in substance, denied the allegation in the bill that the public had generally recognized the validity of the patent No. 357,538, and averred that the public refrained from contesting its validity because the Bell Telephone Company and the complainant in this suit claimed a complete monopoly of all telephone inventions, and the public believed they had such a monopoly, and not because of the supposed validity of this particular patent. And, further, the plea denied that the invention of the patent had gone into extensive use, alleged that it had been anticipated, and denied infringement.

As to the patents Nos. 488,033 and 552,729, the plea alleged that they severally bear a date more than six months later than

the time when notice was given by the Patent Office of the allowance of the applications, respectively. The complainants set this plea down for argument, and upon the hearing the court held the plea insufficient, and granted the defendants leave to answer, but without prejudice to the defendants' right to raise by answer the defenses made by the plea. We will observe, in passing, that, so far as this plea relates to the patent No. 357,538, it is quite manifest that, except as to the defenses of lack of invention and noninfringement, it presented no defense to the bill, and with respect to those defenses it is also quite clear that they can not be taken by plea, but only by answer. Walker on Patents, §§ 599, 600. Besides, a plea, to be maintainable, must present some single definite point on the maintenance of which the bill will be disposed of. Story's Eq. Plead. § 654. The plea as regards this patent is multifarious, in that it states several defenses to the bill. In fact, it covers the principal grounds of an answer.

The plea, in so far as it relates to patents Nos. 488,033 and 552,729, would seem to be good in form. It alleges the fact that the date of each of the patents is more than six months later than the notice given to the applicant of the allowance of the application, and states the date on which such notice was given. Section 4885 of the Revised Statutes [U. S. Comp. St. 1901, p. 3382], provides that "every patent shall bear date as of a day not later than six months from the time at which it was passed and allowed and notice thereof was sent to the applicant or his agent; and if the final fee is not paid within that period the patent shall be withheld." The question thus raised is an important one, for the chief of the Issue and Gazette Division of the Patent Office, whose testimony is in the record, states that great numbers of patents have been issued, the dates of which are more than six months later than the time when the notice of allowance was sent to the applicant. He states that it is the practice of the Patent Office, and has been for more than 20 years, to transmit to the patentee the notice of allowance as soon as may be after all the proceedings except the payment of the final fee have been taken, and the notice of allowance contains a requirement that the final fee be paid. On receiving the final fee within the six months, the patent issues. But on account of the accumulation of business in the office a considerable period of time must elapse, after the final fee is paid, before the patent can be prepared and signed. And when the final fee is paid so near the expiration of the six months that the office cannot have the patent ready for issue within that time, the office issues a notice to the applicant, which contains a receipt for the fee, and a formal notice that the application has been exam-

ined and again allowed. And it appears that this latter was the course of proceeding in the case of both the patents Nos. 488,033 and 553,729. In each case the final fee was paid, and notice of the reallowance mailed to the applicant within the six months after the original allowance; but the patents were dated and issued more than six months after the date of the original allowance, but shortly after the reallowance. It is contended for the appellees that these patents are therefore void. It is urged that the date of the patents is imperatively required by the statute, and that the Patent Office has no authority to adopt a practice which shall dispense with that requirement. There is some plausibility in the argument supporting this contention but we think the weight of opposing reasons compels a different conclusion, and that the requirement should be regarded as directory, rather than absolutely essential. The full six months are allowed by the statute to the applicant, and it can hardly be supposed that Congress intended that this period could be cut short by the exigencies of the Patent Office. He has no power to coerce its proceedings. Delays in a public office are not generally allowed to prejudice the right of one who has performed all that the law requires of him to secure official action. The object which Congress had in view was to compel the applicant to follow up his application by the reasonable performance of the conditions precedent to the issue of the patent. If he entitles himself to have the patent issue within six months, that object is subserved. Said Mr. Justice Field, in delivering the opinion of the court in French v. Edwards, 13 Wall. 506, 20 L. ed. 702:

"There are undoubtedly many statutory requisitions intended for the guide of officers in the conduct of business devolved upon them, which do not limit their power, or render its exercise in disregard of the requisitions ineffectual. Such, generally, are regulations designed to secure order, system, and dispatch in proceedings, and by a disregard of which the rights of parties interested cannot be injuriously affected. Provisions of this character are not usually regarded as mandatory, unless accompanied by negative words importing that the acts required shall not be done in any other manner or time than that designated."

And in 2 Sutherland, Stat. Construction, § 612 (2d ed.), it is said:

"In other words, as the cases universally hold, a statute specifying a time within which a public officer is to perform an official act regarding the rights and duties of others is directory, unless the nature of the act to be performed or the phraseology of the statute is such that the designation of time must be considered as a limitation of the power of the officer."

Again, the statute declares that, if the final fee is not paid within the six months, the patent shall be withheld, but it does not declare that, if not dated as directed, the patent shall not issue, or, if issued, shall be void. Besides all this, the officers charged with the administration of the law have for many years construed the law as giving power to the office to exercise control over applications until the patent should finally issue, and that it was justified in resorting to a matter of form in order that the right of the citizen should not be sacrificed. So far as we know, this is the first time the practical construction of the statute now called in question has been challenged, and much disturbance of things supposed to rest on solid foundations would ensue if such an objection should be sustained.

Whether the practice, if promptly challenged by the government in a direct proceeding to recall a patent would be sanctioned, we have not now to consider. We think the patents ought not to be held void for irregularity, if it be such, at the instance of a private party in a collateral proceeding. * * *

[The following under this heading are brief extracts to complete the discussion.]:

1036. WOODMANSE, ETC., MFG. CO. v. WILLIAMS, 68 Fed. 489, 15 C. C. A. 520.

The ground upon which a court of equity will take cognizance of a suit for an infringement of a patent is the relief through an injunction. There is nothing so peculiar to a suit for damages and profits for infringement of a patent as will, independently of some recognized ground of equitable jurisdiction, justify a court of chancery in assuming jurisdiction. It must appear that the legal remedy at law is inadequate, and if the case is one in which equitable relief by injunction is inappropriate, as where the patent has expired, or where the circumstances are such as to justify a court in refusing equitable relief, the suit will not be entertained for the mere purpose of an account of past damages and profits.

1037. RUSSELL v. KERN, 69 Fed. 94, 16 C. C. A. 154.

It is doubtless true, as contended, aside from any right to an injunction, that there may be ground for jurisdiction in equity in the nature and circumstances of the account, and in the necessity for discovery, but in respect to the expired patents, which are here assumed to be valid, it is not shown that the remedy at law would be inadequate.

1038. COMMERCIAL ACETYLENE CO. v. AVERY, ETC. LIGHTING CO., 159 Fed. 935, 87 C. C. A. 206.

We are content to rest affirmance of the order upon that opinion, with remark upon the case of Kessler v. Eldred, 205 U. S. 285, 51 L. ed. 1065, [decided since the hearing below], as plainly upholding jurisdiction in equity for like relief, in favor of the manufacturer, primarily sued for infringement, to prevent complication and injury in further suits against purchasers from him of the alleged infringing article. Whether the injunction should issue depends upon the equities presented.

PART XVIII.

INJUNCTIONS.

[See for position of equity to charge of combination in restraint of trade No. 922, and also Part XIII.]

STATUTES.

[Preliminary—Restraining Orders, etc.—Perpetual or Permanent—Continued, Dissolved, Notified.]

Injunctions—Preliminary—Restraining Orders, etc.—Perpetual or Permanant—Continued, Dissolved, Modified.

1039. POWER OF COURTS TO GRANT INJUNCTIONS AND ESTIMATE DAMAGES.

Sec. 4921. The several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for an infringement the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby; and the court shall assess the same or cause the same to be assessed under its direction. And the court shall have the same power to increase such damages, in its discretion, as is given to increase the damages found by verdicts in actions in the nature of actions of trespass upon the case. (Statute of Limitations.)

But in any suit or action brought for the infringement of any patent there shall be no recovery of profits or damages for any infringement committed more than six years before the filing of the bill of complaint or the issuing of the writ in such suit or action, and this provision shall apply to existing causes of action.

1040. ANTISDEL v. CHICAGO HOTEL CABINET CO., 89 Fed. 308, 32 C. C. A. 216 (1898, Seventh Circuit).* * *

Before Woods and Showalter, Circuit Judges, and Baker, District Judge.

Woods, Circuit Judge, after making the foregoing statement, delivered the opinion of the court.

If considered as brought for the purpose of enforcing obligations of contract, the bill would have to be dismissed because

it does not show the diverse residence and citizenship of parties necessary to give the court jurisdiction. The contract alleged, however, is not one which could be specifically enforced, and, unless the suit is for an injunction against infringement of letters patent, no sufficient ground for equitable relief is stated.

The first proposition of the appellant—urged on the authority of Depeyster v. Graves, 2 Johns. Ch. 148; Duncan v. Finch, 10 Ill. 296; Woodworth v. Edwards, 3 Woodb. & M. 120, Fed. Cas. No. 18,014; 10 Am. & Eng. Enc. Law, 1019—is that "the want of due diligence on the part of the complainant in prosecuting a suit in equity is always a cause for dissolving an injunction." This proposition and the authorities cited, it is answered, are not applicable because in this case "there was nothing for the complainant to do * * * after having obtained the preliminary injunction and default. The object of the bill was to restrain a threatened infringement, and until there was an actual infringement there was no occasion for taking any further steps in the suit." The implication here that a temporary injunction may be the sole object of a bill is not true. Such relief is granted only as incidental and auxiliary to the final relief prayed, which, of course, may be only an injunction. The appellee, therefore, had no right to rest upon the preliminary order and the decree pro confesso, unless there was an excuse for so doing; but if it be true, as upon the evidence the court may well have found, that the order for the injunction was entered with the knowledge of the appellant, and that when the agreement of July 30, 1894, was executed, it was the understanding of the parties that the suit should not be dismissed, and that the injunction should remain in force, that was sufficient excuse, so long as nothing inconsistent with the understanding occurred, not only for the failure of the complainant to prosecute his suit to final decree, but for the delay of the appellant to move for the dissolution of the preliminary order and writ of injunction; for, while a diligent prosecution is the duty of a complainant, it is also the rule that laches or unexcused delay of a defendant in moving for the dissolution of a preliminary injunction may constitute ground for denying the motion when made. High, Inj. (3d Ed.) § 1480. * * *

1041. WELSBACH v. COSMOPOLITAN, ETC. CO., 104 Fed. 83, 43 C. C. A. 418 (1900, Seventh Circuit).* * *

Before Woods and Grosscup, Circuit Judges, and Bunn, District Judge.

Woods, Circuit Judge:

This appeal is from an order denying an injunction pendente

lite against infringement of the first claim of letters patent No. 407,963, issued on July 30, 1889, to Frederick L. Rawson and William S. Rawson, of London, England. The principal contention of the appellant, insisted upon with great elaboration and reiteration of argument, is that: "No new defenses having been interposed which had not already been considered and overruled, both by a court of co-ordinate jurisdiction and by the circuit court of appeals for the Second District, * * * the complainant, under the universally recognized and applied rule of comity * * * was entitled to the injunction pendente lite prayed for." The rulings referred to were made in Welsbach Light Co. v. Sunlight Incandescent Gas Lamp Co. (C. C.) 87 Fed. 221, followed in the case against the Rex Incandescent Light Co. (C. C.) 94 Fed. 1006, and Welsbach Light Co. v. American Incandescent Lamp Co., 39 C. C. A. 185, 98 Fed. 613. It is clear that "the plaintiff overstates somewhat the claims of comity." The opinion of the court below is reported in 100 Fed. 648. It shows that the court proceeded on the theory "that, by force of the decisions of this court, each case in this circuit must be decided upon its merits as disclosed by the record therein, and that a ruling or opinion of any other circuit court or court of appeals upon any question involved should be given only its just and reasonable weight according to the circumstances." Acting upon that theory, and in the exercise of an independent judgment, the court reached and declared its conclusion that the validity of the patent, because issued to two, when in fact, as the evidence seemed to show, only one of them was the real inventor, was brought into such doubt as to forbid the granting of a preliminary injunction. The last expression of this court on the doctrine of comity had been in the case of Stover Mfg. Co. v. Mast, Foos & Co., 21 C. C. A. 231, 89 Fed. 333. The judgment in that case has since been affirmed by the supreme court (177 U. S. 485, 20 Sup. Ct. 708, Adv. S. U. S. 708, 44 L. ed. 856), and from the opinion of that court we quote the following comprehensive and reasonable statement of the doctrine: [See No. 926.] * * *

A direct utterance could not have made it more clear that no court is to be reveiewed or reversed, without an inquiry into the merits, merely because it failed or refused to follow the decision of another court to which it was not di ectly subordinate. Not less than of the supreme court is it the duty of this court, within the sphere of its jurisdiction, to decide questions presented according to its own judgment. The purpose of congress in creating the circuit courts of appeals and in conferring upon them the ertraordinary jurisdiction given them in appeals from interlocutory orders of injunction would be to a large extent

thwarted if the doctrine of comity, always factitious and sometimes pernicious, should be allowed in these courts to take the place of independent and conscientious judgment. The safeguard against the evil of divergent and discordant decisions in the different circuits is in the power given to the supreme court to require the certificate of cases to that court of review; and evidently a prompt and healthy exercise of that power is more likely to follow inconsistency of decisions in the courts of appeals than a harmony of rulings brought about by considerations of deference or comity.

In determining whether, in a given case, the circuit court erred in refusing an injunction pending the litigation, it is to be remembered that such an injunction in no case is a matter of strict right. The application for it is addressed to the sound discretion of the court. It may be granted or refused, unconditionally or upon terms; and upon appeal ordinarily the question is simply whether the court acted improvidently. Only when clearly erroneous will the order be reversed. Ritter v. Ulman, 42 U. S. App. 263, 24 C. C. A. 71, 78 Fed. 222.

It is conceded that a patent issued to two, one of whom alone was the inventor, is void; and it was mainly because of testimony given by the patentees themselves, tending to show that the first claim of the patent in suit was for the invention of one, and not of both, of the patentees, that the court refused a preliminary injunction. The substance of that testimony is well stated in the opinion below, and, notwithstanding the opinion of the judges in the Second Circuit that it was not satisfactory, we are not convinced that the judge below gave it undue weight. Its force is certainly not impaired by the affidavits produced at the hearing. The reasonable supposition would seem to be that affidavits, prepared as these were, for the purpose either of meeting or evading the force of the explicit testimony which had been given in open court and under cross-examination would have contained a direct reference to that testimony and such explanation as could be made; but these affidavits, prepared by counsel in identical terms for both witnesses, simply say:

"My brother and myself were the true, original, and joint inventors of the invention which is set forth and claimed in the said letters patent, and that invention * * * was the result of the joint thought, efforts and labors of my brother and myself. * * * That invention was not the result of a single thought, but occupied the mind and attention of my brother and myself for a period of several months, * * * and was not the result of the sole or separate thought, work, and experiment of either my brother or myself."

In his testimony one of them had said that the first thought of overcoming the difficulty about transporting mantles by dipping the mantle into a liquid was his; that he thought of it one night in bed; that the next day he tried it with paraffine; and, to a suggestion of counsel that he and his brother were both working and thinking and conversing together about the invention, he responded, "No, I do not think that we were conversing together about the matter till I showed what I had done, and told him what I had done." And to the question whether his experiments were limited to paraffine, he answered, "My personal experiments were, but my friend, who was working with me at that time, Mr. Donkin [not his brother], made other experiments." The brother, Frederick, to the question, "Who first suggested this paraffining?" answered, "My brother Stepney was the first who told me; he spoke to me about it;" and this statement is emphasized by other parts of his testimony. When the first witness, on cross-examination, admitted that in their declaration for the patent they swore that they were joint inventors, counsel, in explanation to the court, said:

"I may tell your lordship there are a number of other things in the patent. My friend is talking about 'this invention.' Of course, technically it is one invention, but in fact there are a number of things included in it which have since been cut out by disclaimer."

A like explanation is appropriate here. The patent contains two claims. The first, which is in suit, is for a single thought—the described improvement in strengthening incandescent mantles, consisting in coating the completed mantle with paraffine or other suitable material. That thought might well have come to one when in bed, and have been put to the practical test the next day, as testified. It is difficult to apprehend how two could have shared in the conception. The second claim, however, is distinctly different. It is for a method of forming incandescent mantles, consisting of a number of steps, the combining of which, to produce the desired result, may well have been the joint achievement of two or more minds. The order of the circuit court is affirmed.

1042. CONSOLIDATED RUBBER TIRE CO. v. DIAMOND RUBBER CO.,
157 Fed. 677, 85 C. C. A. 349 (1907, Second Circuit).* * *

Before Lacombe, Ward, and Noyes, Circuit Judges.

Lacombe, Circuit Judge:

Complainants are manufacturers of rubber tires, and respectively owner of and licensee under the Grant patent of Februray 18, 1896, No. 554,675, for improvements in rubber-tired wheels. Defendant is not a manufacturer, but handles and sells

rubber tires for wheeled vehicles. The patent was before this court in Firestone Tire Co. v. Consolidated Rubber Tire Co. (C. C. A.) 151 Fed. 237. It was held that the patent was valid, and that certain tires then before it were infringements. On the application for preliminary injunction in the case at bar, it appeared that defendant had sold tires in all substantial respects the same as those held to be infringements in the Firestone Case. The record does not illuminate the prior art by the disclosure of any important prior patents or prior uses which were not contained in the record in the Firestone Case. Upon such a state of facts, the propriety of issuing preliminary injunction is well settled in this circuit; and it is equally well settled that appeal from such preliminary injunction brings up only the propriety of the action of the Circuit Court. The whole cause is not to be reopened. That is a matter for consideration when the new cause comes to final hearing. Am. Paper P. & B. Co. v. Nat. Folding B. & P. Co., 51 Fed. 229, 2 C. C. A. 165; Consolidated Fastener Co. v. Littauer, 84 Fed. 165, 28 C. C. A. 133.

The only real question now presented is whether the peculiar history of this patent requires a denial of preliminary injunction in view of the recent decision of the Supreme Court in Kessler v. Eldred, 206 U. S. 285, 27 Sup. Ct. 611, 51 L. ed. 1065. As we stated in the Firestone Case, the patent was sustained in this circuit by Judge Thomas (Rubber Tire Wheel Co. v. Pneumatic Wagon Wheel Co. [C. C.] 91 Fed. 978); in the Sixth Circuit (Northern District of Ohio) by Judge Wing (unreported); in the Fifth Circuit by Judge Newman (Consolidated Rubber Tire Co. v. Finley R. T. Co. [C. C.] 116 Fed. 629). It was held invalid by the Court of Appeals, Sixth Circuit, in Goodyear Tire & R. Co. v. Rubber T. W. Co., 116 Fed. 363, 53 C. C. A. 583, and in Rubber Co. v. Victor Tire Co., 123 Fed. 85, 59 C. C. A. 215, and by Judge Anderson in the Seventh Circuit, District of Indiana (unreported). A certiorari to review the decision of the C. C. A. Sixth Circuit was denied. 187 U. S. 641, 23 Sup. Ct. 842, 47 L. ed. 345. The patent was also indirectly involved in the decision of Rubber Tire W. Co. v. Milwaukee R. Works (C. C.) 142 Fed. 531. It came before Judge Platt in this circuit in the Firestone Case (C. C.) 147 Fed. 739, and was again sustained, and upon the appeal from his decision our opinion in that case (151 Fed. 237) was rendered. The record at that time before this court besides the testimony in the cause contained as an exhibit the record which was before the Circuit Court of Appeals, Sixth Circuit, in the Goodyear Case, and all the opinions above cited were also cited. Commenting upon the entire record then presented, this court said:

"In view of this new aspect of the case, we have no reason

to doubt that on the present record the Court of Appeals of the Sixth Circuit would reach a conclusion favorable to the patent."

In Kessler v. Eldred, Eldred, the owner of a patent, sued Kessler, a manufacturer of electric cigar lighters, in the district of Indiana. The court found noninfringement, and dismissed the bill. Subsequently Eldred sued Kirkland, another manufacturer of similar lighters in the Western district of New York, was defeated at circuit, but prevailed in the Circuit Court of Appeals. Eldred next sued Breitweiser, a user of Kessler lighters, in the same district. While this last suit was pending, Kessler filed a bill in the Northern District of Illinois against Eldred to enjoin him from prosecuting any suit against any one for alleged infringement of the patent by purchase, use or sale of any cigar lighter manufactured by Kessler and identical with the lighter in evidence before the court in the first suit. The Supreme Court held that the original judgment conclusively settled the right of Kessler to manufacture and sell his manufactures free from all interference from Eldred by virtue of the patent there adjudicated, and granted the relief prayed for. Inasmuch as defendant here is a dealer, and as such may wish to sell tires manufactured by the Goodyear Company which has secured adjudications adverse to the patent in the Circuit Court of Appeals, Sixth Circuit, supra, the judge who heard the motion at circuit in view of the decision in Kessler v. Eldred inserted the following clause in the order:

"Nothing in this injunctional order shall prevent, or is intended to prevent or enjoin, the defendant from handling, using or selling rubber tires and rims covered by the Grant patent, * * * manufactured by the Goodyear Tire & Rubber Company, having a right to manufacture, use, and sell such tires under a judicial decree in a litigation in the federal courts in the district of Indiana heretofore pending between this complainant and such parties, wherein it has been judicially determined that said Grant patent is invalid and void."

The complainants cannot now question the propriety of inserting this clause, because they have no appeal from an order refusing to issue injunction, and the clause is a refusal to enjoin tires made by the Goodyear Company. Defendant contends, however, that the reservation does not go far enough, that defendant should be left free to sell any infringing tires made in the Sixth Circuit, or in any circuit other than the Second, or that no injunction at all should have been issued. Kessler v. Eldred, as the Supreme Court itself remarked, was a case of novel impression, and in deciding it that court carefully confined the decision to the single point that the original judgment was conclusive upon the parties to it. As to the proposition that such

adjudication afforded a defense to Breitweiser in the direct suit against him, it said: "Upon that question we express no opinion." It would seem that inferior courts should be cautious about extending the principle enunciated in that case beyond the limits within which it was there applied. The opinion opens up a new subject in patent law practice, and it is desirable, no doubt, that an early expression of opinion by the Supreme Court should be secured upon a record which will present its broader aspects, but we do not think it wise to certify the question to that tribunal upon this record. Besides, that question there is the further one whether upon the merits of the whole case the Second Circuit was right in holding the patent to be valid and infringed by a manufacturer other than the Goodyear Tire & Rubber Company. Should the Supreme Court reach the conclusion that this circuit erred in that respect, the further application of the Kessler v. Eldred rule would no longer cut any figure in the case, and by certifying it now we would have unnecessarily vexed that tribunal with a moot question.

It would seem that the rights of all can be best preserved by affirming the order, at the same time directing the circuit court (upon the filing of a new bond or the extension of the old one) to suspend the operation of the injunction until final disposition of the cause. The record at final hearing will be so comprehensive as to present every question, and, when it reaches this court upon appeal, a review of them can be secured from the Supreme Court either by certification or certiorari.

The order is affirmed, with the modification suggested as to suspension.

1043. BLOUNT v. SOCIETE, ETC., 53 Fed. 98, 3 C. C. A. 455 (1892, Sixth Circuit).* * *

Before Jackson and Taft, Circuit Judges.

Jackson, Circuit Judge:

This is an appeal, under the seventh section of the act of March 3, 1891, from an order of the circuit court granting a preliminary or provisional injunction against the appellant. On June 6, 1892, the appellees, as assignee and licensee of letters patent No. 336,385, granted February 16, 1886, to Charles E. Chamberland for certain new and useful improvements in filtering compound, instituted suit against the appellant and one Frank K. Way, as infringers of said patent. The bill, in the usual form, set forth that said Chamberland was the true, original, and first inventor of said filtering compound; that letters patent of the United States were duly issued to him therefor; that by instruments in writing, duly executed and recorded, said Chamberland had thereafter assigned and conveyed to com-

plainant the Societe Anonyme du Filtre Systeme Pasteur, a French corporation, the entire right, title, and interest in, to, and under said letters patent; that said assignee had thereafter transferred to the complainant the Pasteur-Chamberland Filter Company, a corporation created and existing under the laws of the State of Ohio, the exclusive right to sell and use the said patented invention in the United States, subject to certain conditions and provisions named in the instrument conveying the right; that said licensee had spent large sums of money and used much effort in introducing said invention, and bringing it into practical and public use; that it had been in the undisturbed possession and enjoyment of the valuable and exclusive privileges secured by said letters patent, and of the profits arising therefrom, until the defendants commenced the infringement thereof; that said defendants, prior to the infringement complained of, were stockholders and officers in the complainant corporation the Pasteur-Chamberland Filter Company, the defendant Blount having been its president and a member of its board of directors, and defendant Way its superintendent. It is further alleged, in substance, that said Blount, prior to his connection with said Pasteur-Chamberland Filter Company, was a large stockholder in and an officer of a corporation in Ohio known as the Western Pasteur Filter Company, which owned and controlled the exclusive right to make and use filters under said letters patent throughout a large territory of the United States; that said Western Pasteur Filter Company, through the efforts and representations of said Ambrose A. Blount, disposed of its rights under said patent to the complainant corporation the Pasteur-Chamberland Filter Company, and that said Blount received a large portion of the consideration paid by the latter for such transfer, etc.; that said defendants, after disposing of their stock and interest in said Pasteur-Chamberland Filter Company, commenced the infringement of said letters patent in the southern district of Ohio, in connection with one C. E. Funk, using the knowledge and experience of the trade, business methods, and manufacture obtained by them while in the employ of said Pasteur-Chamberland Filter Company, as its confidential and trusted officers and employes, for the purpose of fraudulently obtaining the benefits of the efforts of complainants in introducing said invention to the public, and of the market established for the same, etc. The bill prayed for an injunction and the ordinary account in such cases. The motion for preliminary injunction was heard upon bill and affidavits and exhibits thereto, introduced on both sides, and was granted in the usual form, restraining defendants, and each of them, their agents and representatives, from the further or any use of the filtering com-

pound, or a like or similar compound, as set forth in said letters patent No. 336,385, the same to continue in force until decree on final hearing or further order of the court. After the order awarding the preliminary injunction was passed, and the writ was issued, the defendant Blount filed his answer to the bill; but, without moving for a dissolution of the injunction, he thereafter prayed for and obtained an appeal to this court from the order granting the same.

The single question presented for our determination on said appeal is whether the order of the lower court awarding the injunction was erroneous or improvident, under the facts and circumstances of the case, as disclosed by the motion papers on which its action was based. It is provided by section 4921, Rev. Stat., that—

"The several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable."

The object and purpose of a preliminary injunction is to preserve the existing state of things until the rights of the parties can be fairly and fully investigated and determined upon strictly legal proofs, and according to the course and principles of courts of equity. The prerequisites to the allowance and issuance of such injunction are that the party applying for the same must generally present a clear title, or one free from reasonable doubt, and set forth acts done or threatened by the defendant, which will seriously or irreparably injure his rights under such title, unless restrained. The legal discretion of the judge or court in acting upon applications for provisional injunctions is largely controlled by the consideration that the injury to the moving party, arising from a refusal of the writ, is certain and great, while the damage to the party complained of, by the issuance of the injunction, is slight or inconsiderable. In Great Western R. Co. v. Birmingham & O. J. Ry. Co., 2 Phil. Ch. 602, it was said by Lord Cottenham:

"It is certain that the court will in many cases interfere and preserve property in statu quo during the pendency of a suit in which the rights to it are to be decided, and that without expressing, and often without having the means of forming, any opinion as to such rights. It is true that the court will not so interfere if it thinks that there is no real question between the parties; but, seeing that there is a substantial question to be decided it will preserve the property until such question can be regularly disposed of. In order to support an injunction for

such purpose, it is not necessary for the court to decide upon the merits in favor of the plaintiff."

In Glascott v. Lang, 3 Mylne & C. 455, it is said by the same learned judge that—

"In looking through the pleadings and evidence for the purpose of an injunction, it is not necessary that the court should find a case which would entitle the plaintiffs to relief at all events. It is quite sufficient if the court finds, upon the pleadings and upon the evidence, a case which makes the transaction a proper subject of investigation in a court of equity."

In Shrewsbury v. Railway Co., 1 Sim. (N. S.) 410-426, after reviewing the above rulings of Lord Cottenham, the vice chancellor thus states the rule in reference to preliminary injunctions:

"That there are two points on which the court must satisfy itself. First, it must satisfy itself, not that the plaintiff has certainly a right, but that he has a fair question to raise as to the existence of such a right. The other is whether 'interim' interference, on a balance of convenience or inconvenience to the one party and to the other, is or is not expedient."

In Georgia v. Braiseford, 2 Dall. 402, it is said:

"In order to support a motion for an injunction, the bill should set forth a case of probable right, and a probable danger that the right would be defeated without the special interposition of the court."

The same general principles announced in these authorities govern and control the legal discretion of the judge or court in granting preliminary injunctions in suits for the infringement of patents. In such suits the plaintiff's application for a provisional or pendente lite injunction should present a title to the patent sued on, the probable validity of such patent, and infringement thereof by the defendant. It is not questioned that the complainants, together, are vested with all the right, title, and interest in and to the letters patent in suit, which were possessed by the patentee, Charles E. Chamberland. Their title is fully established, if not conceded; and if, in addition to such title, it fairly appears or is to be presumed that the patent is valid, or that appellant was not in a position to deny its validity, and that he has actually infringed or threatened to infringe the same, a prima facie case for a preliminary injunction is made out. This court, under the present appeal, is not called upon to make any final decision as to the validity of the patent or the infringement thereof, nor is the consideration of those questions either necessary or proper, further than to ascertain whether the order complained of was an improvident exercise of a legal discretion on the part of the circuit court. We have held at the present term that on an appeal under the seventh section of the act

of March, 1891, from an interlocutory order granting an injunction, this court, even with the consent of parties, could not properly pronounce any final judgment or decree on the merits of the controversy in respect to the validity of the patent involved, and its infringement, inasmuch as these questions remained in the lower court for final adjudication, in the exercise of its original jurisdiction. See opinion in Watch Co. v. Robbins, 52 Fed. Rep. 337.

But while this court, on appeals like the present, may not properly pass upon the merits of the controversies involved in the litigation, it may incidentally consider the questions relating to the validity and infringement of the patent, as well as all other facts bearing upon the propriety of sustaining or dissolving the injunction awarded.

Now, what are the fair and reasonable probabilities as to the validity of the Chamberland patent in question, as disclosed in the case before us? There is the general "prima facie" presumption of the novelty and utility of the invention, and that the patentee is the first and true inventor, which arises from the letters patent granted by the government. Railroad Co. v. Stimpson, 14 Pet. 448; Seymour v. Osborne, 11 Wall. 516; Smith v. Dental Co., 93 U. S. 486; and Lehnbeuter v. Holthaus, 105 U. S. 94.

There is the further special presumption of its validity arising from public acquiescence.

It is well settled that, for the purpose of laying the foundation for a preliminary injunction, it may be shown that the patentee, or those succeeding to his rights, have made, used and sold the patented article or device for years, during which no other person or persons have assumed to make or sell the same. Where all persons, other than the owner of the patent, have for several years refrained from making, using, or selling the patented article, for the reason that it is patented, when it would be for their interest to adopt it, such acquiescence raises a fair presumption of is validity, sufficient to warrant the issuance of a preliminary injunction to restrain its infringement. So, too, if the patentee has long licensed the use of his invention, which no one has, for periods varying from two to eight years, assumed to use or sell without such license, there is such acquiescence as lays the foundation for a preliminary injunction. Sargent v. Seagrave, 2 Curt. 557; Doughty v. West, 2 Fish. Pat. Cas. 559; and Machine Co. v. Williams, Id. 138.

It distinctly appears in the present case that the Chamberland patent has since its issuance, in February, 1886, down to 1892, only been used under license or right granted by the patentee, and that during said period there has been a general public acquiescence in its validity. The complainants, as the succes-

sors in title, have expended large sums in preparing for and carrying on the manufacture of the patented article, and in introducing the filtering compound into practical use. They have for many years had this exclusive use, without question on the part of the public, of a patented device of great utility and value. Under such circumstances there arises such presumption of the validity of the patent as to entitle them to a preliminary injunction to restrain its infringement, unless the party sought to be restrained can clearly show its invalidity. This the appellant has attempted to do by reference to several prior patents for filters and filtering compounds. We do not deem it necessary to review those prior patents in detail. We have carefully examined them, and fail to find that they or either of them accomplish the purpose of the Chamberland invention, or cover the filtering compound which forms the subject of his patent. Again, it is shown that in a suit by complainants against appellant in the seventh circuit, for alleged infringement of this Chamberland patent, the circuit court has awarded a preliminary injunction based upon the validity of the patent, and its infringement. This interlocutory decree in another suit between the same parties, if not conclusive of the complainants' right to a provisional or pendente lite injunction in the present case, is strongly presumptive of the propriety of awarding such injunction, as it involved to a certain extent a judicial determination that the patent was prima facie valid. An interlocutory decree granting an injunction in another case is a good foundation on which to base an application for a preliminary injunction in any other court. Potter v. Fuller, 2 Fish. Pat. Cas. 251.

But, aside from the foregoing considerations, it is shown that appellant was personally active in procuring a license to use this Chamberland patent in the United States; that he was a promoter of, and stockholder in, the Western Pasteur Filter Company, which accepted a license from the complainant the Societe Anonyme du Filtre Chamberland Systeme Pasteur, as owner of the patent, for the exclusive right to make, use, and sell filters embodying said invention throughout a large portion of the United States; that by and with his consent and active participation the rights so acquired by the Western Pasteur Filter Company were transferred and assigned, for a valuable consideration, to the complainant the Pasteur-Chamberland Filter Company; that the appellant received a portion of such consideration; that he became a stockholder in and president of said Pasteur-Chamberland Filter Company; that while connected with each of said companies, and personally interested in said patent, he, by circulars and otherwise, lauded and proclaimed the novelty and importance of the invention covered

thereby, and was greatly instrumental in bringing to the attention of the public its value and utility, as well as the fact that said companies were the exclusive owners of the valuable right of making, using, and selling the same in the United States. It further appears that the sale and transfer of the rights held by the Western Pasteur Filter Company to the complainant the Pasteur-Chamberland Filter Company, were duly authorized and directed by the stockholders of the former, including the appellant. Having thus recognized the validity of the patent by acquiring and accepting rights thereunder, by promoting and organizing and holding interests in corporations which held licenses to make, use, and sell the patented article, and by actively participating in selling and transferring such rights, it may well be doubted whether appellant is not estopped from denying or disputing, as against the Pasteur-Chamberland Filter Company, the validity of the patent. It appears that, after parting with his stock in the last-named company, he, in connection with others, commenced making and using the alleged infringing article in the spring and summer of 1892. His prior relation to the patent presented a strong equity in favor of the complainants, if it did not estop him from denying its validity under the authorities. See Faulks v. Kamp, 3 Fed. 898; Onderdonk v. Fanning, 4 Fed. 148-150; Purifier Co. v. Guilder, 9 Fed. 155; Telegraph Co. v. Himmer, 19 Fed. 322; Parker v. McKee, 24 Fed. 808; Alabastine Co. v. Payne, 27 Fed. 559; Steam Gauge & Lantern Co. v. Ham Manuf'g Co., 28 Fed. 618; Burr v. Kimbark, Id. 574.

But, aside from the question whether appellant is in a position to deny the validity of the patent, we are of the opinion that the presumptions in favor of its validity are not so clearly broken down as to warrant a dissolution of the injunction.

On the question of appellant's infringment there is conflicting evidence in the ex parte testimony of the experts, but the weight and preponderance of their statements supports the conclusion that the article manufactured by Dr. Blount does infringe the patented compound. If, as the appellant's counsel contends, the granular element of the patented compound is confined to baked porcelain earth, ground or reduced to fine powder, the question of infringement would be doubtful. But we are not prepared to hold that this is the proper construction to be placed upon the specification and claim of the patent. The patentee distinctly states in his specification that his compound is formed "substantially of pipe clay, or any other suitable clay, and porcelain earth, or its equivalents, hereinafter named." Then, after describing the method of treatment or preparation, he states that "I do not limit myself to the above-named substances,

for the same, or very much the same, result may be attained by using, for instance, silex, magnesia, or its equivalent, instead of porcelain earth." Unless a very restricted construction is given to the claim of the patent it would seem that baked porcelain earth, ground or reduced to powder, is not the only granular element or material covered by the patented compound. The state of the art, the value of the invention, and the language of the specification do not require such a limited and restricted construction.

It may fairly be contented that the fine sand used as the granular element of the appellant's filtering compound is the equivalent of the baked porcelain earth, ground or reduced to powder. Nor is there such wide difference in the proportions of pipe or other suitable clay and the granular material employed as to constitute any substantial difference in the filtering compound made by each of the parties.

The two filtering compounds are almost identical in appearance. To the naked eye there is no difference. The ex parte testimony and the fair construction of the patent raised a fair presumption of infringement, for the purpose of awarding a preliminary injunction. The appellant has no established business to be interrupted or injured, while the appellees are in a position to be seriously, if not irreparably, injured, if appellant is not restrained until the rights of the parties can be fully and finally adjudicated.

On the case presented we are of the opinion that appellees have exhibited such probable right, and probable danger to that right, as entitled them to the interposition of the injunctive powers of the lower court for its protection pendente lite, and further, that, upon the consideration of the balance of inconvenience or injury to one party or the other, the legal discretion of the circuit court in awarding the injunction was not improperly or improvidently exercised. Our conclusion upon the whole case, as now presented, is that the order appealed from is not erroneous, and that said appeal should be dismissed at appellant's cost.

The cause so far as brought to this court by the appeal will be remanded to the circuit court for the southern district of Ohio, western division, with the direction to reinstate its injunction, which appellant improperly superseded.

1044. ELECTRIC MFG. CO. v. EDISON, 61 Fed. 834, 10 C. C. A. 106 (1894, Seventh Circuit, Patent No. 223,898).* * *

Before Woods and Jenkins, Circuit Judges, and Bunn, District Judge.

Jenkins, Circuit Judge (after stating the facts):

The question presented by this appeal involves the proper

rule for the guidance of the court in allowing a preliminary injunction where there has been previous protracted and expensive litigation, resulting in the establishment of the validity of the patent, but where the present alleged anticipation of the invention had not been considered. The patent in question was sustained in Consolidated Electric Light Co. v. McKeesport Light Co., *40 Fed. 21*, and in Edison Electric Light Co. v. U. S. Electric Lighting Co., *47 Fed. 454*, which latter case was affirmed upon appeal in the second circuit (11 U. S. App. 1, 3 C. C. A. 83, and 52 Fed. 300), and followed in Edison Electric Light Co. v. Sawyer-Man Electric Co., 11 U. S. App. 712, 3 C. C. A. 605, and 53 Fed. 592. In these cases, however, the alleged prior invention of Goebel was not asserted or considered.

The alleged anticipation by Goebel seems first to have been presented in the case of Edison Electric Light Co. v. Beacon Vacuum Pump & Electrical Co., 54 Fed. 678, in which case Judge Colt, upon motion for preliminary injunction, asserted the rule that where the validity of a patent has been sustained by prior adjudication, and especially after a long, arduous, and expensive litigation, the only question open upon motion for a preliminary injunction, in a subsequent suit against another defendant, is the question of infringement, the consideration of other defenses being postponed until final hearing; the only exception to the rule being where the new evidence is of such a conclusive character that, if it had been introduced in the former case, it probably would have led to a different conclusion. And in such case the burden is upon the defendant to establish this, and every reasonable doubt must be resolved against him. This rule was substantially approved by the learned judge whose decision is before us for review. Judge Hallett, in a similar case (Edison Electric Light Co. v. Columbia Incandescent Lamp Co., 56 Fed. 496), held to a different rule, substantially to the effect that in such case, as in one where there had been no adjudication, the complainant must show a clear right in support of a preliminary writ, and a defense which puts his case in doubt is sufficient to defeat the application. We have held in Standard Elevator Co. v. Crane Elevator Co., 9 U. S. App. 556, 6 C. C. A. 100, and 56 Fed. 718, that, in the absence of prior adjudication or public acquiescence, a preliminary injunction should not be granted unless the rights of the patentee be clear, and the infringement be without reasonable doubt. As applied to the case of a patent that had not passed judicial scrutiny, we declared the rule asserted by Judge Hallett. Where, however, the patent has been strenuously contested, and its validity determined by a competent tribunal, we think a strong presumption arises in favor of the patent which imposes upon the contestant the bur-

den of attack. Of course such prior adjudication does not conclude the question of right, even as to the defenses passed upon, except as between parties and privies. Such a judgment is not within the principle of res judicata. It is effective, however, to impress upon the patent such additional presumption of validity that demands of a contestant a quantum and force of evidence, beyond that passed upon in the prior adjudication, sufficient to convince the court of the probability that, had such further evidence been presented and considered upon the former hearing, a different result would have been reached. In other words, in such case the patentee may rightfully rest upon his patented right confirmed to him by the solemn adjudication of a competent judicial tribunal. He who attacks that right must overcome the legal presumption of right in the patentee. The strength of that presumption is variant, depending upon the circumstances surrounding the adjudication relied upon to support it. It is stronger when rested upon a final hearing than upon a motion for a preliminary injunction. Its potential force is intensified by the affirmance by an appellate tribunal of the adjudication in favor of the patent. The extent of the burden of overcoming the presumption is therefore measured by the degree of effective force imputed to the presumption. Where anticipation of invention has been asserted and determined to be unfounded, the presumption would be much stronger against cumulative evidence to prove anticipation by the one whose claim had been repudiated than where anticipation is asserted in behalf of some other supposed inventor, whose claim was not in contention in the case adjudicated; and yet, in the latter instance, in addition to the presumption attaching to the patent itself, there would arise a further presumption, more or less strong, depending upon the circumstances, that, as the issue was the invalidity of the patent because of anticipation, bona fide contestants, earnestly striving to undermine the patent, would have asserted the defense, if known to them and deemed substantial. It may be difficult to formulate a rule that will comprehend all the conditions which could be presented, but we think it safe to say that in general, where the validity of a patent has been sustained by prior adjudication upon final hearing, and after bona fide and strenuous contest, the matter of its validity upon motion for preliminary injunction is no longer at issue, all defense, except that of infringement, being reserved to the final hearing; subject, however, to the single exception that, where a new defense is interposed, the evidence to support it must be so cogent and persuasive as to impress the court with the conviction that, if it had been presented and considered in the former case, it would probably have availed to a

contrary conclusion. In the consideration of such new defense of anticipation, regard should be had to the rule that such a defense is an affirmative one; that the burden of proof is upon him who asserts it; and that the grant of letters patent is prima facie evidence that the patentee is the first inventor of the device described therein, and of its novelty. Coffin v. Ogden, 18 Wall. 120; Smith v. Vulcanite Co., 93 U. S. 486; Lehnbeuter v. Holthaus, 105 U. S. 94; Cantrell v. Wallick, 117 U. S. 689, 6 Sup. Ct. 970; Barbed-Wire Patent, 143 U. S. 275, 12 Sup. Ct. 443, 450. The propriety of this rule is enforced by the consideration that an adjudication in the case of a patent is not only a judgment inter partes, but is a judicial construction of a grant by the government, and in a broad sense deals with and determines the rights of the public. A patent is sui generis. By it the public, through its authorized representatives, grants a monopoly for a term of years in consideration of the surrender of the invention to public use upon expiration of the term. When, upon judicial contest, a competent court has sanctioned the grant and determined the right thereunder, the monopoly thereby granted ought not to be permitted to be invaded except upon a clear showing that the decision invoked in its favor was wrong. It is true that the prior adjudication does not deal with the supposed new defense, and does not affect the merits of that defense upon final hearing; but the fact that it was not presented, especially where the existence of the claim was known to and considered by counsel, is a circumstance to be considered by the court in passing judgment upon the merits upon the hearing for an interlocutory injunction. We are of opinion that the rule was correctly interpreted by the court below, and properly applied to the case in hand.

We are asked to determine the extent to which this court should go in review of an exercise of discretion by the court below in granting a preliminary injunction. There would seem to be some divergence of opinion in the circuit courts of appeals upon this question. The cases of Dudley E. Jones Co. v. Munger, etc., Manuf'g Co., 2 U. S. App. 188, 1 C. C. A. 668, and 50 Fed. 785, in the fifth circuit; Watch Co. v. Robbins, 6 U. S. App. 275, 3 C. C. A. 103, and 52 Fed. 337, and Blount v. Societe Anonyme du Filtre Chamberland Systeme Pasteur, 6 U. S. App. 579, 5 C. C. A. 202, and 55 Fed. 485, in the third circuit; American Paper Pail & Box Co. v. National Folding Box & Paper Co., 1 U. S. App. 283, 2 C. C. A. 165, and 51 Fed. 229, in the second circuit; and Davis Electrical Works v. Edison Light Co., 5 U. S. App. 611, 8 C. C. A. 615, 60 Fed. 276, in the first circuit—are perhaps in antagonism, leading the court of the sixth circuit to certify the question to the supreme court. That court, however, in

Watch Co. v. Robbins, 148 U. S. 266, 13 Sup. Ct. 594, held that the fact that courts had reached contradictory results did not under the statute warrant the submission of the question for its decision, but might furnish ground for a certiorari upon proper application. We do not deem it needful at this time to enter that field of discussion, because, assuming the right of the appellate court to review to the fullest extent the decision of the court below, we are satisfied with the correctness of the conclusion reached upon the merits with respect to the issuance of the preliminary injunction.

It is not essential that we should enter upon an elaborate or studied investigation of the voluminous mass of evidence presented. It might be improper so to do, since possibly the case upon its merits and after final hearing may come up before us for review. We base our conclusions upon grounds not conclusive of the fact of Mr. Goebel's alleged prior invention, but effective in the consideration of the question whether the case presented is so clear and satisfactory that it overcomes the presumptive force which, under the rule adopted, must be conceded to the patent. We are content to rest our conclusion upon two grounds, which, in our judgment, sanction the issuance of this injunction.

The great problem in the art of electric lighting to render it practicable for general use was to discover a method of subdivision of the light. This is claimed to have been solved by Mr. Edison, and having been publicly declared in 1879, and the invention secured to him by letters patent issued in 1880. For years before, scientific minds the world over were concentrated upon the investigation of electricity and electric lighting. Innumerable experiments and failures marked the pathway to success. The division of light was asserted by some of the most eminent electricians of the day to be an idle dream, and an insoluble problem—an ignis fatuus, delusive, and unreal. Mr. Edison's invention dispelled the clouds of doubt, and demonstrated the accomplished fact. Mr. Goebel claims to have made this discovery a quarter of a century before, in the year 1854, in the city of New York, and to have made these incandescent electric lights for his own pleasure and amusement, and to have used them for lighting his store, and to light a wagon upon which was mounted a telescope, with which he publicly traversed the streets if that city. As this record is now presented to us, and considering the claim in the light of cotemporaneous history, we find it difficult to give credence to the story. During a quarter of a century, from 1854 to 1880, the scientific world was struggling with the problem, and could not solve it; and yet, if the claim asserted for Mr. Goebel be well founded, it

had already been solved, and he had made public demonstration of it in the commercial metropolis of the Union; the scientific world, however, and the public generally, remaining in total ignorance of it. How he could thus hide his light under a bushel passes comprehension. The mind cannot readily yield assent to the assertion of a claim under such circumstances, and when it is supported solely by ex parte evidence. We had occasion in Standard Elevator Co. v. Crane Elevator Co., supra, to make some observations with respect to the weight to be attached to ex parte evidence, and to the value of a cross-examination. Upon further reflection upon the subject, induced by the submission to us of this case, we deem it proper to reassert and to emphasize what was there said. Certainly we cannot go to the extent of saying that ex parte evidence can be relied upon to establish the improbable. It may be that, upon final hearing, Mr. Goebel's claim may be sustained, notwithstanding the improbabilities attaching to and surrounding it. It is sufficient to say here that we cannot be satisfied as to the fact except upon clear and convincing evidence, tested by the ordeal of an intelligent cross-examination.

The further circumstance to which we refer, and which impels us to sustain the order of the court below, is that Mr. Goebel, having accomplished that for which the world was waiting in eager expectancy, that for which scientists were striving and experimenting for a quarter of a century after its discovery, that which was not only of incalculable value to the world, but of unlimited profit to the inventor, never applied for a patent for his alleged invention. That he did not was not owing to any philanthropic motive. He seems to have been a man of much mechanical ingenuity. He understood well the protection which the law yields to the deserving inventor. In regard to small matters he sought that protection. In 1885 he applied for a patent on a sewing-machine hammer, and in 1881 for certain other devices; among others, for a coil connected with his exhibit lamp. There was, however, no attempt to secure the protection of the law for an invention that, had it been known, would have startled the world and made him a millionaire. That he should have been so careful to secure his rights with respect to trifling matters, and evince such utter disregard of his interests in a matter of great moment, challenges belief. This renders the more improbable the story of his invention. The supreme court has regarded such conduct as largely controlling. In the Telephone Cases, 126 U. S. 556, 562, 565, 8 Sup. Ct. 778, in commenting upon the conduct of Mr. Drawbaugh with respect to his alleged anticipation of the Bell telephone, his failure to apply for letters patent therefor, and his obtaining letters patent

upon other and less important matters, the court observes that:

"It becomes important to consider the conduct of Drawbaugh with reference to his alleged invention during these twenty years of eventful history in relation to the discovery and use of telephones. * * * No man of his intelligence, with or without the enthusiasm upon the subject which it is said he possessed, could have remained silent under such circumstances. * * * He was silent so far as the general public were concerned, when, if he had really done what those witnesses now think he did, he most certainly would have spoken. There is hardly a single act of his connected with the present claim from the time he heard, before going to Philadelphia, that somebody else had invented a telephone, which was on exhibition at the Centennial, that was not entirely inconsistent with the idea even then of a complete discovery or invention by himself which could be put to any practical use."

In Barbed-Wire Patent, 143 U. S. 275, 289, 12 Sup. Ct. 443, 450, the court observe:

"If Morley regarded this fence of any value, he would have applied for a patent upon it, since he had in fact obtained a patent for his traveling pen, which appears to have been a comparatively worthless contrivance."

Without assuming to say that the story of this invention is untrue, and without designing to suggest what result should be reached upon final hearing, we are compelled to say that the story is surrounded by such an atmosphere of improbability that, until it shall have been thoroughly sifted and sustained upon final hearing, the claim ought not to be permitted to invade the monopoly accorded to another for the same invention, whose claim has passed safely the ordeal of judicial scrutiny. We think, therefore, the court below well held that the patent of Mr. Edison should be protected from invasion pendente lite. The order appealed from will be affirmed.

1045. WILSON v. CONSOLIDATED STORE-SERVICE CO., 88 Fed. 286, 31 C. C. A. 533 (1898, First Circuit).* * *

This was a suit in equity by the Consolidated Store-Service Company against John W. Wilson and others for alleged infringement of letters patent No. 357,851, issued February 15, 1887, to Edwin P. Osgood, and No. 293,192, issued February 5, 1884, to Byron A. Osgood and Edwin P. Osgood, which patents are for cash carriers, or store-service apparatus. In the circuit court a preliminary injunction was granted (83 Fed. 201), and the defendants have appealed. * * *

Before Putnam, Circuit Judge, and Brown and Lowell, District Judges.

Putnam, Circuit Judge:

This is an appeal from an order granting an ad interim injunction in a patent suit. Apparently, the hearing on the application for the injunction occurred only a short time before the complainant below might have brought the case to an issue on bill, answer, and proofs. Meanwhile a voluminous record was made up on the application, which apparently had in view a determination as on the full merits of the cause. These matters were not brought to the attention of the court below, and we would not be justified in commenting on this particular record in these respects. We refer to them only because we do not wish to leave any presumption that we impliedly approve that parties should proceed with a voluminous hearing on a mere motion for an ad interim injunction at a time when a final hearing may be accomplished almost as speedily. Under the circumstances, there are some grounds for presuming that both parties intended to waive all objections as to the issues to be determined on the motion. At the hearing before us, however, the appellants took the usual special objections against the issue of temporary injunctions. Consequently we are not justified in assuming that the parties intended any waiver.

Coming to the rules applicable under these circumstances, it can not be denied that a preliminary injunction may properly issue in a patent suit, where the validity of the patent is clear, although it has not been sustained by a prior adjudication or public acquiescence. Of course, there must in every instance be an equitable necessity for relief by injunction; but we are not required to consider this necessity, because the case at bar clearly falls within the rule stated by this court in Davis Electric Works v. Edison Electric Light Co., 8 C. C. A. 615, 621, 60 Fed. 276, 282, that:

"The fundamental basis of jurisdiction in equity in relation to patent rights and trade-marks is the necessity of protecting established enterprises from the great uncertainty caused by infringements, and by the difficulty of measuring the direct and indirect losses if infringements continue."

When the effect of a temporary injunction is merely to maintain matters statu quo until a final hearing, one may well be granted, notwithstanding the rights of the complainant are doubtful, and sometimes even when very doubtful. But in patent suits such an injunction does not ordinarily have that effect. On the other hand, the respondent, while under the injunction, is ordinarily a contsant loser, and never regains his losses unless the complainant has given a bond. Therefore in this class of cases the courts usually hold that unless the patent is supported by public acquiescence or prior adju-

dication, or some other peculiar condition, the complainant's rights must be free from doubt, to entitle him to a preliminary injunction. It is sufficient for this to refer to Rob. Pat. § 1113, and North v. Kershaw, (1857) 4 Blatchf. 70, Fed. Cas. No. 10,311, and to the expressions of the circuit court of appeals in the seventh circuit, in Standard Elevator Co. v. Crane Elevator Co., 6 C. C. A. 100, 56 Fed. 718, 719, reaffirmed by the same court in Williams v. Manufacturing Co., 23 C. C. A. 171, 77 Fed. 285, 286.

The case at bar is not an exceptional one in other particulars, so that the questions are as follows: Is the validity of the patent clear? or has there been a prior adjudication? or has there been sufficient acquiescence?

The validity of the claim in issue in each of the two patents in suit is far from clear. It is sufficient to say that we are all of the opinion that the validity of each claim is very doubtful, although we do not deem it necessary at this stage of the proceedings to elaborate the matter. Indeed, we regard it prudent not to do so, in view of the fact that the case may again come before us on final hearing.

The complainant below relies on the result of certain interference proceedings in the patent office as constituting a prior adjudication; but the defendants below were not parties to that proceeding, and the authorities cited by the complainant are limited to privies. The issues on an interference proceeding are narrow, when compared with the broad question of the validity of a patent, and the method of procedure in the patent office is so unlike that of judicial tribunals that a use made of the latter furnishes no precedent for a use to be made of the former. Walk. Pat. (3d Ed.) § 674, states that an interference proceeding can not be invoked against strangers on the question of a preliminary injunction; and Judge Lacombe, who carefully reviewed the decisions in regard to this matter, in Dickerson v. Machine Co., 35 Fed. 143, 147, came to the just conclusion that the only adjudication which can support such an injunction, is a judicial one. This leaves to be considered, on this point, the prior suit of Store-Service Co. v. Whipple, 75 Fed. 27, in which an interlocutory decree was rendered sustaining the claims now in suit. The rule as to prior litigation was stated by the circuit court of appeals, in the seventh circuit, in Electric Mfg. Co. v. Edison Electric Light Co., 10 C. C. A. 106, 61 Fed. 834, 836, and as there stated, was approved by this court in Bresnahan v. Leveler Co., 19 C. C. A. 237, 72 Fed. 920, 921. It requires "a bona fide and strenuous contest," resulting in favor of the validity of the patent. With reference to a prior judgment or general acquiescence, it is clear, on principle, that there must be the same freedom from doubt, in behalf of a party applying for a temporary

injunction, as if the question was one of validity alone. A court would be no more justified in granting such an injunction on a doubtful case of a prior judgment than it would on a doubtful case of validity. Neither can a doubtful case of a prior judgment be assisted by a doubtful case of acquiescence, and vice versa. It is plain, on principle, that the complainant's right must be clear, either as to the validity of the patent, or on the question of a prior judgment, or on the question of acquiescence, although, of course, judgments rendered by consent may be admissible on the proposition of acquiescence, even when not so on that which we are now considering. The position with reference to the decree against Whipple is as follows: Whipple was the agent of a corporation known as the Fuller Company, and was sued by the complainant below because, as agent of the Fuller Company, he had leased or constructed cash-carrier systems, to or for various users, alleged to infringe the patents in suit. The suit against him was begun on June 20, 1894, and the defense was assumed by the Fuller Company. At that time the complainant below had made an adjustment with a corporation, known as the Lamson Company, of certain controversies in regard to the patents in issue here. This adjustment was of such a character that, although its terms are somewhat confusing, yet its effect gave that corporation all the same practical advantages with reference to all parties with whom it had dealt, or might afterwards deal, as though it had become a co-owner of the patents. Afterwards, on August 15, 1895, the Lamson Company, having then this broad contract with the complainant below, purchased from the Fuller Company its business, and stipulated with it that the Lamson Company would obtain from the complainant below licenses under the patents in suit and waivers of all claims for damages, covering all the customers of the Fuller Company, not exceeding 2,000 stations, and that, so far as it did not accomplish this, it would assume the defense of the suits of the complainant below against the Fuller Company, its agents and customers. Thereupon the counsel who had been employed by the Fuller Company in the Whipple suit was superseded in that suit by the counsel of the Lamson Company. Whipple was not a customer, but an agent; and it is possible that a full investigation of all the facts, and a careful construction of the two contracts referred to (that is, the contract between the complainant below and the Lamson Company and that between the Lamson Company and the Fuller Company), might leave some remnant for a proceeding against him by the injunction which the interloctutory decree directed to issue against him. But the Lamson Company had no interest in preventing the issue of an injunction against Whipple, as, under

its contract with the complainant below, it could at once license Whipple as its own customer, and thus practically annul the injunction. It is true, the interlocutory decree which was entered in the suit against Whipple may be assumed to have provided for an assessment of damages and profits; but there is no evidence that this was ever done, or that, under the contracts between the parties which we have referred to, it could have resulted in anything substantial. On the other hand, as, under its adjustment with the complainant below, the Lamson Company was practically enjoying the advantages of a co-ownership of the patents in suit, it was apparently for its interest to have the patents sustained, even if, as a consequence thereof, it might be compelled to pay some damages pursuant to its contract with the Fuller Company. On the whole, the best conclusion which can be formed, on the record as presented to us, is that the suit against Whipple, before it was finally passed on judicially, became a moot case. Apparently, the question of patentability, which rather than that of mere anticipation, is the important one, was not presented in that suit; and it is plain that under the rule which we have cited, as to the requisites of a prior adjudication as the basis of a temporary injunction, the decree therein is not sufficient on the questions now on appeal. The complainant maintains that it prosecuted the case against Whipple vigorously, and that it ought not to be made to suffer for any matter which was omitted by the Lamson Company in defending it. This is not at all relevant, because the question is not whether it can be made to suffer in consequence of that suit, but what it shall again by virtue of it.

General acquiescence in the patents in suit is set up in the bill, but it has not been pressed on us. The law as to this is succinctly stated in Sargent v. Seagrave, 2 Curt. 553, 558, Fed. Cas. No. 12,365. While acquiescence, even of a qualified, or doubtful nature, may give aid to a patent on a final hearing, yet, as already said, when relied on to support a temporary injunction it must be clear in its character and extent. There is nothing in this record answering the requirement. The bill gives the result of the litigation with the Lamson Company, as shown by the adjustment to which we have already referred; and, if that corporation had been the only infringer, the claim of acquiescence would be established. But the bill states that there were many other infringers, against some of whom suits are still pending. Also, the record leads to the inference that the patents have been in constant litigation, although it is alleged that, so far as the litigation has been determined, it has resulted in favor of the patents. This undoubtedly refers to various adjustments of suits, because no decision of any court is produced, except that in the Whipple case.

The result is that whether we look at the question of validity, or at that of a prior adjudication, or at that of alleged public acquiescence, the position is too doubtful to justify a temporary injunction in a patent suit. The order appealed from is reversed, and the costs of appeal are awarded to the appellants.

1046. HALL SIGNAL CO. v. GENERAL RY. SIGNAL CO., 153 Fed. 907, 82 C. C. A. 653 (1907, Second Circuit).* * *

Before Wallace, Lacombe and Coxe, Circuit Judges.

Coxe, Circuit Judge:

It is a cardinal principle of equity jurisprudence that a preliminary injunction shall not issue in a doubtful case. Unless the court be convinced with reasonable certainty that the complainant must succeed at final hearing the writ should be denied. Union Switch & Signal Co. v. Philadelphia R. R. Co. (C. C.) 75 Fed. 1004.

A record, containing 868 printed pages, composed of ex parte affidavits, patents for complicated electrical machinery and a great mass of other matter, much of it, apparently, having remote relevancy to the present issues, has been presented. To reach a clear and satisfactory conclusion upon many of the vital questions involved would, upon such a record, be difficult if not impossible.

The entire aspect of the case may be changed at final hearing and for obvious reasons the discussion of the issues involved should be restricted to the narrowest limits possible.

We have reached the conclusion that a preliminary injunction should not be issued and will briefly state the considerations which have led to this result.

First. The five patents in suit relate to a difficult, complex and abstruse subject, namely, the transmission of signals on railways by electricity. Because of its complicated character and the innumerable details involved it is peculiarly a case where the court should have the benefit of the opinions of those skilled in the art tested and clarified by cross-examination.

Second. The patents have never been adjudicated or judicially construed.

Third. The defendants assert that the patents are invalid for lack of novelty and invention and that the claims of three of the patents are not infringed.

The answer sets up 21 American and eight prior English patents and alleges four instances of prior use. It is also contended that if the patents are sustained the prior art renders a broad construction of the claims impossible.

We do not intend to pass upon these defenses further than to say that we can not consider them as wholly devoid of merit.

On the contrary we have examined the prior art sufficiently to be convinced that it is quite possible that at final hearing the court may feel constrained to limit the claims to a much narrower construction than is now asserted by the complainants. It is enough to say that the patents may emerge from the supreme test of the trial with some of the claims invalidated and others so limited as to avoid infringement.

Fourth. We think the complainants have failed to prove a case of acquiescence which may be regarded as a substitute for an adjudication. There has been no general long continued public acquiescence.

The railroads are the complainants' only customers and for many years The Hall Company's only competitor was the Union Switch & Signal Company. In a technical sense, therefore, there was no public. It is not the case of a patented device going into long continued general use in circumstances which compel the conviction that infringements would have occurred were it not for a settled conviction on the part of those who might profit by infringing that the patent is valid.

It is true that the general policy of the Union Company was not to infringe, but we are not at all convinced that this course was adopted through fear of the Wilson patents.

The Union Company and the Hall Company were active rivals in business, the former advocating and installing the so-called normal safety system and the latter the normal danger system. Every consideration, not only of honesty in competition but of self-interest also, would induce the Union Company to exploit its own system, which it thoroughly understood and in the efficiency of which it had implicit confidence. To assert that its course, which was the natural one for honorable men to adopt, was due solely to the Wilson patents, is, we think, carrying the doctrine of acquiescence beyond the limits set by former adjudications.

Fifth. We are not convinced that the complainants will suffer irreparable damage if the cause be allowed to take the usual course. That the defendants are amply responsible is conceded and if the complainants' contention is sustained and the patents construed to cover broadly the "normal danger system" there should be no difficulty in recovering the full amount of profits and damages.

Sixth. The attitude of the court may be stated in a single sentence: We think the record presents too many elements of doubt to warrant the issuing of a preliminary injunction.

The order is reversed. [For summary of this case see No. 1051.]

1047. ACME ACETYLENE APPLIANCE CO. v. COMMERCIAL ACETYLENE CO., 192 Fed. 321, 112 C. C. A. 573 (1911, Sixth Circuit, Patent No. 664,383).

Before Warrington and Knappen, Circuit Judges, and Sanford, District Judge.

This is an appeal from an order (188 Fed. 89) granting a preliminary injunction. Appellants are restrained from selling certain devices called acetylene gas generators and compressors for use in recharging with acetylene gas certain other devices called Prest-O-Lite gas tanks or Autogas tanks, from infringing United States letters-patent No. 664,383, and from inducing others so to infringe such letters-patent or to contribute thereto.

One complaint made against appellants is that in March, 1911, the two Widrigs and Wilmot organized the corporation, the Acme Acetylene Appliance Company, and commenced the manufacture of a machine described as an "Acetylene Gas Generator and Compressor," and caused it to be used for the purpose of generating acetylene and compressing the same in Prest-O-Lite and Autogas tanks, and for forming therein a supersaturated solution of acetylene as set forth in claims 1, 2, and 5 of the letters-patent in suit.

* * *

Warrington, Circuit Judge (after stating the facts as above). In testing the validity of an order granting a preliminary injunction, we are bound to recognize that there resided in the court making the order a reasonable discretion either to grant or to withhold it. And the general rule is that unless it explicitly appears that the court has proceeded upon an erroneous hypothesis of pertinent fact or law, or has improvidently exercised its legal discretion, the order will not be disturbed. This court has so frequently expressed the rule in this behalf that we need not do more than to cite one or two of the recent decisions in which reference will be found to the earlier cases. Interurban Ry. & T. Co. v. Westinghouse E. & Mfg. Co., 186 Fed. 166, 170, 108 C. C. A. 298; City of Shelbyville, Ky., v. Glover, 184 Fed. 234, 238, 106 C. C. A. 376. We may say with respect to the present case that this rule requires us to pass upon any question of law, the determination of which was necessarily involved in the granting of the order. Bissell Carpet Sweeper Co. v. Goshen Sweeper Co., 72 Fed. 545, 19 C. C. A. 25 (C. C. A. 6th Cir.).

* * *

Independently of this latter fact, however, the rule as to prior adjudication is settled. As Judge Severens said in Interurban Ry. & T. Co. v. Westinghouse E. & Mfg. Co. (C. C. A. 6th Cir.) 186 Fed. at page 170, 108 C. C. A. at page 302:

"And when there has been a prior adjudication sustaining a patent and the infringement thereof in the same or another circuit, where the validity of the patent has been contested upon full proofs, the circuit court should, upon a motion for prelimnary injunction, sustain the patent, and leave the determination of the question of its validity to be determined upon the final hearing."

To the same effect is Leeds & Catlin v. Victor Talking Mach. Co., 213 U. S. 301, 312, 29 Sup. Ct. 495, 53 L. ed. 805.

It is to be observed that Judge Denison had this rule in mind when making the order in dispute; for in the opening of his opinion he said (Commercial Acetylene Co. v. Acme Acetylene Appliance Co. [C. C.] 188 Fed. 89):

"Under the settled rules which govern such motions and giving due force to the previous decisions upon this patent, this motion should be granted, unless the new evidence now presented by defendants is so forceful as to indicate that it would have defeated complainant if it had been presented in the former hearings."

"It was granted in 1900 for 17 years. The patent office did not require it to be limited on its face, although the British patent was of record in the United States patent office. Now, to shorten the 17-year term into a 10-year term, is a step that I think should not be taken unless the statute is clearly applicable."

We are not disposed to disturb the finding necessarily involved in the decision below that appellants were engaged in the performance of the infringing acts complained of in the bill and set out by way of affidavits and circulars. Nor is the very able argument of counsel for appellants convincing, upon the subject of contributory infringement. Leeds & Catlin v. Victor Talk. Mach. Co. (No. 2) 213 U. S. 325, 29 Sup. Ct. 495, 53 L. ed. 805; Commercial Acetylene Co. v. Autolux Co. (C. C.) 181 Fed. 387; see, also, notes to Edison Electric L. Co. v. Peninsular Light, etc., Co., 101 Fed. 831, 43 C. C. A. 485; Aeolian Co. v. Juelg Co., 155 Fed. 119, 86 C. C. A. 205, and notes; Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co. (C. C. A. 6th Cir.) 77 Fed. 288, 25 C. C. A. 267, 35 L. R. A. 728; Rupp & Wittgenfeld Co. v. Elliott (C. C. A. 6th Cir.) 131 Fed. 730, 65 C. C. A. 544. The recent decision announced by Mr. Justice Holmes in Kalem Co. v. Harper Bros., 222 U. S. 55, 63, 32 Sup. Ct. 20, 56 L. ed. 92, lays down general principles of contributory infringement applicable to copyright, which we think are analogous to the issues presented here on the subject of contributory infringement. * * *

1048. GRAND RAPIDS v. WARREN, 196 Fed. 892 (C. C. A.) (1912, Sixth Circuit).* * *

Before Warrington and Knappen, Circuit Judges, and Sater, District Judge.

Sater, District Judge (after stating the facts as above). (1) In determining whether the record presents reversible error, we are required to consider the correctness of the order from the same standpoint as that occupied by the court in granting it, and if we find, after a consideration of the facts presented to that court for its action, that its legal discretion to grant the order was not improvidently exercised, we should not disturb its action. Duplex Printing-Press Co. v. Campbell Printing-Press & M. Co., 69 Fed. 250, 252, 16 C. C. A. 220 (C. C. A. 6); Louisville Home Tel. Co. v. Cumberland Tel. & Tel. Co., 111 Fed. 663, 49 C. C. A. 524 (C. C. A. 6); Acme Acetylene Appliance Co. v. Commercial Acetylene Co., 192 Fed. 321, 112 C. C. A. 573 (C. C. A. 6.)

(2) Counsel are widely at variance as to the precise rule which controls in the granting of preliminary injunctions in patent cases. The appellants insist that the general rules applicable to the granting of preliminary injunctions in equity cases have been so far restricted, when applied to patent cases, as to prohibit the granting of an interlocutory injunction, unless the complainant's title and the defendant's infringement are admitted, or are so palpable and clear that the court can entertain no doubt on the subject. Illustrative of this view, which prevails in some of the circuits, are Parker v. Sears, 18 Fed. Cas. 1159, 1 Fish. Pat. Cas. 93; Consolidated Fastener Co. v. American Fastener Co. (C. C.) 94 Fed. 523; Standard Elevator Co. v. Crane Elevator Co., 56 Fed. 718, 6 C. C. A. 100 (C. C. A. 7); Blakey v. National Mfg. Co., 95 Fed. 136, 37 C. C. A. 27 (C. C. A. 3); American Elec. Novelty & Mfg. Co. v. Stanley, 142 Fed. 754, 74 C. C. A. 16 (C. C. A. 2); Bowers Dredging Co. v. New York Dredging Co. (C. C.) 77 Fed. 980; Thomson-Houston Elec. Co. v. Wagner Elec. Mfg. Co. (C. C.) 130 Fed. 902.

The appellants claim that when, under the rule so announced, the requisite proof is made, the injunction will issue, whether there is imminent danger or not of irreparable injury should the injunction be withheld, i. e., the issuance of the writ depends more on the patentee's statutory right to the maintenance of a monopoly of his invention than on the imminence and irreparable character of the injury which may be inflicted by its denial; and that, unless such proof be made, the court may not weigh the serious consequences to the defendant resulting from the grant of the preliminary writ and demand as an alternative for its denial a bond from the defendant, or grant the writ to

maintain the status quo. They also claim that the evidence submitted to show that, if the proposed pavement be constructed, the rights guaranteed to the appellee under its patent and the soundness of the adjudications supporting its validity will be denied, and that irreparable damages will result from a needless multiplicity of suits and their attendant expense and from interference with its property rights, means no more than that the appellee, as a possible result of the denial of the writ, may be required to bring other suits to enforce its right, and that to grant the writ, in the absence of proof of both the appellee's right and its threatened invasion, on account of such mere possibility, is not the proper exercise of judicial discretion. The appellee concedes that, in the absence of any proof of infringement, a court should not issue a preliminary injunction in a suit to maintain the status quo, but disputes all of the appellant's other contentions, and, relying on the doctrine announced by Judge Jackson for this court in Blount v. Societe Anonyme du Filtre. etc., 53 Fed. 98, 3 C. C. A. 455, and on Southern Pacific Co. v. Earl, 82 Fed. 690, 691, 27 C. C. A. 185 (C. C. A. 9), maintains that the principles which govern courts in granting preliminary injunctions in patent cases are the same as those upon which courts of equity constantly act in granting such injunctions in other cases of equitable cognizance. In the Blount Case Judge Jackson reviewed Georgia v. Brailsford, 2 Dall, 402, 404, 1 L. ed. 433, and Lord Cottenham's opinions in Great Western R. Co. v. Birmingham & O. J. Ry. Co., 2 Phil. Ch. 602; Glascott v. Lang, 3 Myl. & C., 455, and Shrewsbury v. Railway Co., 1 Sim. (N. S.) 410, 426, and with great clearness and accuracy in the following language adopted the principles announced in them as controlling in the granting of preliminary injunctions in patent cases:

"The object and purpose of a preliminary injunction is to preserve the existing state of things until the rights of the parties can be fairly and fully investigated and determined upon strictly legal proofs, and according to the course and principles of courts of equity. The prerequisites to the allowance and issuance of such injunctions are that the party applying for the same must generally present a clear title, or one free from reasonable doubt, and set forth acts done or threatened by the defendant, which will seriously or irreparably injure his rights under such title, unless restrained. The legal discretion of the judge or court in acting upon application for provisional injunctions is largely controlled by the consideration that the injury to the moving party, arising from a refusal of the writ, is certain and great, while the damage to the party complained of, by the issuance of the injunction, is slight or inconsiderable.

* * * The same general principles announced in these authorities govern and control the legal discretion of the judge or court in granting preliminary injunctions in suits for the infringement of patents."

There was in that case a strong presumption of the validity of the patent. In a suit pending in another circuit between the same parties, the complainant had been awarded a preliminary injunction. The complainant's title was undoubted. There had been general public acquiescence in its validity; the invention having been used only under license from the patentee. There was a fair presumption of infringement. The defendant had actively participated in procuring a license to manufacture and sell the patented article and in promoting and organizing a corporation to operate under the patent, of which corporation he was an officer and in which he had a financial interest; his conduct being such that, if his relation to the patent did not entirely estop him from questioning its validity, it at least gave rise to a strong equity in favor of the complainant. The appellants urge that these facts so brought the case within the rule for which they contend that it did not call for an application of the principles stated by Lord Cottenham and the Supreme Court, and that Judge Jackson's conclusion in that respect is a mere dictum and at variance with the great weight of authority. The proof of infringement was not, however, so palpable and clear that the court entertained no doubt about it, nor did it affirmatively or finally dispose of the question of estoppel. The decision was clearly and necessarily based on the principles announced in the cases cited, and has not been modified or disapproved by this court. On the contrary, in Societe Anonyme du Filtre, etc., v. Allen, 90 Fed. 815, 33 C. C. A. 282, in which the trial court found that the proof of infringement was not sufficient to warrant the granting of a preliminary injunction, this court, while referring but incidentally to the Blount Case, distinctly applied its doctrine.

Judge Taft, recognizing the rule that a court may grant or withhold an injunction on quite evenly balanced evidence, because its action involves the exercise, not of exact judicial judgment, but merely judicial discretion, said:

"We are not prepared to say that, even in the absence of any direct evidence at all as to the infringement, a court might not, on a motion for a preliminary injunction, infer infringement from the disingenuousness of defendant's witnesses and their reluctance to disclose all the facts. * * * The question for the court upon this hearing is whether the court below exceeded the limits of a sound judicial discretion in refusing an injunction to the complainant. We may answer this question

in the affirmative, without deciding that, had the court entered an order for the injunction, that order should be reversed. The function of the court of appeals, in hearings like this, is such that it may properly affirm an order refusing a preliminary injunction in one case and an order granting it in another on substantially the same evidence, because it is easy to conceive a case presenting upon a preliminary hearing such an evenly balanced controversy that the court above would affirm the action of the court below, whether one way or the other, when that action involves the exercise, not of exact judicial judgment, but merely judicial discretion."

In Bissell Carpet-Sweeper Co. v. Goshen Sweeper Co., 72 Fed, 545, 549, 19 C. C. A. 25, 29, this court, in considering its power when reviewing an order granting an interlocutory injunction, approved, though not so distinctly as in the above quoted passage the rule announced in the Blount Case on the point now in controversy. That the evidence which will justify the granting of a preliminary injunction need not be of the conclusive character claimed by the appellants must necessarily follow from the language that:

"Where a preliminary injunction is allowed upon a prima facie showing, and without the determinaton of the merits, this court will ordinarily, on an appeal, consider only the question as to whether on the prima facie case made, there has been an abuse of discretion. * * * When the inconvenience to result is equally divided, or the preponderance is in favor of the defendant, it will be refused."

The rule declared in the Blount Case and now under consideration has been favored in patent cases by the circuit court of appeals for the ninth circuit in Jensen v. Norton, 64 Fed. 662, 664, 12 C. C. A. 608, and Southern Pacific Co. v. Earl, 82 Fed. 690, 692, 27 C. C. A. 185. See also Irwin v. Dane, Fed. Cas. No. 7,081, 2 Biss. 442; High on Inj. (4th Ed.) § 935.

In Parks v. Booth, 102 U. S. 96, 97, 26 L. ed. 54, and Root v. Railway, 105 U. S. 189, 192, 193, 26 L. ed. 975, the jurisdiction of the federal courts in patent cases and the remedies provided by statute for patentees for the invasion of their rights, but not the point now presented, were under consideration; but the language employed is suggestive of the soundness of Judge Jackson's conclusions.

While entertaining the highest respect for the decisions in which there is adherence to the rule urged by appellants, this court has committed itself to, and we are content to abide by, the doctrine announced in the Blount Case, which seems to us to accord with the plain and necessary import of the language of § 4921, Rev. Stat. (U. S. Comp. St. 1901, p. 3395), which con-

fers on the appropriate courts the power to grant injunctions in patent cases "according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable."

As regards the evidence on the question of infringement, there was presented to the trial court a question of fact, substantial, serious, doubtful, and of great importance to the appellee, whose decision in its favor would entitle it to ultimate relief. That it would not ultimately succeed was not reasonably clear. The situation was such that the trial court might properly conclude that injury certain, great, and irreparable, would result to the appellee through interference with, and impairment of, appellee's business and a multiplicity of suits and their attendant expense, if its motion were denied and the final decision should be in its favor, while the inconvenience and loss to the appellants, should the injunction be allowed to go, would be comparatively small and insignificant, for which they could be abundantly indemnified by a proper bond. The court, under such circumstances, could rightly maintain the status quo pending the suit by granting a provisional injunction, or by exacting a proper bond from the appellants to protect the appellee from loss.

Did the court abuse its legal discretion in ordering the appellants to give a bond, and especially of the character above mentioned, if they desired to avoid the issuance of a preliminary injunction? Their position is that a bond can only be required of defendants as an alternative, the other branch of which is that if the bond is not given the defendants must be stopped by injunction, and that a bond can only be demanded in a case in which, if it is not given, the injunction must issue. American Middlings Purifier Co. v. Atlantic Milling Co., Fed. Cas. No. 305, 4 Dill. 100, is cited to sustain this view. The court had, however, determined, and under the circumstances before it we are not prepared to say improvidently, to stop the appellants by injunction unless they gave a bond, providing, on their failure to do so, the appellee gave a bond to indemnify them. But to justify the action of the trial court authority is not wanting. In Consolidated Rubber-Tire Co. v. Finley Rubber-Tire Co. (C. C.) 106 Fed. 175, an infringement case, the evidence was sharply conflicting on serious, doubtful, and vital questions. Expressly reserving their determination until the final hearing, the court, as the rights of the complainant could be protected by a bond for the payment of any damages that might be recovered, denied a preliminary injunction on condition that the defendant execute a bond of that character. So, in the case of Macbeth Co. v. Lippencott Glass Co. (C. C.) 54 Fed. 167, in which both the

validity of the patent and infringement were involved, Judge Sage declined to determine either question on ex parte evidence, but, finding the defendants on debatable ground, ordered them to give a bond to complainants for the payment of any costs and damages that might be decreed against them and to keep an account of their manufactures and sales, and overruled a motion for a preliminary injunction, with leave to renew if the bond be not given within a stated time. The practice indulged in is approved in Walker on Patents (4th Ed.) p. 530. Without entering upon a further review of authorities on the right to exact a bond in lieu of an injunction in cases like this, we content ourselves by referring to the case of Co-operating Merchants Co. v. Hallock, 128 Fed. 596, 599, 64 C. C. A. 104, 107, decided by this court. There was a grave doubt as to the novelty of the patent in question. Judge (now Mr. Justice) Lurton, in concluding his opinion, said:

"We have concluded to remand, with direction that the injunction be dissolved upon the execution of a bond by the defendants below, with satisfactory security, in such sum as shall be determined by the court below, conditioned to account for and pay all damages resulting from the manufacture or sale of the alleged infringing device after the dissolution and prior to a final decree sustaining the patent and finding infringement. But, if the appellant declines to give such bond, the injunction will be dissolved unless the complainant shall execute a bond in a sum to be settled by the court below, with good security, conditioned to pay all damages which shall result from the wrongful suing out of the injunction."

Aside from appellants' slight prior expenditure and modest sized contract and the appellee's prior large expenditures and large business, the facts which induced the trial court to fix the amount of stipulated damages to be covered by the bond, by whichever party given, and to exact that such party should consent therein to the rendition of judgment against him for such amount, were these: There was no established royalty for the use of appellee's invention. The profits or benefits that would accrue to the appellants from using the infringing (if it proved to be such), as compared with a noninfringing pavement, could never be ascertained. If the injunction issued and the defendants finally prevailed, the contractor would not only be damaged to the extent of the profits on the contract, but would probably lose other jobs, a loss which could not be accurately ascertained. The city, as the representative of the abutting property owners and of the traveling public, would be damaged in a way incapable of compensation. It was not then and is not now denied that the reasonable royalty that would accrue

on a contract for an improvement, such as was contemplated, if the improvement were constructed within the terms of the patent, or that the profits of the contractor, if permitted to construct such improvement, or that the damage to the city per month during the period the paving work was delayed by reason of an injunction, or that the estimated expense of each of the parties in litigation, would be less than that fixed by the court. The damages, to the extent named were certain and settled in respect to amount, and it was not, therefore, error for the trial court to refuse to put the ultimately successful party to proof of that which was admitted or not denied. The defeated party would not thereby be deprived of any right. An ordinary bond to respond for profits and damages is often practically worthless, because the damages which accrue to the injured party in infringement cases are frequently so uncertain in their nature and amount, and the difficulties and expense which beset their proof and recovery are so great, as to leave him substantially remediless. We see no valid reason why a court, in a case like this, when, on the facts before it, it can clearly set that damages in a given sum will necessarily accrue to the complainant, if a temporary injunction be not issued and he be successful on the final hearing, or to a defendant, if he be enjoined, but succeed on the merits, should not require a bond similar to that under consideration, covering stipulated damages. In Acme Acetylene Appliance Co. v. Commercial Acetylene Co., 192 Fed. 321, 112 C. C. A. 573, we affirmed an order providing for stipulated damages in the form in which it was issued (C. C.) 188 Fed. 89. That order was similar to the one now under consideration.

The assignment of error is sufficient. The appellants expressly charge that the Circuit Court in making the interlocutory order granting the injunction committed error. Following the assignment is a statement of reasons for so doing, which reasons are those contained in part in the court's order and in part in its opinion, but the reasons stated may be disregarded as surplusage.

We find no error in the record, and the Circuit Court is therefore affirmed.

[The following under this heading are brief extracts to complete the discussion.]

1049. ERTEL v. STAHL, 65 Fed. 517, 13 C. C. A. 29.

In Standard Elevator Co. v. Crane Elevator Co., 6 C. C. A. 100, and 56 Fed. 718, we declared the principles which should govern in granting injunctions in patent cases pendente lite. We are satisfied that this case falls within the principles there asserted. We do not deem it proper here and now to say more

than this: that the fact of infringement is not clear from doubt. The issuance of the patent for the device of the appellants raises a certain presumption that it does not infringe the prior patent of the appellee. That presumption has not, for the purpose of an injunction before decree, been overcome to such extent that we can say the fact of infringement is not doubtful. There has been no adjudication sustaining the validity of the patent in suit. The public acquiescence asserted we regard of doubtful character; as referred to the particular device alleged to be here infringed, neither clearly stated nor well sustained by proof. If, however, the fact were otherwise respecting the question of public acquiescence, and the validity of the patent may be said to be conclusively established, we should regard the question of infringement to rest in such doubt that, within the principles governing the granting of preliminary injunctions, we think the restraining order here ought not to have issued. The pecuniary ability of the appellants to respond in damages, if they shall

[Note.—The issuance of a patent to the defandant will, obviously, have little or no weight in cases where the complainant has a broad claim and the defendant's patent is a clearly subordinate, later patent.]

1050. REED MFG. CO. v. SMITH, ETC. CO., 107 Fed. 719, 46 C. C. A. 601.

The patent sued upon is a very recent one, and there is no such proof of long-continued acquiescence by the public as would raise a prima facie case in the patentee's favor. Under such circumstances, it is the practice in this court to refuse preliminary injunction when there has been no adjudication sustaining the patents, if there appears to be any fair question as to invention, anticipation, construction, or infringement.

1051. HALL SIGNAL CO. v. GENERAL R. SIGNAL CO., 153 Fed. 907, 82 C. C. A. 653.

First. The five patents in suit relate to a difficult, complex and abstruse subject. * * * Because of its complicated character and the innumerable details involved it is peculiarly a case where the court should have the benefit of the opinions of those skilled in the art tested and clarified by cross-examination.

Second. The patents have never been adjudicated or judicially construed.

Third. The defendants assert that the patents are invalid for lack of novelty and invention and that the claims of three of the patents are not infringed. * * *

Fourth. We think the complainants have failed to prove a

case of acquiescence. * * * There has been no general long continued public acquiescence. * * *

Fifth. We are not convinced that the complainants will suffer irreparable damage. * * * That the defendants are amply responsible is conceded. * * *

Sixth. We think the record presents too many elements of doubt to warrant the issuing of a preliminary injunction.

[For this case more at length see No. 1046.]

1052. TAYLOR v. SAWYER SPINDLE CO., 75 Fed. 301, 22 C. C. A. 203.

It has never been held that mere laches, unaccompanied by circumstances which amount to an equitable estoppel, shut out a party from all relief in a court of equity. Knowledge of and long continued acquiescence by a complainant in an infringement may, in special cases, be fatal on a motion for a preliminary injunction, but will not, on a final hearing, prevent the court from granting such relief as may be just and equitable. This is the general rule which is recognized in the authorities.

[See at length on this point No. 923.]

1053. STEARNS-ROGER MFG. CO. v. BROWN, 114 Fed. 939, 52 C. C. A. 559.

One who, with full knowledge of a patentee's claim of infringement, and against his protest, continues to trespass, cannot, on the ground of the estoppel or laches of the patentee, successfully defend a suit for infringement brought, or a motion for a preliminary injunction made, within any reasonable time. Repeated willful trespasses establish no right to their continuance. And mere delay by a patentee to bring his suit or to apply for his preliminary injunction for any reasonable length of time after an infringer is informed of his trespass, unaccompanied with such acts of the patentee and such facts and circumstances as amount to an equitable estoppel, will not deprive him, either on the ground of laches or of estoppel, of his right to a temporary injunction or to a recovery. Moreover, delay in prosecuting other infringers during the time while the validity of a patent is in litigation does not constitute laches.

1054. ELECTRIC MFG. CO. v. EDISON ELEC. LIGHT CO., 61 Fed. 834, 10 C. C. A. 106.

In the absence of prior adjudication or public acquiescence, a preliminary injunction should not be granted unless the right of the patentee be clear, and the infringement be without reasonable doubt.

1055. MENASHA WOOD SPLIT PULLEY CO. v. DODGE, 85 Fed. 971, 29 C. C. A. 508.

Assuming, for the purpose of a preliminary injunction that the patent is valid, as the court rightfully did (Electric Manuf'g Co. v. Edison Electric Light Co., 10 C. C. A. 106, and 61 Fed. 834), it still remained that, to warrant a preliminary injunction, the fact of infringement should be made out beyond reasonable doubt (Standard Elevator Co. v. Crane Elevator Co., 6 C. C. A. 100, and 56 Fed. 718). There is here so much of doubt with respect to the proper construction of the claims of the patent and of their infringement that it is needful to have an investigation into the prior art to determine the exact limitation of the claims, and to have "the searchlight of an intelligent cross-examination" to determine conclusively the fact of infringement.

1056. STANDARD ELEVATOR CO. v. CRANE ELEVATOR CO., 56 Fed. 718, 6 C. C. A. 100.

It would be most unwise to imperil, and presumably wholly ruin, the large capital and interests involved in the business of the appellants, by arresting the enterprise in advance of a final decree, when the damages which the appellee may sustain can be compensated in money.

1057. ARLINGTON, ETC. MFG. CO. v. BOOTH, 78 Fed. 878, 24 C. C. A. 378.

The principle upon which all injunctions are granted in patent causes, preliminary and final, is that an action at law does not give a complete remedy to the complainant whose property is invaded. The infringement of a patent is a constantly recurring grievance, which cannot be adequately prevented but by an injunction. "It is quite plain that, if no other remedy could be given in cases of patents and copyrights than an action at law for damages, the inventor or author might be ruined by the necessity of perpetual litigation without ever being able to have a final establishment of his rights." Story, Eq. Jur. § 931. A decree for damages and profits in an equity cause would fall short of adequate redress to the patentee. He is entitled to an injunction as well as to an accounting of damages and profits. Indeed, the accounting is but incidental to the relief by injunction and it is the right to this relief which alone gives a court of equity jurisdiction. "A recovery does not vest the infringer with the right to continue the use, as the consequence of it may be an injunction restraining the defendant from the further use of it." Suffolk Co. v. Hayden, 3 Wall. 315, 320. In *Penna v. Libby*, L. R. 3 Eq. 308, a suit upon a patent against a defendant who was merely a user, the vice chancellor, in awarding an injunction and an account, said: "I cannot in the

decree do less than give the plaintiff his full right, and I cannot bargain for him what he may choose or may not choose to do."

1058. ADAM v. FOLGER, 120 Fed. 260, 56 C. C. A. 540.

Three years before the patent issued, Adam took from Folger a license to make heaters according to Folger's specifications. * * * He built the heaters in accordance with the specifications furnished by Folger. * * * His use of the patent imprint and his present contention that, after the withdrawal of the license, he altered the construction so as to avoid the claims, are strong concessions of the patent's validity. * * * So far as Adam is concerned, his actions evidence a sufficient acquiescence.

Without deciding how far, if at all, the use and sale of the Victor heater before the patent was issued should be taken as evidence of acquiescence in the validity of the patent (see Sargent v. Seagrave, 2 Curt. 553, Fed. Cas. No. 12, 365; Wilson v. Store Service Co., 31 C. C. A. 533, 88 Fed. 286; McDowell v. Kurtz, 23 C. C. A. 119, 77 Fed. 206; Corser v. Overall Co., 59 Fed. 781; White v. Hunter, 47 Fed. 819) we are of opinion, on this branch of the case, that the temporary injunction was not improvidently issued. The purpose of showing adjudication against others or acquiescence by the public is not to foreclose the question of validity, but to aid the presumption which the patent raises to a point where the court is satisfied that the probabilities of a final decree in the complainant's favor are so strong that the defendant should be excluded at once from practicing the alleged invention.

1059. THOMSON-HOUSTON ELECTRIC CO. v. OHIO BRASS CO., 80 Fed. 712, 26 C. C. A. 107.

The second patent was sustained as valid after a full hearing on the merits, before so good and experienced a patent judge as Judge Townsend. * * * This certainly justified the court below in assuming the validity of the patent on a motion for preliminary injunction.

1060. REED MFG. CO. v. SMITH, ETC. CO., 107 Fed. 719, 46 C. C. A. 601.

Complainant relies upon a decision of the Patent Office in an interference proceeding, in which eight different applicants were involved, of whom only Shaw and Asher took testimony. That decision, however, only settled the question of priority as between Shaw and Asher, and is not such an adjudication as the practice calls for, where there is substantial question as to construction and infringement.

1061. WILSON v. CONSOLIDATED STORE-SERVICE CO., 88 Fed. 286, 31 C. C. A. 533.

An interference proceeding can not be invoked against strangers on the question of a preliminary injunction; and Judge Lacombe, who carefully reviewed the decisions in regard to this matter, came to the just conclusion that the only adjudication which can support such an injunction, is a judicial one.

1062. EDISON ELECTRIC LIGHT CO. v. MT. MORRIS ELECTRIC LIGHT CO., 58 Fed. 572, 7 C. C. A. 375.

The defendants, in desiring to obtain an unlimited future capacity of ownership of the patented lamps, for the purpose of extending their competitive power, are asking too much. We perceive no controlling equity which should cause us to compel the Illuminating Company, which owns an equitable title to the lamp patent, to sell lamps to a competitor for the purpose of enabling it to utilize the unused portion of its plant, and extend its business into unoccupied territory, and thus permit it to deprive the owner of all the material benefit of the patent during the comparatively brief residue of its life.

[See for necessary result of infringement No. 922.]

PART XIX.

ACCOUNTING, PROFITS AND DAMAGES.

[For general review, see especially Root v. Railway and other cases, Part XVII.]

STATUTES.

1063. POWER OF COURTS TO GRANT INJUNCTIONS AND ESTIMATE DAMAGES.

Sec. 4921. The several courts vested with jurisdiction of cases arising under the patent laws shall have power to grant injunctions according to the course and principles of courts of equity, to prevent the violation of any right secured by patent, on such terms as the court may deem reasonable; and upon a decree being rendered in any such case for an infringement the complainant shall be entitled to recover, in addition to the profits to be accounted for by the defendant, the damages the complainant has sustained thereby; and the court shall assess the same or cause the same to be assessed under its direction. And the court shall have the same power to increase such damages, in its discretion, as is given to increase the damages found by verdicts in actions in the nature of actions of trespass upon the case.

But in any suit or action brought for the infringement of any patent there shall be no recovery of profits or damages for any infringement committed more than six years before the filing of the bill of complaint or the issuing of the writ in such suit or action, and this provision shall apply to existing causes of action.

1064. HOHORST v. HAMBURG-AMERICAN PACKET CO., 84 Fed. 354 (1897).

On exceptions to master's report. * * *

Coxe, J.:

On the 15th day of May, 1896, the master filed his report, in which he says, inter alia:

"I am convinced that the complainant has not made out a case entitling him to a recovery of profits within the rule applicable to this subject. I cannot make, as complainant suggests,

"an approximate calculation." On the evidence I can be no better satisfied that five or ten or twenty per cent. of certain goods were handled by the nets than two-thirds were so handled. If, therefore, I should report that complainant has shown profits made by defendant on the basis of a given proportion of certain goods handled, and a given proportion of time saved in handling them, such report would be based on the merest haphazard speculation. I do not consider that I am justified in making such conjectures. (Citing Rob. on Pats., Vol. 3, pp. 522-3)."

Accordingly he found that the complainant is entitled to recover nothing by way of profits, and nominal damages only.

On the 29th of July thereafter the Circuit Court of Appeals announced its decision in Tuttle v. Claflin, 77 O. G. 973, 76 Fed. 227.

It is agreed on all sides that this is "a closely analogous case" to the one at bar and that the law as there enunciated is now the rule in the second circuit.

The court has been considerably perplexed as to the proper disposition of the case in view of this decision. After careful consideration it is thought fair to the learned master and just to all parties concerned to refer the accounting again to the master, with the suggestion that he follow the rule of Tuttle v. Claflin, and take such further action in the matter as he may deem proper.

On exceptions to supplemental report.

Townsend, J.:

In this suit the court, having decreed upon final hearing that complainant's Patent No. 119,765, for an improvement in slings for packages, was valid and had been infringed by defendant, referred the matter to a master for an accounting. The master filed a report finding that complainant was entitled to no profits and to only nominal damages. Upon the argument of complainant's exceptions to this report Judge Coxe referred the accounting back to the master in order to allow him to determine whether, in view of the decision in Tuttle v. Claflin, 77 O. G. 973, 76 Fed. 227, any further action was necessary, the decision therein having been announced after the master had filed his original report.

The master thereafter filed a supplementary report affirming the former report, in which he stated as follows:

"I find nothing in the facts of the case, or in the law as laid down in the said decision in the case of Tuttle v. Claflin, that leads me to change the views and conclusions expressed in my former report."

The complainant has duly excepted both to said original and supplementary reports, and the hearing was had upon exceptions.

It seems clear that the findings in the original report were justified by the evidence and were in accordance with the general rule of law.

Upon conflicting testimony the master found that the complainant had failed to furnish any "evidence upon which a computation of profits can be properly made." In his careful and exhaustive report he gives his reasons for this conclusion. The infringing devices were used in connection with other non-infringing devices according to the exigencies of the business of handling mixed classes of packages constituting various kinds of cargoes of vessels under constantly varying conditions. That the defendant derived an advantage from the use of the infringing devices is expressly found; but the character of the testimony by which this fact was established was so conflicting and uncertain and the knowledge of the witnesses was so limited in its scope that it was manifestly impossible to obtain therefrom any basis of calculation from which to determine with any degree of certainty either the extent of the use of the infringing devices or the saving effected or profits derived from such use.

In the opinion of the Circuit Court of Appeals on the rehearing in Tuttle v. Claflin, the court reviews the facts, showing—"that this case is by reason of its history both remarkable and unique [and adds that] no new rule of law was announced in regard to the burden of proof or in regard to the necessity that the complainant should, in the cases which ordinarily come before the master, satisfy him by affirmative evidence of the amount of profits."

The features which made the case of Tuttle v. Claflin unique are not present in this case. I agree with the master that the case contains no evidence upon which a computation of profits can be properly made, and the exceptions to this report are therefore overruled.

Let a decree be entered accordingly.

1065. WALES v. WATERBURY MFG. CO., 101 Fed. 126, 41 C. C. A. 250 (1900, Second Circuit).* * *

Before Wallace, Lacombe, and Shipman, Judges.

Wallace, J.:

We agree with the conclusions of the learned judge who decided the cause in the court below as to the validity of claims 1, 2 and 3 of the patent in suit and deem it unnecessary to add anything to his very satisfactory opinion. (87 Fed. Rep. 920.) We are unable, however, to agree with his conclusions in respect to the amount of profits which the complainant was entitled to recover.

The patent is for an improved lever-buckle adapted for use

upon various articles of men's and women's wearing-apparel. The buckle of claim 3, as appears from the demand which it eventually supplied in the trade, is especially adapted to be the fastening device of a pencil-holder, a metal case or frame shaped to receive a lead-pencil, and pivoted upon the base of the buckle and forming, with the buckle, a pencil-carrier to be worn on the edge of the watch or side pocket of the vest. The pencil-holder was devised by Mr. Wales, one of the patentees and the inventor of the buckle, who conceived that when it was attached to the buckle the integral device would be attractive and convenient and would especially command the favor of the stationers' trade. He introduced the buckle and pencil-holder to the notice of the defendant and made arrangements with the defendant to become the sole manufacturer. Probably because the pencil-holder alone was useless and derived its whole value by being attached to the buckle and the integral device could not be made or sold without infringing the buckle patent Mr. Wales did not patent the combination. The patent having been in the meantime assigned to the complainant, the wife of the inventor, in 1880 she made a license agreement with the defendant, by the terms of which she granted to the defendant the exclusive right of making and selling the buckle, and the defendant agreed to pay a royalty varying from 10 to 25 cents a gross for the buckle alone (depending upon the sizes) and when sold with the pencil-holder to pay a graded royalty amounting to $2.03½ per gross when the sale price should be $5.08. In the following year the complainant revoked this license, alleging non-compliance by the defendant with the license; but the defendant notwithstanding continued to make and sell the buckles and pencil-holders and between that time and the date of the expiration of the patent sold 9,361 gross of the combined article, realizing therefrom as net profits admittedly the sum of $22,-887, and accepting as correct the findings of the master upon the accounting, a considerably larger sum. Upon the basis of the license the royalties upon these sales would amount to over $19,000. The court below awarded the complainant $4,483 for these profits, arriving at the amount by charging the defendant only with the difference between the cost of the buckles and the price they would have brought if they had been sold separately from the pencil-holders. It is manifest that the defendant would not have sold the 9,361 gross of pencil-holders if it had not attached them to the patented buckle or to some other buckle which would have satisfactorily supplied its place as an adjunct of the holder. The proofs indicate that other buckles, which were open to public use, could have been attached to the holders, but the organized device would have been a clumsy and

unattractive one, while the patented buckle was peculiarly adapted for the purpose and was the part which commended the organized device to purchasers. The master found that the patented buckle was "the best and only known buckle that could have sold pencil-holders, and no part of the profits would have been made except for it." It is reasonable to suppose that the defendant's managers would not have exposed it to liability as an infringer if they had believed that some other buckle which they were at liberty to use would have answered the purpose of the patented buckle as an adjunct of the holders, and notwithstanding some evidence to show that it would and that the spring buckle-plate—an unpatented feature added to the buckle—contributed to its popularity we are satisfied upon the proofs that the master was correct in his finding and that there would have been no appreciable demand for the holders if they had not been attached to the patented buckle. The license in fixing such a large royalty upon the buckle when sold with the holders points also to this conclusion. In his opinion disposing of the master's report the learned judge in the court below did not discuss the finding of fact that but for the use of the buckle the buckle and holder would not have been a marketable device; but in his opinion, rendered upon granting the interlocutory decree, it is stated that the patented buckle was "apparently the only practicable solution of the problem presented," which was to devise a lever-buckle having characteristics, among others, adapting it to be used for carrying a pencil-holder. In disallowing the profits upon the combined buckle and lever he did so apparently in deference to the rule that where the articles which have been made and sold by the infringer contain not the patented invention alone, but other inventions or improvements, the profits for which he is to account are not the total profits, but those only which are attributable to the presence of the patented invention. This has always been the rule, and it is manifestly a just one upon principle; but it is often difficult of practical application, and the courts have sometimes applied it so that it has not produced an equitable result. In many cases where it is obvious that the patented invention has contributed a great part of the profits realized from selling the infringing article or apparatus embodying unpatented features it is practically impossible for the complainant to establish affirmatively the proportionate part. The present case is an illustration. None of the patented buckles like those attached to the pencil-holders—those of the third claim of the patent—were ever sold to an extent and under circumstances to establish satisfactorily their market price. No pencil-holders detached from the buckles were ever sold, and no competent and reliable evidence can be produced

to show what part of the profits the defendant derived from the buckles and what part from the holders separately. According to the estimate of the complainant's principal witness, which the master finds to be an "intelligent estimate of a man of large experience in the cost of all such details," the cost of the buckle was about $1.02 and of the buckle and pencil-holder $1.71 per gross, and it is undisputed that the combined article was sold at the price of $5.08 per gross. The master thought this estimate of cost too liberal for the defendant, and he found the total cost of the buckle and pencil-holder to be $1.62½, and upon this basis the profits of the defendant would be $32,342. Upon either estimate the cost of the buckle was more than two-thirds of the cost of the whole article. It was certainly the dominant feature of the whole article, and no one can doubt that it contributed much more to the entire profits than did the holder. Yet there is no way by which the complainant can establish the proportion. As the rule has been applied in some of the adjudged cases there could be no recovery against the infringer. In such a case it would seem to be reasonable to require the infringer to account for the whole profits, even though it could not be proved that the commercial value of the article was wholly due to the patented feature. An infringer is a trustee ex maleficio for the owner of the exclusive rights protected by the patent, and a trustee who has confused the profits made by the use of the trust property with those made from his own property and commingled them so that they can not be segregated must account for the whole. (Lupton v. White, 15 Ves. 432; Hart v. Ten Eyck, 2 Johns. Ch. 108; Central Nat. Bank v. Connecticut Mut. Life Ins. Co., 104 U. S. 54, 26 L. ed. 693.) On the other hand, such a rule would work unjustly in many cases, as where the patented feature is of an insignificant part of the machine or article, and it is probably because of its manifest inequity in such cases that the courts have placed upon the complainant the burden of proof. Thus in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed 371, where the patent was for an improvement in a mop-head and the defendant sold mops which contained the patented improvement, but otherwise were the common unpatented article, it would have been unreasonable to permit the complainant to recover the profits on the entire mops, and because he had not given evidence to apportion the profits between the patented features and the other features of the mop the court decided that he had not established any basis for the recovery of profits. The court in that case quoted with approval the proposition stated in the following terms:

"The patentee must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's

damages between the patented features and the unpatented features, and such evidence must be reliable and tangible, and not conjectural and speculative; or he must show by equally reliable and satisfactory evidence that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine as a marketable article is properly and legally attributable to the patented feature."

The present is a case where the defendant would not and, as we think, could not have made any profits from manufacturing the holders if it had not used the patented buckle to command a sale for them and upon the facts is within the second branch of the rule stated in Garretson v. Clark and within other authorities sanctioning a recovery of the total profits derived from the sale of an infringing article embodying unpatented features when but for the patented features it would not have been a marketable article.

In Manufacturing Co. v. Cowing, 105 U. S. 255, 26 L. ed. 987, the court, after adverting to the rule that the profits for which an infringer is liable are to be determined by the advantage which he has derived from using the patented invention beyond those he might have derived in using other instrumentalities open to the public and adequate to enable him to obtain an equally beneficial result, said:

"It does not necessarily follow from this that, where the patent is for one of the constituent parts, and not for the whole of a machine, the profits are to be confined to what can be made by the manufacture and sale of the patented part separately. * * * If the improvement is required to adapt the machine to a particular use, and there is no other way open to the public to supply the demand for that use, then it is clear that the infringer has, by his infringement, secured the advantage of a market he would not otherwise have had, and that the fruits of this advantage are the entire profits he has made in that market. * * * Through their infringement they won the advantage of selling pumps which had upon them the patented improvements. Without it, no such sales would have been effected. The fruits of the advantage they gained by their infringement were, therefore, necessarily the profits they made upon the entire sale."

In Hurlbut v. Schillinger, 130 U. S. 456-472, 9 Sup. Ct. 584, 32 L. ed. 101, the court held the infringer liable for the entire profits made by the laying by him of concrete flagging. It is self-evident that concrete flagging would be of more or less value if it were not laid according to the method of the patent which was infringed, but the court said that if it had not been laid that way it would not have been laid at all and that its entire

value as a marketable article was properly and legally attributable to the invention.

In Crosby Steam Gauge and Valve Co. v. Consolidated Safety-Valve Co., 141 U. S. 441-453, 12 Sup. Ct. 49, 35 L. ed. 309, the court held the infringer liable for the entire profit made from making and selling safety-valves containing the patented improvement for the reason that the entire value of the valve as a marketable article was properly and legally attributable to the patented feature.

The rule that the complainant is entitled to the whole profits when it appears that but for the patented feature the machine or article made and sold by the infringer would not have been a marketable commodity was recognized in Mosher v. Joyce, 2 C. C. A. 322, 51 Fed. 441, and in Holmes v. Truman, 29 U. S. App. 572, 14 C. C. A. 517, 67 Fed. 542.

It is doubtless true that except for the pencil-holder attachment, the buckles would not have been sold; but that circumstance is quite immaterial. The buckles were sold, and therefore the defendant must account for whatever profits were attributable to their sale. It is also immaterial that a spring bearing-plate was superadded to the patented features of the buckle of the defendant, as we are satisfied that the organized device did not derive its commercial value to any appreciable extent from that addition and would have sold as readily without it. We are of the opinion that the master gave too much weight to the circumstance of the destruction by the defendant of some of its books of account and because of its failure to "prove conclusively" all the items of the cost of the manufacture was led to adopt a lower estimate of cost than he otherwise would. The proofs do not warrant the inference that the books were destroyed for any illegitimate purpose. The estimate of the cost made by the complainant's principal witness, in view of his apparent candor and intelligence, commends itself to us as more reliable. In his estimate, however, he places the cost of the brass used at 34 cents, the cost of mounting the articles upon the cards for sale at 10 cents, and omits the cost of forming the blank for the pencil-holder. In respect to these items we regard the estimate of the witnesses of the defendant as more accurate, according to which the cost per gross of the brass was 43¼ cents, the cost of mounting 14 cents, and the cost of forming the pencil-holder 3 cents. Making these corrections, the cost of the pencil-holder and buckle per gross was $1.91½. Profits should therefore have been allowed to the complainant in the sum of $29,627.

We think the defendant's fifth assignment of error is well taken. This relates to the profits allowed upon certain buckles

other than those of the sizes and combination sold with the pencil-holders. They were sold chiefly to the garter and suspender trade and had a short lever attached to the upper end to fasten the buckle to the strap. This was an unpatented feature. It was also open to the defendant to substitute another base-plate for that of the patented combination, and thus make a buckle which would probably have been as useful and as salable. In the buckles of this class the profit resulting from the sales was only such as is measured by the difference in value between the patented combination and others open to use by the defendant. That profit was not satisfactorily established by the evidence.

There should be a decree for the complainant for $29,627, with interest from the date of the master's report, and to that extent the decree is reversed, with costs to the complainant, and the cause is remitted to the court below, with instructions to modify the decree in conformity with this opinion.

1066. SESSIONS v. ROMADKA, 145 U. S. 29, 36 L. ed. 609 (1892).* * *

Cross-appeals from the circuit court of the United States for the eastern district of Wisconsin.

Bill by John H. Sessions against John M. Romadka and others for infringement of a patent. The master to whom the cause was referred, found for complainant in the sum of $11,455.03; but exceptions to his report were sustained by the court and a decree entered for nominal damages. 21 Fed. 124. Both parties appeal. Reversed.

Statement by Mr. Justice Brown.

This was a bill in equity by the appellant Sessions for the infringement of letters patent No. 128,925, issued July 9, 1872, to Charles A. Taylor, for an improvement in trunks.

The patent included several devices used in the manufacture of trunks: First, a yielding roller to be applied to the outside of the trunk; second, in spring catches to hold the trunk shut; third, in a brace of peculiar construction, applied to the outside of the trunk for the purpose of holding up the lid; and, fourth, in a spring arm for supporting the tray when turned up.
* * *

The only claim which was alleged to have been infringed was the third, which reads as follows:

"(3) The spring catches, I, constructed and applied to the front of the body, as described, in combination with the tongues or hasps, J, on the top, when arranged to operate as set forth."
* * *

After the testimony had been taken the plaintiff entered with the commissioner of patents a disclaimer of all the claims of the patent except the one in suit; and upon the hearing upon

pleadings and proofs the court adjudged the patent to be valid, and that the defendants had infringed, and referred the case to a master to ascertain and report to the court the number of trunk fasteners made, used, and sold by defendants, and the profits which they had received and which had accrued to them since December 12, 1874, from their infringement, together with all damages in excess of such profits sustained by plaintiff and his assignor since that date. Subsequent to the entry of the interlocutory decree, which was opened for that purpose, and pending proceedings before the master, the defendants by leave of the court amended their answer, by alleging that the title to the patent was in the assignee in bankruptcy of one Poinier, who assigned the patent to the plaintiff subsequent to his adjudication in bankruptcy. The bill was also amended by averring that the assignee never accepted title to the patent, but neglected and refused to assert any claim thereto, and that he is now estopped from claiming any title or exercising any dominion over such patent or the invention thereby secured, and is also barred by the provisions of the bankruptcy act requiring suit to be brought within two years after the accruing of any cause of action. In his report, made under the order of the court, the master found that the testimony left no doubt that "at the date of the granting of the patent to Taylor the only known device for accomplishing the results produced by the trunk fastener was the ordinary trunk strap used in conjunction with the simple dowel pin." It seems, therefore, that the profits for which the defendants must account to complainant under the decree of this case are to be found by arriving at the cost of making and applying the strap and dowels, and deducting therefrom the cost of making and applying the infringement trunk fastener manufactured and sold by the defendants.

Figuring upon this basis, the master found that the sum of $11,455.03 had been saved by the defendants by the manufacture and use of 2,500 gross of fasteners admitted to have been made and used by them, over what it would have cost them to have made and applied the straps and dowels necessary and proper to have been used for the same purpose in lieu of such infringing fasteners. No computation was made of damages, for the reason that the testimony showed that the profits allowed by him largely exceeded any actual damage sustained by the plaintiff. Exceptions were filed by both parties to this report; and a final decree was entered, sustaining the exceptions filed by the defendants to the master's report, vacating and setting aside such report, and decreeing nominal damages for the infringement. 21 Fed. 124. Both parties appealed from this decree to this court.

* * *

Mr. Justice Brown, after stating the facts in the foregoing language, delivered the opinion of the court.

1. Defendants attack the title of the plaintiff to this patent upon the ground that Poinier, who bought the patent of Taylor in 1872, and subsequently, in 1878, sold it to Sessions, had prior to such sale, and in September, 1876, been duly adjudicated a bankrupt in the district court of the United States for the district of New Jersey, and an assignee appointed, in whom, it is claimed, the legal title to the patent vested. It seems, however, that Poinier did not include this patent in his schedule of assets, upon the ground, as he said, of its being unproductive property and of no value. Indeed, all that he seems to have done with the patent was to make a lot of trunk fasteners in 1872, which proved to be failures, and which appear to have been the cause of his insolvency. * * *

While, under the provisions of the bankrupt law, the title to this patent undoubtedly passed to the assignee in bankruptcy of Poinier, it passed subject to an election on his part not to accept it, if, in his opinion, it was worthless, or would prove to be burdensome and unprofitable; and he was entitled to a reasonable time to elect whether he would accept it or not. File Co. v. Garrett, 110 U. S. 288, 295, 4 Sup. Ct. 90; Sparhawk v. Yerkes, 142 U. S. 1, 12 Sup. Ct. 104; Amory v. Lawrence, 3 Cliff. 523, 535.

In this case the assignee had taken a year to wind up the estate, and had given no sign of his wish to assume this property, if indeed he knew of its existence. On being asked with reference to it by the proposed purchaser, he replied that the estate was all settled up, that he had no power to do anything in the matter, and that Poinier was the only one who could give a title. A plainer election not to accept can hardly be imagined. Granting that up to that time he had known nothing about the patent, it was his duty to inquire into the matter, if he had any thought of accepting it, and not to mislead the plaintiff's agent by referring him to the bankrupt as the proper person to apply to. Under the circumstances, plaintiff could do nothing but purchase of Poinier. Bearing in mind that no claim to this property is now made by the assignee, but that his alleged title to it is set up by a third person, who confessedly has no interest in it himself, it is entirely clear that the defendants ought not to prevail as against a purchaser who bought it of the bankrupt after the assignee had disclaimed any interest in it.

Had the existence of this patent been concealed by the bankrupt, or the assignee had discovered it subsequently—after his discharge—and desired to take possession of it for the benefit of the estate, it is possible the bankruptcy court might reopen the case, and vacate the discharge for that purpose. Clark v.

Clark, 17 How. 315. But it does not lie in the mouth of an alleged infringer to set up the right of the assignee as against a title from the bankrupt acquired with the consent of such assignee. It is quite evident from the facts stated that this patent, which seems to have been the cause of Poinier's insolvency, was thought to be of little or no value, that the assignee so regarded it, and that its real value was only discovered when the plaintiff had brought to bear upon the manufacture of the device his own skill and enterprise.

[The concluding parts of this case might well have been distributed under preceding headings. They have been retained here to indicate the character of the case as a whole.]

2. Defendants are charged with infringing the third claim of the Taylor patent, which was for a spring fastener, modifications of which are now in almost universal use, as a substitute for the old-fashioned strap and buckle. Upon the hearing in the court below, it was claimed the patent was invalid by reason of the joinder of distinct inventions in the same patent—inventions which, though applicable to the same article, viz., a trunk, do not co-operate in the use of such article. The court below was evidently inclined to this opinion, but permitted the plaintiff to enter a disclaimer of all the claims but the one in suit. Whether these different devices were properly embodied in the same patent or not, we think this was a proper case for a disclaimer, under section 4917. While the language of this section provides for disclaimers "whenever, through inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, a patentee has claimed more than that of which he was the original or first inventor or discoverer," it allows the patentee to "make disclaimer of such parts of the thing patented as he shall not choose to claim or hold by virtue of the patent or assignment, stating therein the extent of his interest in such patent." We think this section broad enough to cover disclaimers made to avoid the effect of having included in the patent more devices than could properly be made the subject of a single patent. The power to disclaim is a beneficial one, and ought not to be denied except where it is resorted to for a fraudulent and deceptive purpose. In Tuck v. Bramhill, 6 Blatchf. 95, a disclaimer was allowed by Mr. Justice Blatchford where two or more inventions were covered by a single claim. In Hailes v. Albany Stove Co., 123 U. S. 582, 587, 8 Sup. Ct. Rep. 262, it was said by Mr. Justice Bradley to be "usually and properly employed for the surrender of a separate claim in a patent, or some other distinct and separable matter, which can be exscinded without mutilating or changing what is left standing.

The only difficulty connected with the question of the dis-

claimer in this case arises from the final sentence of section 4917, that "no such disclaimer shall affect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing it." There is an unfortunate choice of language here which has rendered this sentence very ambiguous and difficult of construction. It was held by Mr. Justice Story in Reed v. Cutter, 1 Story 590, 600, that if the disclaimer were filed during the pendency of the suit the plaintiff would not be entitled to the benefit thereof in that suit —a ruling which had also been made in Wyeth v. Stone, Id. 273, 294. It was held in Tuck v. Bramhill, 6 Blatchf. 95, that the provision meant that a suit pending when a disclaimer is filed is not to be affected by such filing, so as to prevent the plaintiff from recovering in it, unless it appears that the plaintiff unreasonably neglected or delayed to file the disclaimer. And such was also the ruling of Mr. Justice Nelson in Guyon v. Serrell, 1 Blatchf. 244, and in Hall v. Wiles, 2 Blatchf. 194, 198. We think that section 4917 ought to be read in connection with section 4922, providing that the patentee may maintain a suit at law or in equity for the infringement of any part of the thing patented, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer; but, in every such case in which a judgment or decree shall be rendered for the plaintiff, no costs shall be recovered, unless the proper disclaimer has been entered at the patent office before the commencement of the suit. This was practically the construction given to corresponding sections of the act of 1837 by this court in Smith v. Nichols, 21 Wall. 112, and of the Revised Statutes in Dunbar v. Meyers, 94 U. S. 187, 193. Under section 4922 the effect of delaying a disclaimer until after the commencement of the suit goes only to the recovery of costs. We adhere to that construction. Congress, having in the Revised Statutes adopted the language used in the act of 1837, must be considered to have adopted also the construction given by this court to this sentence, and made it a part of the enactment.

3. The essential feature of the Taylor patent consists of a plate attached to the body of the trunk, which contains a socket and hinged catch, and a double-acting spring, whose function is to hold the catch either open or shut, and a tang fastened to the lid, which, as the lid is closed, drops into the socket hole in the catch, which when closed, holds the lid firmly in place. It also acts as a dowel to keep the cover from racking.
* * *

There are none of these patents which contain the peculiar combination of the Taylor device; none which, had Taylor known of them, would have suggested his own invention. While his de-

vice is somewhat crude, as compared with the improved styles of trunk fasteners now in use, it contains the underlying principle of all of them. In short, we find no difficulty in holding that there is patentable novelty in the Taylor fastener, and that it is not anticipated by any of the devices put in evidence. If there were any doubt of this, in view of the fact that Taylor seems to have been the first to invent a practical trunk fastener to take the place of the old-fashioned strap and buckle, and that, improved upon, as it undoubtedly has been, it has completely taken the place of the earlier devices, we should be inclined to resolve this doubt in favor of the patentee.

4. The question of infringement is not so easy, as the Romadka patent, under which the defendants manufacture, approximates more closely to the ordinary form of the spring lock than does the Taylor patent. The difference between the two patents, however, is more in their outward appearance than in their substantial features. Both resemble the spring lock in having a rigid tang with a notch in it to receive a catch actuated by a spring, and in being self-locking, if the catch be closed when the tang enters the socket. Both differ from it in the fact that the device may be unlocked without the aid of a key by a simple motion of the finger, and hence is not designed to protect against unauthorized opening. The essential features of each are the same. Both have a rigid tang attached to the cover of the trunk—in the Taylor patent, with a hole in it; and in the Romadka patent, with a notch to receive the catch. Both have a socket attached to the body of the trunk, containing a hinged catch actuated by a spring which fits into the hole or notch in the tang. In the Taylor patent the catch is held open and shut by a flat spring, and operates at right angles to the plane of the trunk. In the Romadka device the catch is held by a wire spring and is moved sideways or parallel with the plane of the trunk by a slight projection at the side of the socket. Both are identical in principle, operation, and design, though the trunk fasteners now in ordinary use resemble the Taylor more than the Romadka patent. In view of the fact that Taylor was a pioneer in the art of making a practical metallic trunk fastener, and invented a principle which has gone into almost universal use in this country, we think he is entitled to a liberal construction of his claim, and that the Romadka device, containing, as it does, all the elements of his combination, should be held an infringement, though there are superficial dissimilarities in their construction.

5. It only remains to consider the question of damages. Before the invention of these fasteners, straps and buckles were universally used to hold the lid of the trunk fast to the body,

in aid of the lock, and dowels appear to have been in common use to prevent a lateral movement of the lid. Trunks with straps to support the lock were considered imperfect and unserviceable, and the dowels had become a recognized necessity, except where strength and durability were of no consequence. In this connection the master allowed the difference between the cost of trunk fasteners and the straps, buckles, and dowels previously in use for the same purpose; and the court overruled the measure of damages thus adopted, and entered a decree for nominal damages only.

It seems the defendants did not manufacture these fasteners for sale, but did manufacture them for use on the trunks made and sold by them. Obviously, their profits upon the entire trunk would not be a proper measure of damages, since the fasteners were only an inconsiderable part of the trunk, and profits upon the entire article are only allowable where such article is wholly the invention of the patentee, or where its entire value is properly and legally attributable to the patented feature. Seymour v. McCormick, 16 How. 480; Mowry v. Whitney, 14 Wall. 620; Littlefield v. Perry, 21 Wall. 205; Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291. This court has, however, repeatedly held that, in estimating damages in the absence of a royalty, it is proper to consider the savings of the defendant in the use of the patented device over what was known and in general use for the same purpose anterior to the date of the patent. Thus, in Mowry v. Whitney, 14 Wall. 620, 649, it was said by Mr. Justice Strong that "it is the additional advantage the defendant derived from the process—advantage beyond what he had without it—for which he must account." In that case the master reported the difference between the cost of certain car wheels and the price for which they were sold as the profits realized by the defendant; thus charging him the profit obtained from the entire wheel, instead of that resulting from the use of the patentee's invention in a part of the manufacture. It was held not to be a legitimate construction of the findings that the benefit which the defendant derived from the use of the complainant's invention was equal to the aggregate of profits he obtained from the manufacture and sale of the wheels as entireties, after they had been completed, but that the question to be determined was, what advantage did the defendant derive from using the complainant's invention, over what he had in using other processes then open to the public, and adequate to enable him to obtain an equally beneficial result? The same principle was applied in the Case of the Cawood Patent, 94 U. S. 695, 710, in which the defendant made use of an infringing swage block for the purpose of reforming the ends of railroad rails which had become ex-

foliated by wear; and it was held that the gain in mending these rails by the use of the plaintiff's device, compared with the cost of mending on the common anvil, and the saving in fuel and labor, were the proper measure of damages. "They had the choice of repairing them on the common anvil or on the complainant's machine. By selecting the latter, they saved a large part of what they must have expended in the use of the former. To that extent they had a positive advantage, growing out of their invasion of complainant's patent." The subject is also fully considered in the case of Tilghman v. Proctor, 125 U. S. 136, 8 Sup. Ct. 894, in which it was held that the plaintiff may, instead of damages, recover the amount of gains and profits the defendants have made by the use of his invention, over what they would have had in using other means then open to the public, and adequate to enable them to obtain an equally beneficial result. The patent in this case was for a process of manufacturing fat acids and glycerine from fatty bodies by the action of water at a high temperature and pressure. In his report of damages the master found that the complainant derived no profit from the invention otherwise than by granting licenses to others to use the same; but that the defendant had derived large profits and savings by the use of the plaintiff's patented process, which plaintiff sought to recover in the suit. It was held by this court that when a bill in equity is filed by the owner against the infringers of a patent, the plaintiff is entitled to recover the amount of gains and profits the defendant has made by the use of his invention—not those he might reasonably have made, but those which he did make; or, in other words, the fruits of the advantage which he derived from the use of that invention, over what he would have had in using other means then open to the public, and adequate to enable him to obtain an equally beneficial result.

An analogous rule was applied in Williams v. Railroad Co., 18 Blatchf. 181, 185, wherein the patent was for an improvement in locomotive lamps, which enabled the burning of kerosene instead of lard oil in locomotive headlights. The defendant used a number of the patented lamps on its locomotives, and it was held that its profits were the difference between the cost of the kerosene which it burned and the lard oil which it would have had to burn in lieu thereof but for the use of the plaintiff's lamps. "The statute," said Mr. Justice Blatchford (Rev. Stat. § 4921), "expressly gives to the plaintiff, on a recovery in a suit in equity for an infringement, 'the profits' to be accounted for by the defendant. * * * The defendant made its election when it infringed and subjected itself to a suit in equity, and the plaintiff is entitled to the result of the choice he made

of suing in equity and not at law. The plaintiff made his inventions for the purpose of enabling anyone using them to successfully burn kerosene oil in lamps for locomotive headlights, and to obtain the full advantage of its great light-producing capacity. The defendant used them for that purpose and with that result, and must pay the profits or savings made thereby."

We see no reason why this measure of damages should not be applied to this case. The only argument to the contrary is that the instances in which this court has applied this rule are confined to those wherein the defendant has made use of the complainant's invention in the operation and conduct of his business, and that it ought not to be extended to cases in which the defendant manufactures and sells the devices. Without questioning at this time the soundness of this contention, we think this case falls within the former rather than within the latter category. The defendants do not manufacture and sell trunk fasteners as such, but they do make and use them in the business of manufacturing trunks, and the difference between such use of them and the use of the old-fashioned strap and buckle represents their profits. If the defendants manufactured and sold trunk fasteners to be attached to trunks by their vendees, it might be justly claimed that they did not use them; but, if they manufacture them solely to be attached to trunks made and sold by themselves, it is none the less a use of them than if they had used the trunk to which they were attached for their own purposes. If, to put an analogous case, a person made a business of manufacturing and selling steam engines to which he attached a patented lubricator, it could hardly be claimed that he was a manufacturer and seller of lubricators; but he would clearly be liable as a user of them.

In such a case it makes no difference whether their general business has been conducted at a profit or loss, or whether they have derived an additional profit from the sale of trunks equipped with this device over those not so equipped, although the presumption would be, from the saving made by them in the use of this device, that an additional profit upon the sale of the trunks was made, unless it were shown that the use of this device in some way resulted in a diminution of profits upon the entire manufacture. As was said in the Cawood Patent, 94 U. S. 695, 710: "If their general business was unprofitable, it was the less so in consequence of their use of the plaintiff's property. They gained, therefore, to the extent that they saved themselves from loss. In settling an account between a patentee and an infringer of the patent, the question is not what profits the latter has made in his business, or from his manner of conducting it, but what advantage has he derived from his use of the pat-

ented invention?" See, also, Tilghman v. Proctor, 125 U. S. 136, 8 Sup. Ct. 894.

The master apparently computed the profits received by the defendants from the infringement upon the basis of the interlocutory decree referring the case to him to ascertain and report the number of fasteners made and used by the defendants, and the gains, profits, and advantages they received from the infringement, etc.; and as, in the view we have taken of this case, there was nothing inequitable in this measure of damages, we see no reason for disturbing the report of the master in that particular.

6. Further objection is made to a recovery of profits in this case upon the ground of a non-compliance with the requirements of Rev. Stat. § 4900, in failing "to give sufficient notice to the public that the same" (that is, the article) "is patented, either by affixing thereon the word 'Patented,' together with the day and year the patent was granted, or when, from the character of the article, this cannot be done, by fixing to it, or to the package wherein one or more of them is inclosed, a label containing the like notice; and in any suit for infringement, by the party failing so to mark, no damages shall be recovered by the plaintiff except on proof that the defendant was duly notified of the infringement, and continued, after such notice, to make, use, or vend the article so patented." The averment of the bill in this connection is "that great numbers of trunk catches containing and embodying the said invention * * * have been manufactured by your orator and the previous owners of said letters patent, which said catches were marked with the word 'patent,' and with the year and day of the month of the date of said letters patent; that the public generally have acknowledged the validity of said letters-patent, and have generally acquiesced in the right aforesaid of your orator." It appears that the plaintiff did stamp upon the larger sizes the fact and the date of the patent, but that he failed to affix such stamp to the smaller sizes on account of the difficulty of marking them in such way that the mark would be legible when the catches were japanned or tinned. It is not altogether clear that the stamp could not have been made upon the smaller sizes; but, in a doubtful case, something must be left to the judgment of the patentee, who appears in his case to have complied with the alternative provision of the act, in affixing a label to the packages in which the fasteners were shipped and sold. He testified in this connection that, with the two small sizes, it was impracticable to cast the stamp upon the castings, but that he always marked the packages "Patented." The fact that this device was patented could hardly have escaped the notice of Romadka, since the earliest fasteners made under the pat-

ent, which were manufactured and sold by Poinier, were duly stamped, and Romadka had dealt with him, bought bags of him, and said to Sessions that he could have bought the patent for a low price. Although there is an averment in the answer that the defendants have no knowledge or information save from said bill of complaint, whether the catches were marked with the word "Patented," etc., and therefore deny the same, there is no denial of their knowledge that the Taylor device was patented; and in view of the fact that all letters patent are recorded, with their specifications, in the patent office, a record which is notice to all the world, it is not an unreasonable requirement that the defendant, who relies upon a want of knowledge upon his part of the actual existence of the patent, should aver the same in his answer, that the plaintiff may be duly advised of the defense. Rubber Co. v. Goodyear, 9 Wall. 788, 801; Allen v. Deacon, 10 Sawy. 210, 21 Fed. 122.

7. A further point is made that the plaintiff is not entitled to recover for any profits accrued prior to September 12, 1876, when Poinier was adjudicated a bankrupt; that any right of action which he then possessed passed to his assignee, and so long as it remained in his hands, became subject to the statutory limitation of two years, within which, by Rev. Stat. § 5057, the assignee is bound to institute suit. It is insisted that, if he abandoned the claims against third parties for infringement, he abandoned them subject to the limitation of two years within which he was himself obliged to bring suit, and that Poinier himself, and the plaintiff, his assignee, took them subject to that limitation. In this connection the defendant relies upon the case of Kenyon v. Wrisley, 147 Mass. 476, 18 N. E. 227. In this case the assignee abandoned to the bankrupt the right to sue upon a promissory note which he considered worthless, and the plaintiff brought suit upon the same nine years after the adjudication and assignment. It was held that the plaintiff had no right to recover; but the decision was placed upon the express ground that the assignee did not elect to abandon the claim, and did not consent to a suit upon it by the plaintiff until after his right of action was barred by the statute, and it was held that, as the right of suit upon the note was barred while in the hands of the assignee, it was not revived by the election of the assignee to abandon it to the plaintiff. In Gifford v. Helms, 98 U. S. 248, and in Wisner v. Brown, 122 U. S. 214, 7 Sup. Ct. 1156, it was held by this court that purchasers of property from an assignee in bankruptcy could not maintain a suit in equity against third persons claiming adverse interests in such property if, at the time of the purchase from the assignee, his right of action was, under the bankruptcy act, barred by the lapse of time.

In Greene v. Taylor, 132 U. S. 415, 443, 10 Sup. Ct. 138, the court went a step further, and held that if, at the time of the purchase from the assignee, the statute had begun to run against the claim or right in the hands of such assignee, the purchaser took the right subject to the statutory limitation, and to the consequence that when sufficient additional time should have run against it in the hands of the purchaser to make up the entire two years the claim or right would be wholly barred. "No initiation of a new period of limitation, under any statute, begins to run in favor of the purchaser at the time of his purchase, whether the two years wholly elapsed, or only a part thereof elapsed, while the claim was owned by the assignee." We are of opinion, however, that this rule does not apply where the assignee, before the expiration of the statutory time, elects to abandon the property to the bankrupt. In such case the abandonment relates back to the commencement of the proceedings in bankruptcy, and the title stands as if no assignment had been made. Such abandonment is not so much a transfer of an existing interest in the assignee as an election on his part to treat the assignment as having never included that claim. We do not find it necessary to express an opinion whether the same rule would apply if, as held in Kenyon v. Wrisley, the statutory limitation were a bar to an action by the assignee when the abandonment was made.

In the case under consideration, Poinier was adjudicated a bankrupt September 12, 1876, the assignee was appointed October 17, 1876, and the abandonment took place, according to the testimony of Mr. Shepard, early in June, 1878, less than two years from the time the cause of action accrued to the assignee. As Poinier recovered the right to sue infringers by abandonment from the assignee before that right had become barred by the statute in his hands, we think he should be considered as receiving it unaffected by the statute, and that he and the plaintiff, his assignee, were entitled to bring this suit as if the assignment had not been made.

The decree of the court below is therefore reversed, and the case remanded, with directions to enter a decree upon the basis of the master's report.

1067. GARRETSON v. CLARK, 111 U. S. 120, 28 L. ed 371 (1884).* * *

Field, J.:

In this case the court below sustained the plaintiff's patents, adjudged that the defendants were infringers, and directed a reference to a master, to ascertain and report the profits and gains made by the defendants. The master reported that no proof was presented to him that they had made any profit, or that the

plaintiffs had suffered any damages. The court sustained the report, and the decree allowed the plaintiffs only nominal damages. From this decree the appeal is taken. Garretson v. Clark, 15 Blatchf. 70.

The patent was for an improvement in the construction of mop-heads, which may be described, with sufficient accuracy, as an improvement in the method of moving and securing in place the movable jam or clamp of a mop-head. With the exception of this mode of clamping, mop-heads like the plaintiff's had been in use time out of mind. Before the master, the plaintiff proved the cost of his mop-heads, and the price at which they were sold, and claimed the right to recover the difference as his damages. This rule was rejected; and, no other evidence of damages being offered, the master reported as stated. When a patent is for an improvement, and not for an entirely new machine or contrivance, the patentee must show in what particulars his improvement has added to the usefulness of the machine or contrivance. He must separate its results distinctly from those of the other parts, so that the benefits derived from it may be distinctly seen and appreciated. The rule on this head is aptly stated by Mr. Justice Blatchford in the court below: "The patentee," he says, "must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative; or he must show, by equally reliable and satisfactory evidence, that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine, as a marketable article, is properly and legally attributable to the patented feature." The plaintiff complied with neither part of this rule. He produced no evidence to apportion the profits or damages between the improvement constituting the patented feature and the other features of the mop. His evidence went only to show the cost of the whole mop, and the price at which it was sold. And, of course, it could not be pretended that the entire value of the mop-head was attributable to the feature patented. So the whole case ended, the rule was not followed, and the decree is therefore affirmed.

1068. RUDE v. WESTCOTT, 130 U. S. 152, 32 L. ed. 888 (1889).* * *

Mr. Justice Field, after stating the facts as above, delivered the opinion of the court.

The defendants below, appellants here, seek a reversal of the decree of the circuit court upon several grounds, and, among others, these: (1) That the complainants have not established a title in themselves to the patents; and (2) that they have not

proved any damages for the infringement of the claims of the patentee. The first of these grounds rests upon the supposed effect of the assignment executed by the patentee to the complainants on the 6th of October, 1874. The instrument in its words of transfer is amply full and expressive to convey to them his entire interest in and title to not only the patents then issued, but also any renewals or extensions thereof. His language is: "I, the said Hiram Moore, do hereby assign, sell and set over unto the said Charles W. West and John M. Westcott the entire right, title, and interest in and to the letters patent aforesaid, and in and to the invention and improvements represented, shown, or described therein, including any renewal, reissue, or extension thereof, the same to be held and enjoyed by the said West and Westcott, and their legal representatives, as fully and entirely as the same would have been held and enjoyed by me had this assignment and sale not been made, to the full end of any term or terms for which the letters patent aforesaid, or either of them, have been, or hereafter may be, granted, reissued, renewed or extended." Nothing could add to the force of this language. The concluding provision, that the net profits arising from sales, royalties, or settlements, or other source, are to be divided between the parties to the assignment so as to give the patentee one-fourth thereof, does not, in any respect, modify or limit the absolute transfer of title. It is a provision by which the consideration for the transfer is to be paid to the grantor out of the net profits made. It reserves to him no control over the patents or their use or disposal, or any power to interfere with the management of the business growing out of their ownership. The clause appointing the assignees attorneys of the grantor, with authority to use his name whenever they deem proper in such management, does not restrict in any way the power of the assignees after the transfer of the property. It was inserted, perhaps, from overcaution, but it was unnecessary. The assignees were under no obligation to consult him in the management of the property. Their own interests were a sufficient guaranty of a judicious exercise of their power of disposition. The assignment of Westcott to Kinsey and Morris does speak of an interest possessed by him in the patent, but it explains what that interest is, viz., one-half part of the net profits from the patents, arising from sales, royalties, or settlements, or other source, and it refers to the original assignment of the patentee to West and Westcott. It follows that the contention of the defendants that the complainants have not established their title to the patents is not sustained. The complainants do not hold the property as trustees for the benefit of the patentee; they are only trustees

for him of one-fourth of the profits which may be received by them. Tilghman v. Proctor, 125 U. S. 136, 143, 8 Sup. Ct. 894.

The second ground of the appellants is, we think, well taken. The master reported in his first report that the complainants waived all claim for profits arising from the manufacture, use and sale of the patented machines, and relied upon the proofs as establishing such a fixed royalty or license fee as would furnish a criterion by which to estimate complainants' damages; and, proceeding upon that view, he found from two instances, and perhaps a third instance, in which a specified sum had been paid for the use of the machines, or for the privilege of making and selling them, that the complainants had suffered damages on each one-horse machine used by the defendants of one dollar, and on each two-horse machine used by them of two dollars. One of the instances relied upon was that of the Wayne Agricultural Company, which had paid the sums named for the use of the machines for four years. It is not clear when the payment was made, but it would seem that it was made in part under a threat of suit, and in part as the result of an arbitraton after litigation on the subject had been commenced, and to avoid future litigation. It is clear that a payment of any sum in settlement of a claim for an alleged infringement cannot be taken as a standard to measure the value of the improvements patented, in determining the damages sustained by the owners of the patent in other cases of infringement. Many considerations other than the value of the improvements patented may induce the payment in such cases. The avoidance of the risk and expense of litigation will always be a potential motive for a settlement. The second instance relied upon is that of a corporation by the name of P. P. Mast & Co., which had obtained a license to manufacture grain drills and seeders at Springfield, Ohio, and to sell the same within the United States, upon an agreement to pay one dollar for every one-horse drill or seeder and two dollars for every two-horse drill, provided that if the fee were paid upon the days designated for semi-annual returns, or within ten days thereafter, a reduction of 50 per cent. should be made from the fee. The corporation soon afterwards changed its feeding device, and thus did not infringe, and it settled for a portion of the fees; but it does not appear what they were. It is plain, without regard to the settlement had, that an agreement of this kind, where the charge may be fixed at the pleasure of the owner of the patent, cannot be received as evidence of the value of the improvements patented so as to bind others having no such agreement. The third instance is that of an alleged license to English & Over. The complainant Westcott testifies that they continued to pay as long as they were in partnership; but how

much, or how long that partnership continued, does not appear. And Mr. Over, a member of that firm, does not recollect that it ever took a license. Westcott also testifies that no other persons or corporations than those mentioned ever took any licenses from them under the patents sued upon.

It is undoubtedly true that where there has been such a number of sales by a patentee of licenses to make, use and sell his patents as to establish a regular price for a license, that price may be taken as a measure of damages against infringers. That rule was established in Seymour v. McCormick, 16 How. 480, and affirmed in Corporation v. Ransom, 23 How. 487; Packet Co. v. Sickles, 19 Wall. 611, 617; Birdsall v. Coolidge, 93 U. S. 64; and Root v. Railway Co., 105 U. S. 189, 197. Sales of licenses, made at periods years apart, will not establish any rule on the subject and determine the value of the patent. Like sales of ordinary goods, they must be common, that is, of frequent occurrence, to establish such a market price for the article that it may be assumed to express, with reference to all similar articles, their salable value at the place designated. In order that a royalty may be accepted as a measure of damages against an infringer, who is a stranger to the license establishing it, it must be paid or secured before the infringement complained of; it must be paid by such a number of persons as to indicate a general acquiescence in its reasonableness by those who have occasion to use the invention; and it must be uniform at the places where the licenses are issued. Tested by these conditions, the sums paid in the instances mentioned, upon which the master relied, cannot be regarded as evidence of the value to the defendants of the invention patented. The court below so treated them, and held that without further evidence the complainants would be entitled only to nominal damages, and remanded the case to the master to take further evidence. He did so, but in his second report he stated that the additional evidence did not strengthen the proofs previously made in support of the claim that complainants had established a license fee or royalty which furnished a criterion by which to estimate the damages. He therefore proceeded to estimate the value of the claim or combination patented to the defendants, who had used it in violation of the complainant's rights, and for that purpose took the opinions of different persons on the subject. Of the witnesses produced by the complainants, it does not appear that any ever manufactured or used the patented machines. One of the principal witnesses stated that he had never read the patent, had never seen a drill made like that described, had no experience in the matter of licenses, and that he placed his estimate of the value of the claim patented at what he considered would be a fair recom-

pense to the inventor. The estimates of all the witnesses of the complainants were merely conjectural; that is, were made without having knowledge of any saving secured either in the cost of the machine or in the labor required for its use, they simply stating that they considered that the amounts named by them would be a reasonable and fair royalty or license fee for the patented drill. Naturally estimates founded upon supposed but not known benefits were widely apart, varying from three to six dollars for a two-horse drill, and half those sums for a single-horse drill. On the other hand, witnesses produced by the defendants, who had examined, and some of whom had used, the patented drills, stated that they did not consider them of any more utility than other seeding drills in use, and that they did not bring any greater price in the market. The master does not appear to have given weight to the judgment of any of the witnesses, but concluded, though by what process of reasoning is not perceived, that 75 cents on each one-horse drill, and double that sum on each two-horse drill, would be the proper amount to allow; and as he had found, though upon testimony equally loose and insufficient, that there were 1,000 one-horse drills, and an equal number of two-horse drills, he reported that the complainants were entitled to $2,250 as damages. The court was not satisfied with his conclusion, and, without stating the ground of its action, ordered the amount to be reduced to $1,800, as damages which the plaintiff should recover, besides costs, and $1.50 fee for the master, sustaining the exceptions to the report so far as it was inconsistent with that decree, and in other respects overruling them.

The action of the court is subject to the same objection as the report of the master. The ruling that a royalty was established, as made in the first report, had been repudiated by it, and no evidence of the value of the invention to the defendants was adduced except the conjectural estimates stated; and they furnished no satisfactory basis for any damages, much less data which authorized the specific finding made as to the damages for each drill used. Opinions not founded on knowledge were of no value. Conclusions from such opinions were at best mere guesses. By the decision rendered a settled rule of law was violated, that actual, not speculative, damages must be shown, and by clear and definite proof, to warrant a recovery for the infringement of a patent. As was said long ago by this court: "Actual damages must be calculated, not imagined, and an arithmetical calculation cannot be made without certain data on which to make it." Corporation v. Ransom, 23 How. 487, 488. There was no question in this case of damages arising from lost sales, or injurious competition, for no machines had been manu-

factured and put on the market by the patentee, or by the complainants, his assignees. No legal ground being shown for the recovery of specific damages for the alleged infringement of the patents, the decree must be reversed, and the cause remanded, with directions to enter a decree for the complainants for nominal damages; and it is so ordered.

1069. McCREARY v. PENNSYLVANIA CANAL CO., 141 U. S. 459, 35 L. ed. 817 (1891).* * *

Bill in equity by John McCreary against the Pennsylvania Canal Company. There was a decree for plaintiff, on a master's report, for costs only, from which he appeals. Judgment affirmed.

Statement by Brown, J.:

This was a bill in equity for the infringement of letters-patent No. 129,844, issued July 23, 1872, and reissued as No. 5,630, October 28, 1873, to the appellant John McCreary for an "improvment in coupling and steering apparatus." * * *

Brown, J.:

About three months prior to the patent in suit, and on April 16, 1872, another patent, numbered 125,684, was issued to Elijah and John McCreary for "an improvement in steering devices for canal-boats," etc., which covered a similar coupling together of boats, barges, and scows by means of a vertical groove formed in the overhanging stern guard or bumper of the forward boat, which groove was entered by the cut-water of the rear boat, a chain being used for connecting the boats, which chain was so connected with a train of gear-wheels placed in the rear boat as to enable both boats to be steered by means of a windlass. * * *

One of the main difficulties in the assessment of damages in this case arises from the fact that the two patents, the first one of which is not included in this bill, describe a system of coupling together two boats by means of chains and a centering device much the same, differing from each other only in two particulars. * * *

The master found, however, in this connection, that complainant was not entitled, upon the proofs, to recover from the defendant as its profits from the use of his "improvement" the entire savings in freight accruing from the shipping of coal in the infringing coupled boats in place of single boats, but was restricted to such as were attributable solely to the improvement.

There is no doubt of the general principle that in estimating the profits the defendant has made by the use of the plaintiff's device, where such device is a mere improvement upon what was known before, and was open to the defendant to use, the

plaintiff is limited to such profits as have arisen from the use of the improvement over what the defendant might have made by the use of that or other devices without such improvements. This is a familiar doctrine, announced by this court in a number of cases. Seymour v. McCormick, 16 How. 480; Mowry v. Whitney, 14 Wall. 620; Littlefield v. Perry, 21 Wall. 205; Elizabeth v. Pavement Co., 97 U. S. 126; Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291.

The important question in this connection is whether, in considering what was already known, and open to the defendant to use, we are to include the device shown in patent numbered 125,684, issued to Elijah and John McCreary about three months before the patent in suit. There were other methods of connecting vessels in train, such as were disclosed in the British patent to Taylor of 1846; the British patent to Bourne of 1857; the patent to McCreary of 1860, constructed and put into use upon a coupled boat called "The Experiment;" the British patent to Bartholomew of 1862; and the American patent to Stackpole of 1866; but none of these seem to have been adapted to defendant's use with any advantage over single boats, because, as the master found, "their construction was such that a rudder could not be applied to the forward boat." He found, further, that "these prior boats were in other respects inferior to the machines of complainant's patent, but their fatal defect for defendant's purposes was this inability to apply a rudder to the forward boat, which was therefore unmanageable when separated from its mate."

There is nothing, however, to show that the device described in the patent of April 16, 1872, to the McCrearys was not an operative device, and, if it were open to the defendant to use, the plaintiff, in this action, would be limited in his recovery to the profits which the defendant made by the use of the improvement described in the second patent over the device shown in the earlier patent. This improvement, as before stated, consisted principally in substituting for the projecting cut-water and notch described in the earlier patent a chain attached at both ends to one boat, and at its center to a central point upon the adjacent end of the other boat. No attempt was made to distinguish or separate the profits arising from this improvement, the testimony being directed only to showing the profits defendant made by the use of coupled boats in the place of single boats. There was evidence tending strongly to show that the transportation of coal in double boats was more economically effected than in single boats, but none that the second patent was superior to the first. Indeed, the plaintiff admitted in his argument that the patent of April 16th described a plan of coupling and steering

very little inferior to that described in the patent sued upon, and that, if defendant had pirated that invention instead of this, the same result in profits or savings would have been realized. Plaintiff, however, contended in this connection that in determining the state of the art, or what was open to the defendant to use, the invention disclosed in the earlier patent to the McCrearys should not have been considered, as this patent was also owned by John McCreary, the plaintiff, by assignment of Elijah's interest to him before the reissue sued upon was granted; and hence that defendant had no more right to use this invention than the other. Had this earlier patent also been made the basis of suit in this case, this position would have been impregnable; but the question here is not whether the defendant had in fact *the right to use this patent, but* whether, so far as this particular case is concerned, it had not that right. To hold that it had not is to assume that the plaintiff owned the earlier patent, that it was a valid patent, and that defendant had infringed it. This was a question that could not be raised upon an assessment of damages in this case. It is true, the plaintiff claims to be the sole owner of this patent, that it described an invention both novel and useful, and that defendant had appropriated this device as well as the one set forth in the patent in suit; but these were issues which could only be determined upon a bill framed for this purpose, and could not be made the subject of contest in a collateral proceeding. For the purposes of this suit the master was bound to assume that this patent was open to the defendant, otherwise he might be led into inquiries entirely foreign to the subject of his investigation. * * *

The case of Seymour v. McCormick, 16 How. 480, while not exactly in point, is somewhat analogous to the one under consideration. This was an action at common law to recover damages for the infringement of certain improvements in reaping-machines. There were three patents issued, in 1834, 1845, and 1847. The earliest of these patents had expired. The first count charged an infringement of the patent of 1845; the second that of 1847. The plaintiff, to avoid delay, consented to go to trial on the second count only, which was for an improvement upon prior patents, consisting chiefly in giving to the raker of the grain a convenient seat upon the machine. The court permitted the jury to assess the damages as for the infringement of the entire machine, defendant insisting that he was liable only for the damages occasioned by the infringement of the improvement; in other words, that the plaintiff had the right to recover as great damages for the infringement of the patent set forth in the second count, as if he had proceeded upon both counts and shown infringement of all the patents claimed. The case was

removed to this court by writ of error, and the plaintiff in error argued that for the purposes of that suit the defendant had a perfectly lawful right to use the machine described in the patent of 1834 (which had, in fact, become public property), and the improvements in the patent of 1845, and a large portion of those included in that of 1847. These covered the whole of the improved reaper, except what related to the seat, and its combination with the reel. He further claimed that, as the plaintiff had decided not to proceed on his patent of 1845, that was, in effect, public property; that by waiving any right to proceed upon the first claim of his patent of 1847 he had limited himself to the seat, combined with the reel, and that the ruling of the court allowed the plaintiff damages to as great an extent as if the trial had been in a suit upon the old patents of 1834 and 1845, and upon the first claim of that of 1847 as well as the second, and was therefore erroneous. It seems that the defendant ought to attack the validity of the patent of 1845, but the evidence was ruled out; still the plaintiff was allowed to recover for the profits of the part of the machine covered by this patent, as if it had been included in the patent of 1847. This court adopted the reasoning of the plaintiff in error, reversed the judgment of the court below, and held that the plaintiff should be limited in his recovery to the damages occasioned by the infringement of the second claim of the patent of 1847. "The jury," said Mr. Justice Grier in the opinion of the court, "gave a verdict for nearly double the amount demanded for the use of three several patents, in a suit where the defendant was charged with violating one only, and that for an improvement of small importance when compared with the whole machine."

If plaintiff be unable to recover damages for the infringement of a patent originally included in a suit, but upon which he elects not to proceed, it is difficult to see how he can recover for the infringement of one not made the basis of any action at all. It is true that the combination of the earlier patent in this case is substantially contained in the later. If it be identical with it, or only a colorable variation from it, the second patent would be void, as a patentee cannot take out two patents for the same invention. James v. Campbell, 104 U. S. 356. If it be for a different device, then plaintiff could not recover damages for its infringement without making it the basis of suit.

We think, therefore, that for the purposes of this suit the earlier patent must be deemed open to the defendant, and no damages having been proved for the infringement of the improvement under the later patent, considered separately, the finding of the court below was correct.

We do not wish to be understood as expressing an opinion

whether, if there had been an earlier patent for coupling vessels outstanding at the date of this infringement, and owned by a third person, defendant could claim that the device described in such patent was open to it. In such case it might, perhaps, be held that the plaintiff was entitled to stand upon the prima facie validity of the earlier patent, and that presumptively the defendant would be bound to pay a royalty to the patentee, and, having elected to make use of the plaintiff's invention, would be bound to pay a like royalty to him. This question, however, is not presented in the case under consideration.

The decree of the court below must be affirmed.

Bradley and Gray, JJ., were not present at the argument, and took no part in the decision of this case.

1070. YESBERA v. HARDESTY MFG. CO., 166 Fed. 120, 92 C. C. A. 46 (1908, Sixth Circuit).* * *

Before Lurton, Severens, and Richards, Circuit Judges.

Severens, Circuit Judge:

These are cross-appeals taken from the final decree of the Circuit Court in a patent case which has been twice before this court, first on appeal from a decree dismissing the bill on demurrer, upon the ground that the patent was invalid, 111 Fed. 386, 49 C. C. A. 397, when the decree was reversed, and again on appeal from a decree dismissing the bill at the hearing on pleadings and proofs on the same ground as before, 133 Fed. 916, 67 C. C. A. 210, when the patent was held valid and the decree reversed. The cause was remanded with directions to enter a decree for the complainant, and an ascertainment of the profits and damages to which the complainant was held entitled in consequence of the infringement of which the defendant was adjudged guilty. The decree which we ordered was entered, and a reference to the master to take an account of profits and damages was included in the decree. The result of the reference was a report from the master filed May 28, 1907, and a supplemental and final report filed June 7, 1907, from which it appears that the master found the complainant entitled to recover profits in the amount of $2,673.42, but nothing for damages. Exceptions to the report were taken by each of the parties, all of which were overruled by the court, as was also a motion made by the complainant, upon the provision of the statute in that regard, for an increase of the sum which should be found due by the court for damages. A decree was passed conforming to the master's report. The complainant's contentions are, in substance, that the court below erred in that it did not decree an adequate sum for profits; that the court erred in allowing an excessive commission to defendant's agents for making sales; and that the court erred

in now allowing the complainant substantial damages, and in not awarding an increase thereof. The defendant complains that the court allowed any profits whatever to be recovered. The contention of the defendant is related to that of the complainant that the allowance for profits was too small; and they make but one topic.

By the order of reference, the defendant, his attorneys, agents, clerks, etc., were directed to attend before the master, and to produce before him such account or business books, papers, vouchers, and documents as the master should require. It appears from the master's report that upon the opening of the proceedings before him the master, on motion of counsel for the complainant, ordered the defendant to produce the books and papers mentioned in the court's order. The order not being complied with, a subpoena duces tecum issued directed to the defendant requiring him to appear forthwith and bring with him "all books, papers, and cards and written records then existing, involving in any wise automatic stools made and sold in infringement of the complainant's patent." The defendant did not appear, but instead his bookkeeper came, and produced a package of account cards, and a statement of sales, all relating to sales made during the first ten months of 1904; and he testified that these were all the records they had of the infringing sales, and that they could find no records going back of 1904. The infringement complained of extended from the year 1898 to the end of 1904. This suit was begun on April 12, 1899. And, there being no restraining order against him, the defendant continued the business until the final decree was pronounced by this court sustaining the patent. Notwithstanding the representations made and sworn to by the defendant and his bookkeeper that the account cards produced as above showed all the sales made during the ten months of 1904, and that they amounted to only 565 stools, the complainant's counsel was able from these and other sources to prove that during that year there had been actual sales to the number of 1,171, and the master so finds, adding that "there may have been a much greater number of such stools made and sold in 1904 and each of the preceding years, but, on account of the nonproduction of the books and accounts of defendant or other satisfactory evidence, no accurate statement can be made by the master." It is evident that the master believed, what no one else could help believing, that the defendant's books, if produced, would prove what number of stools the defendant had sold, or that, if no record of any kind had been kept, it must have been for the purpose of concealment and making the proof of the extent of the infringement difficult, if not impossible. It was shown by those in the employment of the defendant, among them a bookkeeper,

that books had been kept, but were lost or had been destroyed; but no one testifies how or when they could have been lost or destroyed. The guarded and vague replies of the defendant and his bookkeeper to questions put to them in regard to the books and records kept in the business must have been unsatisfactory to the master, for though in his first report he was charitable enough to say that he was not disposed to charge them with dishonesty, yet in his final report he says:

"Since the filing of my draft report, I have reread all the testimony and reconsidered it. At the time I filed the report, I was desirous of arriving at a conclusion that would not reflect upon the honesty and integrity of witnesses, but I am now forced to the conclusion that the books, cards, and records that would be the best evidence of the number of automatic stools sold and the prices received have been willfully withheld. Mr. Ellsworth, the bookkeeper, protests that he does not know of any destruction of such evidence, and very adroitly avoids an opinion as to the whereabouts of the books; but I am convinced, and so find, that if he does not know where these documents are, he knows the name of the person who does know, and that their production was possible at any time during the inquest as to profits, if Mr. Yesbera had so ordered."

And if the books had not been lost or destroyed, in proof of which there was nothing but the vague suggestions of these witnesses, no one who reads this record could fail to agree with the master in his final conclusion. The master's report of the proceeding before him fills 230 or more pages of the printed record, and shows a long but unavailing endeavor to elicit from the defendant the proof which would have made it easily possible for the master to make a right and just report upon the subject of the reference. It may be that more stringent measures might have been taken to enforce the order of the court, if, as the master believed, the defendant had the control of the missing books and records. But the defendant can not complain of that. His failure or refusal to produce the most satisfactory evidence leaves his case exposed to the presumption that if produced it would tell against him, and compels the court to rely on the less definite and certain evidence which the record may supply. This is a rule by which the courts are governed. If they fail to observe it, the rights of parties may utterly fail of protection.

Authority for these views is found in many decisions. In Rubber Company v. Goodyear, 9 Wall. 788, 19 L. ed. 566, the manner of doing business by the infringer is described by the court at 9 Wall. 802, 19 L. ed. 570, where it is said:

"The Providence Company manufactured articles covered and not covered by the patent in question. No separate account was

kept as to their respective cost and profit. The business as to both was so intermingled and confused that approximate results only were possible; and these were attainable by but one process."

And the process approved was based upon the assumption that the profits on the patented articles were the same as those on the unpatented articles. There was no proof that they were exactly the same, but that afforded the best basis for an approximation that could be found in the record. Then (9 Wall. 803, 19 L. ed. 571) the court, by Mr. Justice Swayne, referring to the defendant's contention that there should be a deduction of the profits on unpatented articles, said:

"He (the master) refused to allow the profits due to elements not patented which entered into the composition of the patented articles. There may be cases in which such an allowance would be proper. This is not one of them. The manner in which the books of the Providence Company were kept renders such an account impossible as to the business done in their name. The conduct of the defendants in this respect has not been such as to commend them to the favor of a court of equity. Under the circumstances, every doubt and difficulty should be resolved against them. The allowance was properly denied"—citing Lupton v. White, 15 Ves. 432, and other cases.

Lupton v. White was also cited as one of the authorities on which Chancellor Kent affirmed the same principle in Hart v. Ten Eyck, 2 Johns. Ch. 62, 108. We have applied it to cases of accounting for profits in patent infringements in which there had been inequitable conduct in the management of the infringer's business or in withholding the evidence in his control which would most certainly prove the extent of his infringement. P. P. Mast & Co. v. Superior Drill Co., 154 Fed. 45, 57, 83 C. C. A. 157; Brennan & Co. v. Dowagiac Mfg. Co. (C. C. A.) 162 Fed. 472; Dowagiac Mfg. Co. v. Superior Drill Co. (C. C. A.) 162 Fed. 479. To the same point is Wales v. Waterbury, 101 Fed. 126, 41 C. C. A. 250. of the second circuit, a patent case. Other cases decided upon the same principle are cited in Brennan & Co. v. Dowagiac Mfg. Co., supra.

Of course if, in the absence of the better proof, there is still nothing of substance left on which the court can lay hold, there is no help, and the plaintiff must endure his loss. In the present case, however, there was evidence from which the number of stools sold and the profits made could be estimated with a degree of probability which would approximate the true amounts, and, if the master had fixed upon some seemingly safe minimum, there would have been some approach to justice, and really more indulgence to the defendant than he was entitled to have. Mr. Milner,

the former president of the complainant, testified that about April 1, 1899, he was in the office of the defendant, and the bookkeeper showed him the order book, indicating the number of stools then sold since August, 1898, when the defendant commenced the business, and found it to be between 6,000 and 7,000. This would indicate a rate of at least 9,000 per annum. There was evidence tending to show that the number of sales made was increasing rather than diminishing during the continuance of the infringement, which was more than five years. Three employes of the defendant who had been engaged, two of them at least, nearly the whole time of the infringement, in the manufacture of these stools, testified that they could give an approximate estimate of the number which passed through their hands, and the number given by one of these two witnesses for five years was 31,768, and that by the other for five years and three months was 32,134. A third witness worked about half the time, and was engaged in finishing and striping the stools; and his estimate of those passing through his hands for this half the time was 15,557. In the circumstances it would seem that this was the only available testimony which the complaint could supply. Counsel for defendant denounces it as wild, reckless, and altogether unreliable proof, hardly worth considering. But the defendant could have easily refuted it by producing his books if he had been so minded, and these the complainant was ready to accept. We think the master erred in declining to regard the testimony which the complainant adduced in regard to the extent of the sales. It seems to us the kind of evidence which the rule accepts, where the better evidence is suppressed or destroyed by the defendant. There was sufficient evidence of the cost of production and making sales, and of the prices at which they were sold.

Counsel for defendant states that he "has felt that the presence or absence of defendant's records was immaterial until such time as the complainant had, under the well-settled rules in cases of this character, produced some evidence as to whether it was entitled to recover anything at all." But this opinion, whatever might be its effect upon the recovery of punitive damages, could not relieve the party from his obligation to comply with the order of the court to produce his books or lessen the effect of his withholding the best evidence upon the right of the other party to produce the best obtainable. The view of counsel above expressed seems to have been entertained throughout, and perhaps the defendant's conduct may be in part explained by it. While we do not doubt its sincerity, we are bound to say that we think it an entirely erroneous opinion.

Counsel relies upon the case of Garretson v. Clark, 111 U. S.

120, 4 Sup. Ct. 291, 28 L. ed. 371, to support the conclusion which he states as follows:

"The action of the court in rendering judgment against defendant for any amount whatever, in the total absence of any evidence even tending to show that the defendant has made any profits growing out of his use of the patented invention, as distinguished from that part of the device which belonged to the public, was clearly erroneous and should be reversed."

The unanimity with which infringers seek the shelter of that case is something remarkable. But it is a misconception to suppose that it has any application to a case like this, as must be seen upon a due consideration of it. It was a case founded on patents for improvements "in the method of moving and securing in place the movable jaw or clamp of a mop-head," as Mr. Justice Field puts it. To be more precise, it was for the provision of a nut to be connected with the collar if the movable clamp and adapted to move up or down on the threaded shank of the handle. And, as the learned justice says, "with the exception of this mode of clamping, mop-heads like the plaintiff's had been in use time out of mind." Then he proceeds to state the rule so often cited:

"When a patent is for an improvement, and not for an entirely new machine or contrivance, the patentee must show in what particulars his improvement has added to the usefulness of the machine or contrivance. He must separate its results distinctly from those of the other parts, so that the benefits derived from it may be distinctly seen and appreciated. The rule on this head is aptly stated by Mr. Justice Blatchford in the court below: 'The patentee,' he says, 'must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative; or he must show, by equally reliable and satisfactory evidence, that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine, as a marketable article, is properly and legally attributable to the patented feature.'"

Thus it is seen that what he is speaking of is a patent for an improvement, and not of an entirely new machine or contrivance, and its application to the latter is further excluded when he speaks of the apportionment "between the patented feature and the unpatented features." Now when we remember that there are two classes of patents, one for simple elements, and another for combinations of elements, and the distinguishing characteristics of the two classes, it is readily seen how impossible it is to apply this language to the other class of patents than those of the class specified. In a combination patent there are no un-

patented features in the sense that they are separable from patented ones, and no one of the elements is patented. They may all be old and not patentable at all unless there is some new combination of them. The point to be emphasized is that the law looks not at the elements or factors of an invented combination as a subject for a patent, but only to the combination itself as a unit distinct from its parts, and in such case there could be no comparison of patented and unpatented parts.

On the other hand, an improvement presupposes something already existing and which would remain if the improvement were to be taken off. In such a case there would be little difficulty in finding the value of the former structure, if it had any, and comparing it with the improvement added; and of course the difference would be the value of the improvement. Such a case was Garretson v. Clark. Another good illustration is the case of the harvester improved by the driver's seat, in Seymour v. McCormick, 16 How. 480, 14 L. ed. 1024, to which we referred in a former discussion of this subject. By parity of reasoning, if the combination were in itself but part of the structure in which it is located, the question would be upon a comparison of the value of the other parts witout the patented combination and the value of all the parts assembled in a structure. This distinction was referred to by us in the case of Brennan & Co. v. Dowagiac Mfg. Co. (C. C. A.) 162 Fed. 475. But it was not new. It was distinctly implied, if not expressed in Garretson v. Clark. It had been made the basis of decision by Judge Wheeler in Ruggles v. Eddy, 2 Ban. & A. 627, Fed. Cas. No. 12,116; by Judge Shipman in Zane v. Peck (C. C.) 13 Fed. 475, distinguishing Garretson v. Clark; by Judge Colt in Fifield v. Whittemore (C. C.) 33 Fed. 835, and by Judge Wales in Creamer v. Bowers (C. C.) 35 Fed. 206. It seems to us that this distinction would, if attended to go, go far toward relieving the embarrassment which has sometimes been encountered from the assumption that the rule laid down in Garretson v. Clark applies to the infringement of patents of all descriptions.

In the case at bar, the object of the invention was to provide a seat in front of the counter, which, when not in use by customers, would automatically rise up to the counter in front of it, and which could be easily moved back to its place by the hand when wanted for use; and it was patented as for a combination of all the parts of a counterseat assembled in the manner described in the specifications and claims. And the master was right in so construing our former opinion in this case. And it follows that all discussion founded upon the idea that Milner's invention consisted merely of the provision of the spring D and the rest "d" is without profit and misleading. It is true that we said in the opin-

ion, reported in A. R. Milner Seating Co. v. Yesbera, 133 Fed. 916, 67 C. C. A. 210, that "the controversy in respect to the validity of the patent seems to be narrowed to the provision, and particularly to the location of the spring D and the rest 'd'." And so it was. But the novelty of every combination must depend in large measure upon the novelty of the elements of which it is made up and each is, and must be, a co-operating element whose characteristics affect the other associated elements. A new element makes a new whole, and it was for the purpose of demonstrating the novelty of the stool that the observation cited was made. And the pointing out of the particular novel feature of one or more of the factors should not have misled any one into the supposition that we regarded the invention as one consisting wholly of these features, and that only those were infringed and to be considered in the estimate of damages or profits.

We think the cross-appeal of the defendant below should be dismissed with costs, and that on the appeal of the complainant the decree of the court below should be reversed and the cause remanded, with costs to the complainant. It remains to be determined what judgment should be directed to be entered in the court below. From the testimony of the defendant's employes in regard to the sales during the last five years of the infringement, and the testimony of Milner in regard to the period prior thereto, and the findings of the master in regard to the comparative number of sales in each of the several years, we conclude that a reasonably safe estimate of the number of sales made by the defendant during the whole period would be that there were at least 36,000. The master finds that the profits amounted to 36 cents on each stool. From the evidence we judge that justice was much tempered by this finding; but we shall let it pass, because of the latitude which the law accords to the master in respect to findings of fact. The result is that the complainant is entitled to recover as profits the sum of $12,960, to which is to be added a sum resulting from the correction of an error next to be considered.

The complainant urges that, whereas the master allowed 33 1-3 per cent. for agent's commissions on sales, the testimony fairly showed that not more than 25 per cent. was actually paid. The testimony upon this subject was the oral evidence of the defendant himself, who left his books behind. His testimony, first and last, ranged from 15 per cent. to 33 1-3. We can not help thinking that, in the circumstances of this case, the master can not be justified in this finding by the rule before adverted to. The allowance was excessive and must be reduced. We agree with the contention of counsel for the complainant that not more than 25 per cent. should have been allowed. The result of this reduc-

tion of expenses would be to increase the profits by 8 1-3 per cent. of the price for which the stools were sold. It is fair to assume that the expense of selling, if otherwise than on commission, would be about the same as if by agents so paid. Ordinary business economies would indicate this. From the findings of the master we conclude that the sale price was about $1.70, of which 8 1-3 per cent. is 14.25 cents. This, multiplied by the number of stools sold, amounts to $5,130. The sum of these totals, $12,960 and $5,130, is $18,090.

Then as to the subject of damages. The master found that none were proved. The foundation of the claim in that regard is that the complainant's selling price was $2 for each stool of the common size, and about $2.25 for the larger. To the extent of a price of $1.70, the complainant has already been compensated in profits. It might probably be conceded that the plaintiff could have made and sold the stools which the defendant made and sold. But it does not follow that it could have sold them at the price of $2 and $2.25. We can not assume that the price would have made no difference to purchasers, nor can we assume that any definite number of the purchasers would have bought at the complainant's prices. And with respect to the complainant's contention that it was compelled to sell its own stools at a lower price by the defendant's competition, how can we know from anything appearing in this record that it could have sold them at a higher price than the defendant did, or how much concession below that it was obliged to make in order to sell its own? Let it be assumed that the complainant could have made and sold the same stools as the defendant did and at the same price, for, as we have said, we can not assume that it could have sold them for more. What has the plaintiff lost? The master has found what the cost of production was, and he has done this, not upon proof of the actual cost to the defendant, but upon the basis of reasonable or probable cost, and this he must have done with due regard to the defendant's facilities, and these are not shown to have been inferior to those of the complainant. And this is the basis upon which the master estimated the profits, and we have allowed them. It is easy enough to state theoretically what should be allowed as profits and what as damages, but in many cases it is practically a difficult matter to draw the line between them, and the present is one of such cases. The law certainly does not permit the duplicating the same elements of damages (we use that term in its generic sense) upon both grounds for recovery, and, when they have been allowed upon one ground, the court should be careful to see that they are not given upon the other. In fine, we are not able to construct out of the material in this case an independent ground on which a recovery for damages can

be based. If there had been no award of profits, we should have found less difficulty in respect to damages. Since the statute permits only an increase of the damages found, and not of profits, it follows that the complainant's motion in that regard falls to the ground.

The decree must be reversed, with costs, and the cause remanded with direction to enter a decree for the complainant in the sum of $18,090, with interest from the date of the filing of the master's final report.

1071. BRENNAN v. DOWAGIAC MFG. CO., 162 Fed. 472, 89 C. C. A. 392 (1908, Sixth Circuit).* * *

Before Lurton, Severens, and Richards, Circuit Judges.

Severens, Circuit Judge:

This case comes here on an appeal and a cross-appeal from a decree rendered by the court below on an accounting for profits and damages sustained by the plaintiff, the appellant in the second of the above entitlings, resulting from the infringement of letters-patent No. 446,230, granted to Hoyt February 10, 1891. The patent was sustained in respect to the claims relied upon by this court at the original hearing in 1903 (127 Fed. 143, 62 C. C. A. 257, reaffirming a like decision made in the case of Same Plaintiff v. McSherry Mfg. Co., 101 Fed. 716, 41 C. C. A. 627). We expressed the opinion that the patent embodied a highly meritorious invention, and, finding that the defendant had infringed it, decreed accordingly and remanded the cause for an accounting for the profits and damages accruing from the infringement, which appeared to have been going on for several years. The court below, on entering the decree directed by this court, ordered a reference to the master to take proofs and report in the matter of profits and damages. The proceedings before the master were very much protracted, and a large volume of evidence taken, much of which the court below thought was useless; all which, to counsel, seemingly had some bearing upon the subject, was brought in. The result is that the master has reported, and the court has decreed, that the plaintiff is not entitled to recover anything beyond nominal damages. This seems an untoward ending of an apparently good cause. Congress has exercised much solicitude in securing to patentees the reward which it bestows for useful inventions. It has awarded a remedy for the profits made by an infringer, as well as the damages sustained by the patentee; and it has further provided that, in cases where the court thinks the facts warrant it, the actual damages may be increased to the extent of threefold. Rev. Stat. §§4919, 4921 (U S. Comp. St. 1901, pp. 3394, 3395); Walker on Patents (4th Ed.) § 468.

The question we have to consider is whether the result is such as the law and the circumstances require. The master made an elaborate report, especially in regard to the law which he conceived to be applicable. With regard to the facts he states that, in response to an order made by him for a report in respect of the matter of the accounting, the usual course of proceeding (2 Bates Fed. Eq. Pro. § 759), the defendant reported, and its chief officer testified:

"That during the infringing period, in addition to the manufacture of shoe grain drills, it was engaged in the manufacture of numerous other agricultural implements and farm machinery; that the cost of production of the infringing shoe grain drills was so interwoven and intermingled with the cost of manufacture of said other farm implements and machinery that it would be impossible to separate the one from the other; that it kept no separate cost account or expense record as to its shoe grain drill business, and it would be an impossibility for any one to ascertain from its books the profits, if any, derived from the sale of the shoe grain drills which employed complainant's device."

He thereupon further reports as follows:

"No statement of profits or loss being produced by the defendant, the complainant placed its own expert, Mr. Hart, at work upon the defendant's books, and he has produced, and filed as a part of his deposition, a statement showing that during the infringing period, viz., from August, 1894, to March, 1903, the defendant manufactured and sold 9,406 shoe grain drills, embodying complainant's patent for the gross sum of $504,094.26, and upon which it realized a net profit of $16,992.55. The methods employed by complainant's expert in arriving at his results have been criticised by defendant's counsel, and they have endeavored to point out many fundamental errors in his work. The defendant, however, not only declined to undertake this task when urged so to do, but has absolutely failed to indicate any other method than that pursued by Mr. Hart which would have arrived at a more nearly exact result; nor has it undertaken to have its books reviewed by its own expert, for the purpose of showing that the profits indicated are excessive. Absolute mathematical exactness in work of this character is not to be expected. I am of the opinion that the method pursued by the expert was in the main correct, that his work was carefully and honestly performed, and that from the evidence presented we must accept his result, viz., $16,992.55, as the net profit accruing to defendant from the sale of infringing shoe grain drills during the period of the accounting."

With respect to profits, he states the contentions made before him by the parties thus:

"The complainant claims that it is entitled to the entire profits thus derived, and bases its contention, as I understand it, on two grounds: (a) That the Hoyt patent is not a patent for a portion of a grain drill only, but embraces the machine in its entirety. (b) That, if the patent should be construed as not sufficiently broad to cover the entire machine, then it is of such paramount importance that the entire market value of the grain drill is legally and properly attributable to the addition of complainant's patented features. Both of these propositions are strongly controverted by the defendant, and they contend that the complainant, having failed to give evidence tending to apportion the profit derived from the whole grain drill and that derived from the use of the infringing device, is entitled to recover only nominal damages."

He then proceeds to discuss the law touching the recovery of profits, and upon his conclusion of law in that regard, that the plaintiff was bound to distinguish the extent to which the Hoyt invention enhanced the profits made by the defendant in the manufacture and sale of the infringing drills, and his further statement that the plaintiff had failed to do this, he reported that there could be only a nominal recovery. The master seems to have appreciated the injustice of this result, for he says:

"That defendant derived some advantage from the use of complainant's device is evidenced by its prolonged infringement. That complainant should not be compensated for the appropriation of its property does not accord with our ideas of justice. To award the entire profits would be to disregard the law and the evidence as I find it; and, no satisfactory basis for an apportionment of the profits being indicated, the complainant is relegated to nominal damages, which I fix at the sum of $1."

And, as some atonement, he finds at the conclusion of his report as follows:

"Being of the opinion that defendant has profited by the infringement, but that the means of ascertaining the quantum are not presented by the record, I find that all items properly taxable as costs should be paid by it."

The fundamental proposition on which the report in respect to the profits rests is that the whole of Hoyt's invention and patent resides in the spring pressure device and does not extend to other parts of the drill. From this he concludes that only this particular of the drill can be considered in estimating the profits, and that all the other parts might be lawfully made and sold by the defendant without any responsibility to the plaintiff. This is a specious argument; but it is not in accord with the established principles of law regarding patents on claims for combinations of several elements, and, when applied to this case, results in a radi-

cal error. The claims of the patent in suit are not restricted to single things, but some of them—the first, for instance—include the several elements which go to make up the seeding part of a drill, in combination. It covers them all as one whole. Every one is made material by including it in the combination. The spring devices are not thereby patented. For the purposes of the claim and the patent thereon, they are on the same footing with all the other parts of the drill, however, old and common they may be. Any one might make and sell each and every part, or any lesser or larger combination of such parts, including the spring device, without infringing the patent, provided, of course, they are not intended to contribute to the making up of the entire combination covered by the patent. But one part in a combination is no more patented than another. All in association are patented.

The parts of a drill consist of a carrier, a seed box or reservoir, and the seeding apparatus. It is to the latter that the attention of inventors has been principally directed. The carrier and the seed box are old and simple. Of them it is enough to say that no one appears in this case to have any patent on them. It is pertinent to cite what was said by Mr. Justice Grier in Seymour v. McCormick, 16 How., at page 488, 14 L. ed., at page 1024:

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

The case here is not a patent for an improvement upon another article, which does not cover that other article, but only the improvement made upon it. The patentee can not in such case extend his invention over the thing improved, if the latter is patented. If not, he may appropriate it, as others of the public may. The distinction is well illustrated by the improvement of the harvester by adding a driver's seat to an otherwise complete harvester in Seymour v. McCormick, 16 How. 480, 14 L. ed. 1024. When, therefore, the defendant sold one of the plaintiff's machines; he sold that which in all its associated parts was covered by the patent; and a Dowagiac drill, without the Hoyt patented combinations, would be but the fragment of a drill and have no distinctive character. The invention was not an addition to an otherwise complete machine.

In the cases of Elizabeth v. Pavement Company, 97 U. S. 126, 24 L. ed. 1000, and Hurlbut v. Schillinger, 130 U. S. 456, 9 Sup. Ct. 584, 32 L. ed. 1011, no doubt the material employed, the blocks, the sand, the gravel, the cement could have been put down

in the usual way in some other fashion and have been of some value as a pavement, but not to the extent of excellence that one laid according to the patent would have been. Indeed, the records in both those cases show that former patents had taught how this might be done. But the patents then before the court did not adopt some earlier method of paving and then add an improvement, but they pointed out a new way of organizing the materials, which was to be substituted for the old way; and the court held in each case that the owner of the patent was entitled to recover the profits made by building the pavement in the new way. In the latter of those cases Mr. Justice Blatchford, who formulated the rule laid down in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, delivered the opinion, and cited that case. He evidently regarded the language employed in the second alternative of the rule there stated as the statement of a broad principle, which would be applicable to cases not covered by the first.

We therefore think that the plaintiff was entitled to recover the profits made on the infringing machines. But this is not the only ground on which a decree for those profits should be justly awarded to the plaintiff. The case is not one where the defendant has inadvertently infringed the rights of the patentee. On the contrary, the trespass has been with full knowledge of the plaintiff's patent, which it knew was presumptively valid. It has made and sold these infringing drills with a purpose to imitate the patentee's construction. If it made any profits in this business, which were attributable to any contribution of its own, it has mingled them with the profits due to the plaintiff. It took no precaution for distinguishing the profits, and took such a course as to make them indistinguishable by any means which the plaintiff could pursue; and it now declares that it can not itself distinguish them, and rests its defense upon the impossibility of showing the actual portion of the profits to which the plaintiff is entitled. This is the infringer's refuge, and in so many cases renders fruitless the patentee's right to redress for an undoubted wrong. In Docker v. Somes, 2 Myl. & Keene, 674, Lord Chancellor Brougham, when confronted with such a defense in a case involving an accounting by a trustee, said:

"When did a court of justice, whether administered according to the rules of equity or law, ever listen to a wrongdoer's argument to stay the arm of justice grounded on the steps he himself had successfully taken to prevent his iniquity from being traced? Rather, let me ask, when did any wrongdoer ever yet possess the hardihood to plead in aid of his escape from justice the extreme difficulties he had contrived to throw in the way of pursuit and detection, saying, 'You had better not make the attempt, for you

will find I have made the search very troublesome?' The answer is, 'The court will try.'"

In the present case the infringer's conduct has been such as to preclude the belief that it has derived no advantage from the use of the plaintiff's invention, as the master well said. In these circumstances, upon whom is the burden of loss to fall? We think the law answers this question by declaring that it shall rest upon the wrongdoer, who has so confused his own with that of another that neither can be distinguished. It is a bitter response for the court to say to the innocent party, "You have failed to make the necessary proof to enable us to decide how much of these profits are your own;" for the party knows, and the court must see, that such a requirement is impossible to be complied with. The proper remedy to be applied in such cases is that stated by Chancellor Kent in Hart v. Ten Eyck, 2 Johns. Ch. (N. Y.) 62, 108, where he said:

"The rule of law and equity is strict and severe on such occasion. If a party having charge of the property of others so confounds it with his own that the line of distinction can not be traced, all the inconveniences of the confusion is thrown upon the party who produces it, and it is for him to distinguish his own property or lose it."

This, also, was a case of an accounting by a trustee. And in a proceeding against an infringer for profits, the defendant may not inaptly be regarded as a trustee de son tort. Wales v. Waterbury, infra. And see also Wyllie v. Ellice, 6 Hare, 505; Bailey v. Bailey, 67 Vt. 494, 32 Atl. 470, 48 Am. St. 826. As was said on a former occasion, the obligation cast on the party causing the confusion can not be less when, instead of being intrusted with the possession of property, he takes possession of it wrongfully. P. P. Mast & Co. v. Superior Drill Co., 154 Fed. 45, 57, 83 C. C. A. 157. The rule is of general application. It is stated with equal emphasis by Mr. Justice Strong in The Idaho, 93 U. S. 575, 586, 23 L. ed. 978, where Hart v. Ten Eyck was cited as authority for it. In Wales v. Waterbury, 101 Fed. 126, 41 C. C. A. 250, it was invoked by the Court of Appeals for the second circuit as applicable to the accounting for profits in a patent cause, as it was also by this court in the above cited cause of P. P. Mast & Co. v. Superior Drill Co. The rule has been recognized by this court in several cases, among them Smith v. Township of Au Gres, 150 Fed. 257 80 C. C. A. 145, 9 L. R. A. (N. S.) 876, and Smith v. Mottley, 150 Fed. 266, 80 C. C. A. 154, in which last case we referred to a number of cases in other jurisdictions as well as our own.

We do not by any means impugn the general rules laid down in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371,

and the cases which have followed it, one of which is that, when the infringement consists in the making or using of articles improved by his own invention, the plaintiff must prove the extent of the enhancement of profits by the use of his own, as distinguished from those due to the article improved. But we are of opinion that the circumstances of this case, first, in that in the patented combination no other invention inheres, and that the combinations are not for improvements merely, but substitutes for essential congeries in a drill, and, secondly, that the infringement has been so conducted as to render a distinction of profits impossible, are controlled by principles quite independent of those involved in Garretson v. Clark, and that the plaintiff was entitled to a decree for the profits of the sales of the infringing drills. There is in this case no such real hardship as should shock the conscience of the court. The defendant loses nothing of importance but the profits which it made in the infringing business. It sometimes used some improvements if its own, but we are satisfied that they were of trifling value.

The master, for the purpose of this inquiry, made extensive reference to other kinds of drills and their relative satisfaction to the public, the numbers of each that were sold in the territory where this infringing took place as compared with the sales of the plaintiff's drills, and seems to suppose that this had a bearing upon the question he had before him in regard to the profits to which the plaintiff was entitled. But we do not perceive its relevancy. What the plaintiff was seeking, and what the master was trying to find out, was the actual profits on the particular drills which contained the plaintiff's invention and which were made or sold by the defendant. What other drills the defendant made or sold, or what other drills were sold of other makes by other parties, was a wholly irrelevant matter. So the comparative number of its own drills which the plaintiff was able to sell in competition in the same territory, or whether it sold any at all, was a wholly indifferent matter. A patentee may withhold the exploiting of his patent in a particular territory, or he may not be able at the time to extend his business therein. But this gives no right to an infringer to invade the territory and anticipate the sales which the patentee might make when he should desire and be able to carry his invention there for a profit which is legitimately his own. But this, while it might be an answer to the suggestions made by the master, is not relevant to such a proceeding as this. The fact that the owner of a patent does not exercise his right, or can not at the time do so to the full, gives no license to another, and the latter is liable for infringement, to the same extent as if the owner were exercising his right to the utmost. The owner has the same right as he has to any other

property, which he may put to use or not as he chooses; and in such case the rule always is that, if a stranger without right seizes and uses it, he is bound to pay for such use, and it is no answer for him to say that the owner was doing nothing with it. If it be true, as has often been declared, that the exclusive right of a patentee is property, for the protection of which the public faith is pledged, it should have the same immunity from invasion, and its violation should be attended with the same consequences as in the case of other species of property. Wilson v. Rousseau, 4 How. 646, 674, 11 L. ed 1141; Grant v. Raymond, 6 Pet. 218, 241, 8 L. ed 376; Bement v. National Harrow Co., 186 U. S. 70, 88, 22 Sup. Ct. 747, 46 L. ed. 1058; Heaton-Peninsular Co. v. Eureka Specialty Co., 77 Fed. 288, 25 C. C. A. 267, 35 L. R. A. 728, 46 U. S. App. 146.

This patent and the Packham patent, which is the subject of another decision made concurrently with this (Dowagiac Manufacturing Co. v. Superior Drill Co., 162 Fed. 479) relate to one of the most important kinds of machinery employed in one of the great industries of the country—that of seeding grain. At the time when their infringement was going on, we are satisfied, from the records in the cases, the Hoyt shoe drill and the Peckham disc drill were leading implements in the work of seeding grain in a wide extent of territory and have had their value attested by the numerous infringements which the patents have suffered. They may to some extent have since then been improved upon, and their value diminished by the progress which has taken place in most of the mechanic arts, and the time for reaping the reward for their inventions is spent. But this only enhances the obligation of the courts to find a way, if it be possible, to redress the wrongs done by those who have been willing to gather the fruit into their own basket. There is some evidence in the record which bears upon the subject of damages; but as we infer from the discussion in the appellant's brief, the claim for damages, as distinct from profits, is not intended to be urged, we do not consider that subject.

The decree should be reversed, with the costs of this court, and a decree entered for the complainant in the sum of $16,992.55, with interest from the date of filing the master's report.

There is a cross-appeal, on which the individual defendants assigned error because, as they say, there is no proof that they personally infringed. This is an objection which should have been advanced at the original hearing. It was then decreed that these individual defendants infringed the patent. But it was not determined to what extent the several defendants infringed. It not being shown that these individuals personally interfered with the infringement, or otherwise than as corporate officials, w

think they should be charged with nominal damages of $1 only; and it is ordered that the decree as to those defendants be modified accordingly. The defendants Brennan & Co. on the cross-appeal assign as error that the court below should not have awarded the costs of suit against them. If the decree upon the merits were sustained, it would seem that taxing the costs of the suit to the defendant, the decree having been in its favor, was erroneous. It is, however, to be reversed, and the motive which led the court to charge the defendants with costs no longer avails. But the difficulty we encounter is that, while the introduction of some of the testimony seemed to the court below useless and unnecessary, the record made on this appeal does not show to what part of the testimony this criticism of the court was directed, nor furnish us the means of distinguishing between what was pertinent to the inquiry before the master and what was not. If counsel intended to press this objection here, they should have seen to it that the record should contain the data needed to decide it.

We see no alternative but to overrule it, and in this report affirm the decree of the circuit court.

1072. WESTINGHOUSE ET AL v. NEW YORK AIR-BRAKE CO., 140 Fed. 545, 72 C. C. A. 61 (1905, Second Circuit).* * *

Before Wallace, Lacombe and Townsend, circuit judges.

Wallace, Circuit Judge:

Both partits have appealed from the decree in this cause, and their appeals present the single question of the amount of the recovery to which the complainants are entitled in consequence of the infringement by the defendant of the complainants' patent No. 376,837 for an improvement in automatic air-brake mechanism, known as the "quick-action" triple valve. The patent contains six claims, and the interlocutory decree adjudged that three of these claims were valid and had been infringed by the defendant, and ordered a perpetual injunction, together with an accounting of profits and damages. Upon the accounting before the master he found that during the period of infringement—from November, 1890, to December, 1893—the defendant had sold 18,107 infringing "quick-action triple valves in connection with car equipments." He also found, in substance, that the invention covered by the infringed claims was one of dominating importance in the trade in air-brake equipments for railroad trains, and practically controlled the market for such equipments during the period of infringement, superseding all older kinds of equipments, and rendering it impossible for the defendant to have made any sales, or any profit from the sales of such equipments, if it had not made and sold the patented apparatus. He found that the

profits derived by the defendant from the sale of train equipments in connection with the patented quick-action valve were the sum of $49,533. He also found that the sales of the defendant diverted an equal number of sales of train equipments from the complainants, upon which the complainants would have realized a profit of $193,978, and that the complainants were entitled to that amount as damages caused by the infringement. Exceptions to the master's report were filed by the defendant and were heard before Judge Wheeler. He sustained the exceptions, and recommitted the report to the master "for the purpose of making a computation of profits and damages based upon the sales by the defendant of the quick-action valves of the patent only, separated from those upon the complete equipments." The master interpreted Judge Wheeler's decision as meaning only that the accounting was to be confined to the complainants' profits and damages based upon the sales of the "triple-valve structure, disassociated from the accessories necessary to constitute a train equipment." Upon this theory the master in his supplementary report found that the profits made by the defendant upon these sales were $36,945, and that the damages sustained by the complainants by loss of profits on diverted sales were $128,737. Exceptions were filed to the supplementary report, but these were not heard by Judge Wheeler, and, being overruled by the court below, the complainants were by the final decree in the cause awarded the recovery thus reported.

We fully agree with the conclusions of Judge Wheeler. nd his concise opinion, rendered in deciding the exceptions t. .he master's original report, so clearly expresses the reasons why the complainants should be confined to a recovery of profits made by the defendant and profits diverted from the complainants upon the quick-action triple valve only that we should not attempt to add to his opinion, were it not that it seems desirable to repeat some of the rules measuring the recovery in patent causes for infringement, which, though perfectly well settled, seem to be frequently ignored upon accountings in such causes. The voluminous record upon the accounting in this cause, with its mass of opinion evidence and other testimony having no bearing upon the real issue, illustrates the needless expense and waste of time often incurred from disregarding the plain and simple rule that:

"Where the infringement is confined to a part of the thing sold, the recovery must be limited accordingly." Philp v. Nock, 17 Wall. 460, 462, 21 L. ed. 679.

The complete automatic air-brake equipment, which was manufactured and sold by the competing parties, comprises 17 distinct parts and includes, among others, the triple valve, the quick-action auxiliary of the triple valve, the brake cylinder, the

auxiliary reservoir, pressure-retaining valves, hose couplings, etc. The quick-action triple valve of the patent is a triple valve with an auxiliary device, which may be either structurally incorporated into it or attached to it. The triple valve is an independent device, and operates to perform its assigned functions in the air-brake system, whether the quick-action attachment is present or not, and whether the attachment, when it is present, operates or does not. The plain triple valve was used satisfactorily for many years before the quick action attachment was devised, and is still used satisfactorily without such attachment. Every modern air-brake equipment contains the plain triple valve whether or not it contains in addition some form of quick-action attachment. It provides for a partial or graduated application and removal of the brakes to stop the train or release it in the ordinary movements of slowing, stopping, and starting, and for an emergency application when it seems necessary to stop the train suddenly. An air-brake system which does not provide for the graduated application would be so seriously disadvantageous that it would not be used. The quick-action attachment is for emergency applications. It is seldom brought into action. A very capable engineer while with the New York Central Railroad Company used it only three or four times during two years, and during two years when he was driving trains on the New England Railroad used it only once. It is not needed upon short trains, like ordinary passenger trains, but upon long freight trains it is an important auxiliary to the triple valve, as without it the time consumed by the progressive operation of the brakes upon the first car and the last car, and the consequent slack motion, subjects the cars at the further end to violent shock and liability of breakage. Mr. Westinghouse testified for the complainants as follows:

"Car equipments fitted for passenger train service could probably have been sold without the quick-action trilpe valve, as such brakes were in successful use at the time of the invention of the quick-action valve. Few freight-car brakes, however, could have been sold after the exhibition of the train fitted with the quick-action brakes made in accordance with the patent in suit. Since then the Westinghouse Brake Company have sold but very few automatic brakes for use upon passenger or freight trains, and they have not sold or offered for sale automatic brakes for use upon freight or passenger cars since defendants were enjoined in this suit. * * * If, however, it should be contended that the automatic valve in the quick-action brake possesses some commercial valve, I can think of no better measure of this value than the relative number of sets of brakes of each kind that have been sold (by the Westinghouse Air Brake Company)

since January 1, 1888, up to November, 1893, the date of the injunction in the present suit." He testified to sales of 18,450 of ordinary triple valves and 239,500 of the quick-action triple valves.

The quick-action triple valve of the patent in suit was not the only quick-action valve which was in commercial use during the period of infringement. The quick-action valve devised by Geo. A. Boyden, and the quick-action valve of the prior patent to Westinghouse, No. 360,070, were also in use, about 10,000 having been sold. The Boyden Brake Company and the Lansberg Brake Company were competitors of the complainants and the defendant. The quick-action valve of the patent is an improvement upon the quick-action triple valve of patent No. 360,070, and embodies the invention of that patent. In the present suit the complainants sought for an injunction and an accounting because of the infringement of that patent by the defendant; but, as to that patent, it was decided that the defendant had not infringed, and the bill, so far as it was founded upon that patent, was dismissed.

The decree appealed from, in sanctioning the findings of the master, allows the complainants a recovery, not only for the profits realized by the defendant in making and selling quick-action triple valves upon which the device of the patent in suit is only an improvement, but also those realized from making and selling the ordinary triple valve, without which the quick-action attachment would be comparatively valueless, and which the defendant and the public generally were free to make and sell; and it allows the complainants damages for lost profits which the complainants could have made upon similar sales if the defendant had not been a competitor. And the complainants, not content with this, now insist by their appeal that the defendant is accountable for the profits realized by the defendant and those lost by the complainants on the entire equipment employed in the automatic air-brake system and sold together with the patented attachment by the defendant, upon the theory that the defendant could not have sold any automatic air-brake equipments except with the patented attachment.

The proofs show that there was comparatively little demand by railroad companies for complete automatic air-brake equipments that were not provided with quick-action triple valves during the period of the infringement. But it is clear that the quick action attachment was one of secondary importance in automatic brake equipments. It is apparent that the complainants could not have sold any of the patented valves if there had not been embodied in them the devices of the quick-action triple valve of the earlier Westinghouse patent, or equivalent devices such as the defendant and the Boyden Brake Company employed in their

quick-action valves, and which did not infringe the earlier patent.

The general rule governing recoveries in infringement cases is stated, quoting Judge Blatchford (15 Blatchf. (U. S.) 70, Fed. Cas. No. 5,248), in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, in the following language:

"The patentee must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented features and the unpatented features, and such evidence must be reliable and tangible, and not conjectural and speculative; or he must show by equally reliable and satisfactory evidence that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine as a marketable article is properly and legally attributable to the patented feature."

Referring to the first branch of this rule, this court said in Wales v. Waterbury Manufacturing Co., 101 Fed. 126, 41 C. C. A. 250:

"This has always been the rule, and it is manifestly a just one upon principle; but it is often difficult of practical application, and the courts have sometimes applied it so that it has not produced an equitable result. In many cases, where it is obvious that the patented invention has contributed a great part of the profits realized from selling the infringing article or apparatus embodying unpatented features, it is practically impossible for the complainant to establish affirmatively the proportionate part."

Referring to the theory that an infringer is a trustee ex maleficio, and the rule that a trustee who has confused the profits made by the use of a trust property with those made from his own property, and commingled them so that they can not be segregated, must account for the whole, this court in that case also said:

"Such a rule would work unjustly in many cases, as where the patented feature is of an insignificant part of a machine or article; and it is probably because of its manifest inequity in such cases that the courts have placed upon the complainant the burden of proof."

The adjudications in which the latter branch of the rule in Garretson v. Clark has been applied are cited in Wales v. Waterbury Manufacturing Co., and any further reference to them is unnecessary. In all of them, in which the question was as to the basis of profits upon sales, the rule applied was that the profits upon the whole machine or article were allowable only when, but for the patented feature, the machine or article sold by the infringer would not have commanded a market.

The question whether a machine would or would not have been marketable without the patented part is of course a ques-

tion of fact, but it is one which depends largely upon opinion evidence. The most satisfactory evidence upon the question is that which is afforded by the nature and intrinsic value of the improvement which it introduces into the art or industry in which the machine is employed. In Wales v. Waterbury Manufacturing Co. the unpatented part "was useless, and derived its whole value from the patented part." In Manufacturing Co. v. Cowing, 105 U. S. 256, 26 L. ed. 987, "for the new and special purpose in view the old pump was useless without the improvement." In Hurlbut v. Schillinger, 130 U. S. 456, 9 Sup. Ct. 584, 32 L. ed. 1011, where the patent was for an improvement in a concrete pavement, "the invention of Schillinger was a very valuable one," and "the defendant's concrete flagging derived its entire value from the use of the plaintiff's invention." In Crosby Valve Co. v. Safety Valve Co., 141 U. S. 441, 12 Sup. Ct. 49, 35 L. ed. 809, where the invention of Richardson's patent was held to have given the entire value as a marketable article to the infringing valves, the patent was for a safety valve compared with which the prior art presented likenesses "only as the anatomy of a corpse resembles that of a living being." When the patented improvement is one of subordinate importance, or the value of the machine as a whole depends more upon the presence of the unpatented parts, a finding that the marketable value of the whole has been created by the patented part can seldom be correct.

Whether in the present case the whole equipment, or only the triple valve, is to be regarded as the marketable article within the meaning of the last branch of the rule, is, in the view, which we take, a question which need not be considered.

Inasmuch as the complainants did not attempt to separate or apportion the defendant's profits and their own damages between the patented and the unpatented features of the quick-action triple valve, it was incumbent upon them to prove that the entire value of the defendant's quick-action valve as a marketable article was properly and legally attributable to the patented features. What they did prove, and all they proved, was that purchasers of triple valves generally demanded some form of quick-action valves, and that, except to a very limited extent, purchasers could not be found for valves without these features. This falls short of proof that only the patented form could supply the demand, and does not meet the requirements of the second branch of the rule.

As has been already suggested, the cases are exceedingly rare in which the whole marketable value of a machine, or of a collection of devices, can in reason be attributable to a patented feature which embraces merely an improvement in one of its

parts. Marketable value is ordinarily the result of various conditions independent of the normal value of the machine itself, and the contribution which the patented part gives to marketable value is necessarily dependent more or less upon these conditions. Enterprise, exploitation, and business methods in introducing and marketing the thing are generally as important a factor in its intrinsic value. The effect of the control of the market, whether by lawful or illegal endeavors, in fixing the marketable value of many products, is shown by what has been accomplished by some of the so-called "trusts" of the day. Where that part of the thing is of such paramount importance that it really creates the value of the whole, the doctrine that the value of the monopoly of the part is measured by the marketable value of the whole may reasonably be applied, notwithstanding the marketable value of the whole may from extraneous causes be out of all proportion to its normal value. But, where that part of the thing is relatively an unimportant factor in the normal value of the whole, the application of the doctrine is likely to lead to inequitable results. The present case is an illustration. The defendant, and other competitors of the complainant's saw there was an opportunity to create a demand for new air-brake apparatus which should have the quick-action feature, and they undertook to produce such apparatus and stimulate the demand. Such apparatus embodied many inventions, some of which were and some of which were not open to public use. The defendant, supposing it had produced apparatus which would not infringe any outstanding patents, bent its efforts to exploit that kind of apparatus and discourage the sale of all others, and thus the defendant largely contributed to the marketable value of that kind of apparatus. It now appears that its apparatus did infringe one of the outstanding patents. It may turn out that it infringes some of the others, as the complainants claimed when they sued the defendant for infringing their earlier patent. It does not seem equitable that, because the defendant appropriated certain parts in that apparatus which belonged to the complainants, it should be charged with appropriating the whole marketable value of the apparatus. The theory that it did appropriate the whole value is inconsistent and quite irreconcilable with the original theory of the action and the claim of the complainants that they were entitled to profits and damages because the defendant had appropriated certain other parts that belonged to them.

The case is not one where the patented quick-action valve created the market which defendant supplied. We have no wish to belittle the contribution made by the patented invention to the automatic air-brake art, but we cannot ignore the fact that before

the invention of the patent in suit Mr. Boyden had supplied the devices which met the needs of railroads and which were in all respects satisfactory. Referring to this device, the Supreme Court said in Westinghouse v. Boyden Power Brake Co., 170 U. S. 572, 18 Sup. Ct. 724, 42 L. ed. 1136: "It solved at once, and in the simplest manner, the problem of quick-action, whereas the Westinghouse patent [his earlier patent No. 360,070] did not prove to be a success until certain additions had been incorporated into it." And that the patented invention was not of dominating importance in controlling the market for automatic air-brake apparatus is apparent from the fact that the defendant, when it was enjoined in the present action from using the invention, introduced a substitute which enabled it to retain the market for its own apparatus which complainants have never asserted to infringe the patent.

We are constrained to the conclusion that because there was no satisfactory proof apportioning the profits of the patented attachment as distinguished from those of the entire equipment, or as distinguished from those of the triple valve itself, the decree below was erroneous and should be reduced to merely a nominal recovery.

The decree is reversed, with costs of this court, and with instructions to the court below to modify the decree conformably with this opinion.

On Rehearing.

Per Curiam:

So far as this application for a rehearing proceeds upon considerations which were urged, but did not convince us, at the original hearing, as none of them were overlooked, it is not justified by the rules of practice. So far as it proceeds upon errors of fact pointed out in the opinion of the court, the application is justified by the rules of practice, and would present meritorious reasons for a rehearing if these errors were in respect to matters which had any serious influence upon the decision.

The court certainly did not overlook the contention for the appellants that the patented attachment created a new market for automatic air-brake equipments which practically precluded the sale of such equipments in which the attachment was not a part. As the complainants had given no evidence whatever of the profits made by the defendant by the manufacture and sale of the attachments or of their own loss of profits through sales of attachments diverted from them by the defendant, necessarily they were not entitled to a recovery within the rule announced in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, and in other adjudications to the same effect, unless their evidence showed that the defendant's sales of equip-

ments were wholly attributable to the presence of the attachment as one of the parts thereof. Our decision went upon the ground that, notwithstanding there was satisfactory evidence in the proofs that the quick-action attachment was so desirable that there would have been only a limited sale for the other parts without it, there was no satisfactory evidence that the defendant could not have made any sales without it, and none to show how many of the defendant's sales were due solely to the presence of the attachment. The testimony of Mr. Vilas that there was no market for the other parts without the quick-action attachment, as well as other testimony for the complainants to the same effect, was effectually refuted by the evidence of the sales made during the period of infringement by the complainants themselves. It appeared that during this period the sales made by the complainants of equipment without the patented attachment were 18,450, and their sales of equipments with the patented attachment were 239,500. From all that appears, the complainants could have sold a large number of equipments without the attachment if they had tried to do so; and, if it could be assumed that they could not have sold a larger number, it would not follow that the defendant could not have sold a larger proportionate number. Unless the court was at liberty to find that because complainants' sales during the period of infringement were in the proportion of about 13 equipments having the attachment to 1 without it the defendant's sales must have borne the same ratio, and that consequently 13 out of every 14 sales made by the defendant must have been attributable to the presence of the attachment, there was no adequate basis for the recovery. This would have been mere conjecture.

The court fell into an error of fact in stating that Boyden had supplied equivalent apparatus for the patented attachment before the latter was invented by Mr. Westinghouse. The fact was as stated in another part of the opinion. Boyden's quick-action valve was in use during the period of infringement, but, as it was not open to the use of the defendant because it had been patented by Boyden, the fact was not mentioned as constituting a bar to recovery. The circumstance that it was in use was adverted to in the opinion merely for the purpose of indicating that the invention of the patent in suit was not one which created the market which the defendant supplied. Mr. Westinghouse was undoubtedly the inventor of the quick-action attachment, and it is not open to doubt that this was an exceedingly valuable invention. While the complainants were entitled to all the profits which they lost and all the profits which the defendant realized by the latter's sales upon this attachment, there was no basis for a recovery, because the proofs did not show what these profits were, and the assumed basis that all

the profits made by the defendant and lost by the complainants through sales by the defendant of the entire apparatus of which the patented apparatus was a part were recoverable, because without the latter there would have been no market for the other parts, was not justified by the proofs.

The application is denied.

1073. ELIZABETH v. PAVEMENT CO., 97 U. S. 126, 24 L. ed. 1000 (1877).* * *

The next subject for consideration is the form and principles of the decree rendered by the court below. The bill prayed a decree for damages and profits; but, as it was filed before the passage of the act of July 8, 1870, which first authorized courts of equity to allow damages in addition to profits, the court below correctly held that a decree for profits alone could be rendered. It is unnecessary here to enter into the general question of profits recoverable in equity by a patentee. The subject, as a whole, is surrounded with many difficulties, which the courts have not yet succeeded in overcoming. But one thing may be affirmed with reasonable confidence, that, if an infringer of a patent has realized no profit from the use of the invention, he cannot be called upon to respond for profits; the patentee, in such case, is left to his remedy for damages. It is also clear that a patentee is entitled to recover the profits that have been actually realized from the use of his invention, although, from other causes, the general business of the defendant, in which the invention is employed, may not have resulted in profits—as where it is shown that the use of his invention produced a definite saving in the process of a manufacture. Mowry v. Whitney, 14 Wall. 434; Cawood Patent, 94 U. S. 695. On the contrary, though the defendant's general business be ever so profitable, if the use of the invention has not contributed to the profits, none can be recovered. The same result would seem to follow where it is impossible to show the profitable effect of using the invention upon the business results of the party infringing. It may be added, that, where no profits are shown to have accrued, a court of equity cannot give a decree for profits, by way of damages, or as a punishment for the infringement. Livingston v. Woodworth, 15 How. 559. But when the entire profit of a business or undertaking results from the use of the invention, the patentee will be entitled to recover the entire profits, if he elects that remedy. And in such a case, the defendant will not be allowed to diminish the show of profits by putting in unconscionable claims for personal services or other inequitable deductions. Rubber Co. v. Goodyear, 9 Wall. 788. These general propositions will hardly admit of dispute; and they will

furnish us some guide in deciding the questions raised in this case.

Only the defendants have appealed; and the errors assigned by them on this branch of the case are the following—

1st, "The court erred in decreeing that the complainants do recover of the defendants, the city of Elizabeth and George W. Tubbs, the sums set forth in the decree, because the master did not find that said defendants had made any profits, which failure to find was not excepted to by complainants, and because no proof was offered by complainants of any profits whatever made by said defendants."

2d, "The court erred in finding that the profits received by the defendants were the fruits of the use of the devices described and claimed in the first and second claims of the Nicholson patent—there being no proof of any advantage derived by the defendants from such use of the Nicholson devices—or was incident to the use of the devices of the Brocklebank & Trainer patent. The failure to specifically show such profits makes the recovery nominal."

3d, "The court erred in decreeing the whole amount of profits made by the New Jersey Wood-Paving Company in the construction of the pavements referred to in the master's report. Whereas, if any profits ought to have been decreed, they should have been confined to the amount of the license for a royalty which the complainants had been accustomed to receive, and were bound by the terms of their title to accept, from any party constructing such pavement in New Jersey."

We will consider these assignments in order.

The first seems to be well taken. The party who made the profit by the construction of the pavement in question was the New Jersey Wood-Paving Company. The city of Elizabeth made no profit at all. It paid the same for putting down the pavement in question that it was paying to the defendant in error for putting down the Nicholson pavement proper; namely, $4.50 per square yard. It made itself liable to damages, undoubtedly, for using the patented pavement of Nicholson; but damages are not sought, or, at least, are not recoverable, in this suit. Profits only, as such, can be recovered therein. The very first evidence which the appellees offered before the master was, the contracts made between the city and the other defendants for the construction of the pavement; and these contracts show the fact that the city was to pay the price named, and that any benefit to be derived from the construction of the pavement was to be enjoyed by the contractors.

It is insisted that the defendants, by answering jointly, admitting that they were jointly co-operating in laying the pavement, precluded themselves from making this defense. We

do not think so. That admission is not inconsistent with the actual facts of the case, to wit, that this co-operation consisted of a contract for having the pavement made, on one side, and a contract to make it, on the other; and is by no means conclusive as to which party realized profit from the transactions. The complainants themselves, by their own evidence, showed that the contractors and not the city realized it.

The appellant, Tubbs, is in the same predicament with the city. Several of the contracts were made in his name, it is true; but they were made in behalf of the New Jersey Wood-Paving Company, for whose use and benefit the contracts were made and completed. Tubbs only received a salary for his superintendence.

The next assignment of error, based on the hypothesis that the profits received by the defendants were not the fruits of the use of Nicholson's invention, appears to us destitute of foundation. This matter is so fully and ably presented in the opinion of the Circuit Court as to require but little discussion from us. The Nicholson pavement was a complete thing, consisting of a certain combination of elements. The defendants used it as such—the whole of it. If they superadded the addition made to it by Brocklebank & Trainer, they failed to show that such addition contributed to the profits realized. The burden of proof was on them to do this. The evidence, if it shows anything, tends to prove that the addition diminished the profits instead of increasing them; but it could not have had much influence either way, inasmuch as the evidence shows that the profit made on this pavement was about the same as that made on the pavement of Nicholson, without the improvement. The appellants, however, obtained an allowance of nearly $14,000 for the royalty paid by them for the use of the Brocklebank & Trainer patent. This allowance went so far in diminution of the profits recovered.

Equally without foundation is the position taken by the appellants, that other pavements, approaching in resemblance to that of Nicholson, were open to the public, and that the specific difference between those pavements and Nicholson's was small, and that, therefore, the Nicholson patent was entitled to only a small portion of the profits realized. Nicholson's pavement, as before said, was a complete combination in itself, differing from every other pavement. The parts were so correlated to each other, from bottom to top, that it required them all, put together as he put them, to make the complete whole, and to produce the desired result. The foundation impervious to moisture, the blocks arranged in rows, the narrow strips between them for the purposes designated, the filling over those strips, cemented together, as shown by the patent—all were required. Thus combined and arranged, they made a new thing, like a

new chemical compound. It was this thing, and not another, that the people wanted and required. It was this that the appellants used, and, by using, made their profit, and prevented the appellee from making it. It is not the case of a profit derived from the construction of an old pavement together with a superadded profit derived from adding thereto an improvement made by Nicholson, but of an entire profit derived from the construction of his pavement as an entirety. A separation of distinct profit derived from Brocklebank & Trainer's improvement, if any such profit was made, might have been shown; but, as before stated, the appellants failed to show that any such distinct profit was realized.

We have looked over the various items claimed by the appellants by way of reduction of profits, and disallowed by the master and by the court below, and we are satisfied with the result which they reached. The gross profits of the work over actual expenses for material and labor were conceded to be $123,610.78. The total deductions claimed before the master amounted to $139.875.63, which would have been considerably more than sufficient to absorb the whole profits. The master and the court allowed deductions to the amount of $48,618.62, which reduced the profits to $74,992.16, for which amount the decree was rendered. The deductions overruled and disallowed amounted to $91,257.85. Of these, $31,111.92 was a profit of twenty per cent. which the appellants claimed they had a right to add to the actual cost of lumber and other materials and labor. It is only necessary to state the claim to show its preposterousness. Other items were one of $7,000 for salaries, and another of $3,000 for rent, for a period of time that occurred after the work was completed. Another item was one of $2,675.09 for the cost of a dock which the parties built on their own land; and another of $25,000, paid for an interest in the Brocklebank & Trainer patent. As the appellants still hold these properties, we cannot well conceive what the purchase of them has to do in this account. They also claim $15,241.33 for that amount abated from the assessments of some of their stockholders who owned lands along the streets paved. As this was a gratuity which they made to themselves, they cannot claim a deduction for it here. The last item was $6,572.75, claimed to have been profits made upon other work, which were allowed to be included in these contracts. As this is not explained in any satisfactory way, we think the master did right in rejecting it.

We are entirely satisfied with the disposition made of these various items, and with the correctness of the decree, so far as the statement of the account is concerned.

But the appellants assign a third error. They insist that the appellee, as assignor of the Nicholson patent for the State of

New Jersey (which was the ground of its title), was entitled to recover only thirty-one cents per square yard in any event—being limited to that charge for the use of the patent by the terms of the assignment; sixteen cents of which was to be paid to the proprietors, and fifteen to be retained by the appellee.

This matter is quite satisfactorily disposed of in the opinion of the court below. The stipulation was between third parties, and the appellants have no concern in it. It only applied, by its terms, to cases where, by reason of the decisions of the courts, or otherwise, it should be found impracticable for the appellees to obtain contracts for laying the pavement in any town or city, or where the work of constructing pavements should be required by law to be let under public lettings, open to general competition. The object was to secure as extensive a use of the pavement as possible, as thereby the emoluments of the proprietors would be increased. But the assignment gave to the appellee the exclusive right in the patent for the State of New Jersey. It did not prohibit the appellee from constructing the pavements itself, if it could obtain contracts for doing so, and making thereby any profit it could. There was no obstacle to its doing this in the city of Elizabeth. On the contrary, it did obtain from the city large contracts, and would have obtained more if the appellants had not interfered. There is nothing in this state of things which entitles the latter, after making large profits from the use of the invention, to refuse to respond therefor. It is not for them to say that the hands of the appellee are tied by its contract with its grantor. This would be to take advantage of their own wrong. Whatever bearing the stipulation in the assignment may have on the measure of damages, in an action at law, it affords no defense to the appellants when called upon to account for the profits which they have wrongfully made by pirating the invention.

We think there is no error in the decree of the Circuit Court, except in making the city of Elizabeth and George W. Tubbs accountable for the profits. As to them a decree for injunction only to prevent them from constructing the pavement during the term of the patent, should have been rendered; which, of course, cannot now be made. As to the New Jersey Wood-Paving Company, the decree was in all respects correct. A decree for costs in the court below should be awarded against all the defendants.

1074. BECKWITH v. MALLEABLE IRON RANGE CO., 195 Fed. 291 (C. C. Wisconsin, 1912, Patent No. 787,425).* * *

Sanborn, District Judge:

This matter comes up on a certificate of the master for instructions in respect to a patent accounting, for infringement of a patent sustained in (C. C.) 174 Fed. 1001; (C. C. A.) 189 Fed. 74. * * *

(1) The patent device in question is a reservoir for a kitchen range. The range and reservoir may be sold or used either conjointly or separately, as may be preferred. Being an improvement to a device, as distinguished from an improved device, the case falls within the first rule laid down in Garretson v. Clark, 111 U. S. 120, 4 Sup. Ct. 291, 28 L. ed. 371, where it is held:

"Where a patent is for an improvement, and not for an entirely new machine or contrivance, the patentee must show in what particulars his improvement has added to the usefulness of the machine or contrivance. He must separate its results distinctly from those of the other parts, so that the benefits derived from it may be distinctly seen and appreciated. The rule on this head is aptly stated by Mr. Justice Blatchford in the court below: 'The patentee,' he says, 'must in every case give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative.'"

Garretson v. Clark expresses the cardinal rule of patent accountings, and the case has been universally followed. It has been cited with approval by federal courts over 60 times, in the following among other cases: Keystone Mfg. Co. v. Adams, 151 U. S. 139, 147, 14 Sup. Ct. 295, 38 L. ed. 103; McCreary v. Pennsylvania Canal Co., 114 U. S. 459, 12 Sup. Ct. 40, 40 L. ed. 35; Westinghouse v. N. Y. Air Brake Co., 140 Fed. 545, 72 C. C. A. 61; Elgin Wind-Power & Pump Co. v. Nichols, 105 Fed. 780, 45 C. C. A. 49 (7th Circuit); Brown v. Lanyon Zinc Co., 179 Fed. 309, 102 C. C. A. 497. By this rule the complainant has the burden of proof as to profits and damages, except as to improvements of patented devices or processes made by defendant.

Other forms of reservoir ranges were well known at the time the infringement commenced, and complainant is entitled to the value of whatever he added to the art; that is, to the difference between his improved reservoir and any other which was open to the public, or to the defendant, April 18, 1905, when notice of infringement was given. If by the use of the patent defendant made profits, using as the standard of comparison any such other reservoir so open to it, they belong to complainant. If there was no profit, then whatever saving there may have been

in appropriating the patent over any other such device likewise may be recovered by way of profits. This adoption of a prior device as a standard of comparison in case of a separable improvement is the rule adopted in McCreary v. Pennsylvania Canal Co., 141 U. S. 459, 463, 12 Sup. Ct. 40, 35 L. ed. 817; Brown v. Lanyon Zinc Co., 179 Fed. 309, 102 C. C. A. 497; American Street Flushing Machine Co. v. St. Louis Street F. M. Co., (C. C. A.) 192 Fed. 121, and Columbia Wire Co. v. Kokomo Steel & Wire Co., 194 Fed. 108, 114 C. C. A. —, in this circuit.

(2) The master issued a summons to defendant, in substance like that in 3 Foster's Federal Practice, 2264, requiring it to render a sworn statement of account in writing showing the following information:

(a) Number of ranges made or sold during the infringing period, which contained the infringing reservoir.
(b) Names of purchasers.
(c) Dates of sales.
(d) Price received.
(e) Gains and profits made thereon.

The defendant was also required to specify in the account the following items:

(1) Whole number of infringing ranges made.
(2) Names and addresses of purchasers, date, number bought, and a complete description of the ranges so sold.
(3) Selling price of range without reservoir.
Selling price of reservoir without range, "together with the other elements of claim 11 of said patent."
Discount to purchasers.
Freight allowed to purchasers.
Rebate or credit allowed to purchaser.
Net amount received for range.
Net amount received for reservoir.
(4) Itemized manufacturer's cost of range.
Itemized cost of labor.
Itemized cost for material.
Itemized cost of reservoirs for material.
Itemized cost of reservoirs for labor.
Itemized cost of contact plates and attachments for material, same for labor.
(5) Cost and expense of sale of range with infringing reservoir.
(6) Entire profits on each sale of range with infringing reservoir.
(7) Same on account of use of patented features.
(8) Gains by use of infringing reservoir over the style formerly made by defendant.
Saving by use of same over the style formerly made.
(9) Sale price of range without reservoir.
Same of range with reservoir.

Actual cost of range without reservoir.
Same of range with reservoir.

(10) Produce all books and vouchers showing cost of labor and cost of material, especially day books, journals, ledgers, order books, blotters and cash books used during the infringing period.
Produce all such books and papers on which said data were originally entered. * * *

It appears from the account presented, and an affidavit of a public accountant, that defendant's clerks cannot be conveniently spared from their regular work to prepare the accounting; that it took the accountant 13 days to find the number of ranges with reservoirs sold, which was 46,797; and that it would take about four months, and cost about $1,820, to procure all the information required by the summons. It further appears by the sworn statement of January 9, 1912, that defendant kept its books in the usual method of keeping the account books of a manufacturing concern, where many different articles are produced for sale.

Notwithstanding the settled rule of Garretson v. Clark, complainant contends that the burden of preparing the account was properly put upon defendant by the summons, no matter what the expense may be, and without reference to the weight which such account may have as evidence, or to the question of costs. His position is that equity rule 79, requiring parties to make accounts, applies to patent cases. This rule reads as follows:

"All parties accounting before a master shall bring in their respective accounts in the form of debtor and creditor; and any of the other parties, who shall not be satisfied with the accounts so brought in shall be at liberty to examine the accounting party viva voce, or upon interrogatories, in the master's office, or by deposition, as the master shall direct."

It would appear from an examination of many cases of patent accounting that equity rule 79 has been entirely ignored, although it is common practice for a master to require various reports and statements from both parties. The rule is nearly a literal copy of one of the rules of the English Chancery adopted in 1828, before patent accountings were known. From the language used one would infer that it was intended to apply only to cases of accounts where one party owes money to another and where the burden is upon the debtor. It would not seem to fit a patent accounting where the burden is on the creditor. In view both of the practice and the language and history of the rule it may be laid on one side as entirely inapplicable. To follow its provisions in patent cases would shift the burden of proof from the plaintiff to the defendant, and thus run counter to the settled rule of all the federal courts.

Goss Printing Co. v. Scott (C. C.) 148 Fed. 393, is cited for complainant; but in that case the decree itself, a copy of which was produced on the hearing of this matter, required the defendant to bring in an account substantially in conformity with rule 79.

While the defendant cannot be compelled to assume the burden of proving complainant's case for him, the master may at any time call for such reports, accountings, and statements from defendant, or its officers or employes, as may in his judgment aid or expedite the result, and which will not entail any undue burden of expense or interference with defendant's business.

The master's summons should be quashed, and the accounting proceed as the master may direct.

1075. AMERICAN SULPHITE PULP CO. v. DE GRASSE PAPER CO., 193 Fed. 653, (C. C. A.) (1912, Second Circuit).* * *

Before Lacombe, Ward, and Noyes, Circuit Judges.

Lacombe, Circuit Judge (after stating the facts as above):

Upon the accounting complainant began by introducing some testimony apparently directed to showing profits by defendant; but it soon abandoned that line of proof, and concedes here that no profits were shown. The only question is as to damages, and the only damages sought to be proved are such as might result from deprivation of license fees which complainant could have obtained for defendant's digesters, if the latter had admitted the validity of the patent and obtained complainant's consent to lining them with its material, instead of proceeding to line them without consent and in infringement of the patent.

The master found that complainant had "failed to prove an established license fee at the time defendant commenced to infringe"—in 1903. That finding is correct and fully warranted by the testimony.

He found as a conclusion of law that complainant was entitled only to nominal damages. This conclusion was reached upon the theory that unless a uniform rate of license fee, or at least a uniform rate for the particular period during which defendant's infringement began, can be shown, nothing at all can be recovered. We do not agree in this conclusion. The patent had a career of vicissitudes. Sometimes it was held valid, sometimes void. In consequence the owner could not always get the same license fee. There was quite a variance between the fees paid in tribute to the patent. Nevertheless the owner was constantly seeking to derive profit from the patent by selling licenses under it. These licenses were not yearly ones. They ran each for the full unexpired term of the patent. The size of the digesters and other circumstances made this the most

satisfactory sort of license. The owner uniformly insisted on getting some license fee, and uniformly succeeded in getting one, except in the case of infringers like defendant whom it prosecuted. Licenses for the lining of over 200 digesters were sold. In the case of two of these licensees there were peculiar circumstances which indicate that the rates they paid should not be considered as a basis for fixing a rate to others. They will be referred to later. At first the amount of fees was fixed upon what is called the tonnage basis, but later, and before defendant's infringement began, they were calculated upon the cubic foot. Leaving the two licensees above referred to out of consideration, the lowest rate of license fee charged and collected down to the time when infringement began seems to have been 86 cents per cubic foot. Upon such a state of facts we are of the opinion that an infringer should be held to have damaged the owner to the extent of what such infringer would have had to pay for a license at the lowest rate for which licenses had been issued, had he not infringed but conceded the validity of the patent at the outset. An owner may not announce some fixed rate, and then constantly depart from it for one reason or another, and at the same time insist that an infringer shall pay this rate, which the owner finds it impossible to collect from all others who use his improvement. It would be reasonable to assume that, had the infringer put the owner to an election either to abate from his announced rate or to undertake an infringement suit, such owner would have been willing to accept a rate as low as he had already accepted from others who possibly had put him to a like election in their cases. But it is a very different thing to hold that where there is a lowest limit below which the owner has never gone, preferring to bring suit rather than accept so little, an infringer may appropriate the invention feeling assured that, because all licensees have not paid at exactly the same rate, he will never have to pay anything. Such a rule seems to us to be most inequitable, and the one indicated above is certainly fair to both sides.

The precise question has apparently not been presented to the courts, but we do not find in the decisions of the Supreme Court which have been referred to on the briefs anything which would preclude the adoption of the rule above suggested.

In Seymour v. McCormick, 57 U. S. 480, 14 L. ed. 1024, the court says:

"If any person could use the invention or discovery by paying what a jury might suppose to be the fair value of a license, it is plain that competition would destroy the whole value of the monopoly."

Using as an illustration a patented turnout in a railroad, the court says :

"It was the interest of the patentee that all railroads should use his invention, provided they paid him the price of his license. The only actual damage which the patentee has suffered in such a case (infringement) is the nonpayment of the price which he has put on his license. There may be cases, as where the thing has been used for but a short time where the jury should find less than that sum; and there may be cases where from some peculiar circumstance the patentee may show actual damage to a larger amount. Where an inventor finds it profitable to exercise his monopoly by selling licenses to make or use his improvement, he has himself fixed the average of his actual damage, when his invention has been used without his license."

In Packet Company v. Sickles, 86 U. S. 611, 22 L. ed. 203, evidence was given by defendants that the plaintiffs had sold a great many licenses for the use of the patent on steamboats, that the patent fees were numerous and ranged from $250 to $1,500 for the use of the patent during its existence, and that, although they had produced evidence of all the sales made of licenses for the use of the patent on steamboats. During its existence, the fee in no case exceeded the latter sum. Notwithstanding this testimony, which seems to have been uncontradicted, the verdict and judgment was for $11,333, with interest from the commencement of the suit. The court said:

"The defendants in various form prayed the court to instruct the jury that the measure of damages was the established rate for the license to use the invention, as ascertained by the sales made by plaintiffs of such license to others. If this was the true rule of estimating the damage, the bill of exceptions shows that a sufficient number of such licenses and the prices at which they were granted were in evidence to enable the jury to apply the principle to the case before them. And we are of the opinion that this was the sound rule. In such case nothing can be more reasonable than that the price fixed by the patentee for the use of his invention, in his dealings with others, and submitted to by them before using it, should govern."

In Rude v. Westcott, 130 U. S. 152, 9 Sup. Ct. 463, 32 L. ed. 888, where the court held that enough was not shown to establish a rate of license which could be used as a measure of damages, there were "two instances, and perhaps a third instance, in which a specified sum had been paid for the use of the machines or for the privilege of making and selling them." There was nothing to show that license fees had been paid by such a number of persons as to indicate a general acquiescence in their reasonableness.

There is nothing in the other cases cited to call for special notice, and we find nothing in the frequent statement that an "established rate" cannot be proved except by showing uniform-

ity, to preclude the adoption of the rule above indicated, which to us seems reasonable and equitable.

As to the rates paid for license fees the record is as follows: The master reported a schedule of the so-called "straight" licenses, testified to by complainant's witness, its president, George W. Russell, from the books, to have been granted by complainant, based upon the cubical contents of the digesters, issued prior to the date the infringement by defendant began. There are eight of them, the rate varying from 86 cents to $1.35 per cubic foot. Besides these, there was proved in the same way by the same witness, called as defendant's witness, 72 licenses (including the eight). The first 8 of these 72 granted years before defendant's infringement were "for services rendered," and need not be considered. The tabulation printed in the record which contains these 72 does not state as does the tabulation of the 8 what was the unit of charge in each case, and we cannot make the calculations ourselves. Defendant's counsel called attention to some of them, giving the calculations, and stating that in several instances the rate was less than 86 cents per cubic foot. It may probably be assumed that, if there were others less than 86 cents, he would have referred to them also, so it will be sufficient to examine those to which he so referred.

A group including Nos. 33 to 43, inclusive, shows a rate in some instances as low as 19 cents, in other instances 15 cents. It appears, however, that all the licenses in this group were owned or controlled by the International Paper Company. The brother of the president of complainant company, William A. Russell, in his lifetime controlled that company, and was also the chief person concerned in organizing the International Paper Company. He had promised on behalf of the pulp company, before the paper company was formed not to bring suit against it for infringements of this patent. After William A. Russell's death in 1899, the International Paper Company claimed that the right to use the Pulp Company's patents should have been transferred to the Paper Company with his other interests in the paper and pulp business. There was a controversy between the two companies which was finally settled by the Paper Company paying a lump sum of $20,000, and taking, among other things, licenses covering all the mills it owned or controlled. Under these circumstances, the rate charged these mills should not be taken as a criterion by which to determine the rate of license fee charged by complainant for the use of its patented improvement.

In the case of No. 56, West Virginia Pulp & Paper Company, the rate figured on ($10,000 for 27,840 cubic feet) is stated to be about 36 cents. According to Russell's statement, a mistake was made when the gross sum of $10,000 was charged for a li-

cense; it being supposed that certain other digesters for which the predecessor of the West Virginia Company had already paid had been discontinued. For that reason the rate of license fee in this case is exceptional and may be disregarded.

Upon the whole record we conclude that 86 cents should be accepted as the lowest unit of charge. If, however, a mathematical calculation from any of the figures in the table will show that some lower unit was charged—disregarding the first eight, the International Paper Company and the West Virginia Company—that rate should be accepted as the unit for calculating the damages.

It is contended by defendant that the master disbelieved Russell, and held that his testimony, being uncorroborated, proved nothing. We do not so read the report. The master does find facts which are testified to only by the witness. But he did not find that there was any uniform rate, saying that had the complainant introduced the testimony of licensees and books of the company the evidence "would have been more convincing to the master."

In the original suit a license to the High Falls Company in 1894 was put in evidence, which included a second patent owned by complainant and called the Jurishina patent. This was some time prior to defendant's infringement. The license to the International Paper Company was put in before the master. It is dated February 4, 1899, and includes the Jurishina patent "and also any other patent or patents relating to the lining digesters with cement tile or bricks that it may (thereafter) acquire." It was granted, as we have seen, upon compromise of the claim that the International Company had succeeded to all William A. Russell's interests. From these two isolated instances apparently the Circuit Court inferred that the licenses granted by complainant "in nearly every instance, if not in all instances, covered and granted the right to use the processes and products described in both patents." We think the inference is not warranted by the facts in proof. There is nothing in the testimony to show that the licenses generally included both patents. The master did not find that they did. He merely held that these two licenses which did include the Jurishina patent could not be taken into consideration towards showing the establishment of a fixed license fee.

We do not find sufficient in the evidence to support the contention of complainant that the damages should be trebled.

The decree is reversed with costs of this appeal and the cause remanded with instructions to find damages in favor of complainant on the basis of 86 cents (or such lower sum as the present record discloses), with interest from the date of commencement of the suit, and all costs of the accounting.

1075a. TOPLIFF v. TOPLIFF, 145 U. S. 156, 36 L. ed. 658, 12 Sup. Ct. 825.

4. Defendant also assigns as error the allowance by the master of damages for the infringement of the Augur patent prior to April 9, 1884, when the plaintiffs first took title to it. It appears from the record that the patentee assigned the patent to one Atwater, on February 4, 1873, subject to the condition that if he paid a certain note of $2,000 and interest the assignment was to be void. This vested the real title in the assignee. Waterman v. Mackenzie, 138 U. S. 252, 11 Sup. Ct. 334. The assignment made no mention of past infringements. On April 9, 1883, Atwater assigned to Saladee all the interest which he had acquired, together with all claims and demands for the past use of such patents; and on April 9, 1884, Saladee made a similar assignment to the plaintiffs.

It is claimed in this connection—First, that the bill did not make the assignment of the claim for damages for prior infringements of the Augur patent a basis or ground of recovery, and asked no recovery therefor; and, second, that, if the plaintiffs were entitled to recover the damages which Atwater sustained by reason of the infringement of this patent prior to April 9, 1883, and those which Saladee sustained from April 9, 1883, to April 9, 1884, the date of the assignment to the plaintiffs, there was no evidence that either Atwater or Saladee suffered any damages by reason of the infringement, nor any evidence that they could have supplied the trade during those years.

It is sufficient to say in reply to this that no such exception was taken in the court below to the master's report, the only exception being that, in view of the Stringfellow and Surles patent, the master should have reported only nominal damages. It was held by this court, in Story v. Livingston, 13 Pet.(U. S.)359, 366, that proper practice in chancery requires that no exceptions to a master's report be made which were not taken before the master, the object being to save time, and give him an opportunity to correct his errors or reconsider his opinion. A party neglecting to bring in objections can not afterwards except to the report, unless the court, upon motion, see reason to be dissatisfied with the report, and refer it to the master for review, with liberty to the party to take objection to it. And in McMicken v. Perin, 18 How. (U. S.) 507, it was held directly that this court will not review a master's report upon objections taken here for the first time. In affirmance of this principle, rule 21 (subdivision 2) requires that "when the error alleged is to a ruling upon the report of a master, the specification shall state the exception to the report, and the action of the court upon it." This presupposes that the particular exception relied upon was taken in the court below, and was passed upon by the court adversely to the

appellant. Proper practice requires that objections to a master's report shall be taken in that court, that any errors discovered therein may be rectified by the court itself, or by a reference to the master for a correction of his report, without putting parties to the delay and expense of an appeal to this court. It would be manifestly unjust if this court, after having affirmed the action of the court below in every other particular, should take up an error in a master's report, which was not called to its attention, and reverse the case upon that ground, when, if exception had been duly taken, the error could have been at once corrected. There is nothing in this case to indicate that this point was ever made before the master, nor is it noticed in the eight exceptions taken to his first report, which was set aside upon other grounds, or, as already observed, in the exception to his final report.

5. For the same reason—that no exceptions were taken at all by the plaintiffs to the master's report—we must decline to notice their first two assignments of error based upon the inadequacy of the damages awarded.

There is much force in the third assignment—that the court erred in overruling plaintiff's motion to increase the damages, and in refusing to give a decree for such increase. The master finds that for some years before the defendant began to manufacture he was the traveling sales agent of the plaintiffs; that, while so associated in the manufacture of carriage hardware and appliances, they establish a large trade in certain parts of the country, and that during this period the defendant, while traveling for the firm, became acquainted with their trade, and the location, extent of purchase, and solvency of their customers. His connection with the firm having terminated, defendant went to Cleveland, and in 1882 opened a rival establishment, and began the infringement of these patents. Before that time, plaintiffs were the exclusive manufacturers of these equalizers, and had equipped their establishment with sufficient machinery to enable them to supply the market; but they neither issued licenses nor established a royalty for the manufacture or use of their improvement. The defendant, knowing all their customers and plaintiffs' facilities for the manufacture of equalizers, made serious inroads upon their business, and sold almost exclusively to those who had formerly been customers of the plaintiffs. Under these circumstances we should not have disturbed the decree of the court below if it had seen fit to increase the damages; but, in view of the fact that the defendant carried on the business apparently without profit to himself, and that a decree passed against him for the sum of $8,480.51 actual damages, we are not inclined to reverse it upon that ground. The allowance of an increase of damages under the

statute is a matter which rests somewhat in the discretion of the court, and we should not be inclined to disturb its finding upon this point, unless the evidence clearly demanded it.

The decree of the court below is therefore affirmed.

1076. WESTINGHOUSE ELECTRIC, ETC. CO. v. WAGNER ELECTRIC ETC., CO., 225 U. S. 604, 56 L. ed. 1224, 23 Sup. Ct. 691 (U. S. Supreme Court, 1912).* * *

Statement of the Case.

The current produced by an electric generator is of relatively low pressure, and for that reason it is impracticable to utilize it, for power purposes, more than five or six miles from the central station. It was found, however, that this pressure, or voltage, could be increased by the use of a transformer or converter, consisting of a metal core, through and around which are wound primary insulated wires leading from the generator. Secondary wires, also insulated, are wound through and around the same core, and carried thence to the point of application. The voltage is increased or decreased according as the secondary wires are wrapped around the core more or less frequently than the primary wires.

One of the consequences of thus transforming the current is the generation of heat. In small machines this is corrected by radiation, but in large ones the heat "ages" the iron, lessens the efficiency of the transformer and, in time, deteriorates the insulation around the wires. This latter result causes short circuits, makes it impracticable to take advantage of the increased voltage, and thus again restricts the area in which currents of more than 10 K. W. can be used for producing light and power. (112 Fed. 418.)

Many efforts were made to overcome this difficulty, but without success until July 12, 1887, when George Westinghouse, Jr., secured Patent 366,362 for an "electrical converter," which, his application stated was intended to prevent the converter becoming—

"overheated when employed for a long time in transforming currents of high electromotive force."

Extracts from the specifications and claims are copied in the margin.*

* "'The core is preferably composed of thin plates of soft iron * * * separated individually or in pairs from each other by thin sheets of paper or other insulating material. * * * The plates are preferably constructed with two rectangular openings through which the wires pass. * * * Each group of—say five or six plates—is preferably separated from the succeeding group by air spaces. These may be produced by passing tubes,

which may be of soft iron or other metal, or of vulcanized fiber, along the lengths of the plates. It may be sufficient in other cases to block the group of plates apart at intervals instead of extending the tubes the entire length. Preferably also the primary and secondary coils are separated from each other in a similar manner.'

"Where the converter is to be used in the open air, the tube will permit a free circulation of air and thus aid in keeping the converter cool.

"It may be preferred in some instances to surround the converter with some oil, or paraffin or other suitable material, which will assist in preserving insulating and will not be injured by heating. This material when in a liquid form circulates through the tubes and intervening spaces of the coils and plates, and preserves the insulation, excludes the moisture, and cools the converter.

"The entire converter may be sealed into an inclosing case * * * which may or may not contain a non-conducting fluid or gas.

"I claim as my invention * * * 1. * * * 2. * * *; 3. * * *

"'4. The combination, substantially as described, of an electric converter constructed with open spaces in its core, an inclosing case, and a non-conducting fluid or gas in said case adapted to circulate through said spaces and about the converter.'"

Referring specially to the specifications and claim 4, which is here involved, and speaking generally rather than technically, it will be seen that the transformer consisted of a core, composed of groups of thin metal plates, so plugged apart as to leave (a) open spaces in the core. The primary and secondary wires were wound through rectangular openings near the ends of these plates. The entire apparatus was then placed in a case filled with non-conducting oil, which, when heated, circulated in and around the transformer, being cooled by contact with the exterior surface of the inclosing box or receptacle. This invention proved to be of immense value and made it possible (112 Fed. 418, 422; 117 Fed. 498) to transmit and apply powerful currents so as to produce power and light at a great distance from the generating plant. The patent was utilized by the Union Carbide Co., and on May 10, 1900, the Westinghouse Electric & Manufacturing Company as assignee of George Westinghouse sued that company as infringing claim 4. The transformers which the Carbide Company was using had been sold by the Wagner Company. As vender and warrantor the latter therefore defended and admits that the decree (112 Fed. 417) of November 11, 1901, sustaining the validity of claim 4, is, as to it, res adjudicata. That decree was affirmed April 29, 1902 (117 Fed. 495), and on June

24, 1902, the Westinghouse Company brought this suit (129 Fed. 604) against the Wagner Company, praying for damages and profits, and also for an injunction against further infringement.

It appeared that after the decree in the Carbide Case the Wagner Company had instructed its experts to build a transformer that would not infringe the Westinghouse patent. They thereupon devised one, referred to herein as Type M, which omitted the (a) open spaces in the core, but substituted (b) spaces between the coil, and (c) spaces between the coil and the core.

The court held that these Type M transformers eliminating spaces in the core were not an infringement of claim 4, and thereupon refused the injunction. (129 Fed. 604.) But the defendant in its answer admitted that it had infringed claim 4 by the manufacture of transformers, which, as it subsequently developed, contained openings (a) in the core, and also (b) openings between the coils, and (c) between the coil and core. The case was therefore referred to a master to state an account of damages and profits arising from the infringement of claim 4 prior to June 24, 1902.

On the hearing it appeared that the Wagner Company manufactured various electrical appliances that had been made in the same shop, by the same workmen and under the same general superintendence as that employed in making the transformers. No account had been kept which would show the cost of labor and shop expenses attributable to these transformers. Nor was there anything on the books indicating what, if any, profit had been realized from their sales.

The gross receipts of $2,314,744.75 were mingled. The books only showed a gross profit of about eight per cent., but it appeared that the plant had grown and the business had extended during the period covered by the accounting. There was testimony that the company had the general policy of fixing prices at a figure which would net twenty-five per cent. The master made an elaborate analysis of the data as to flat cost of labor and material, shop expenses and commissions applicable to the transformers. From this data and the policy of the company he ultimately reached the conclusion that the company had made a profit of $132,433 on the $955,271.76 which the books showed had been received from the sale of several thousand infringing transformers. But at the close of the plaintiff's testimony the defendant demurred to the evidence on the ground that it failed to show that any profit had been made in the sale of the infringing transformers. The demurrer was overruled. The defendant then claimed that the infringing transformers contained elements of the patent which were not embraced in claim 4, for which alone this suit was proceeding, and that no profit due to those elements could be recovered in this case, unless the plain-

tiff apportioned the gains due solely to claim 4. It also offered evidence, including a heat test, tending to support its contention that a transformer containing only the elements covered by claim 4, was of little utility; that it operated mainly to reduce the heat in the core, when it was much more important to keep the coils cool; that the infringing transformers contained spaces (b) between the coils and (c) between coil and core which, it contended, were additions and non-infringing improvements, contributing to the profits, if any had been made.

In reply and to disprove the defendant's contention, the plaintiff relied among other things on the fact that upon the hearing of the application to enjoin the defendant from manufacturing transformers containing only (b) spaces between the coil and (c) between coil and core, the Wagner Company had contended that these grooves or channels had been used to avoid infringement, although they "crippled the coils" and actually "lessened the electrical efficiency of the transformers."

At the conclusion of the lengthy testimony, the substance of which is barely outlined above, the master found from the evidence and under the decision in 117 Fed. 498, binding on defendant, that claim 4 was an entirety, covering not only open spaces in the core, but the use of the oil in a closed receptacle for cooling the transformer; that all of the commercial value of those sold by the defendant was due to the use of claim 4, of plaintiff's patent and not to additions made by the defendant. He recommended that a decree should be entered against the defendant for $132,433.35,

"being approximately twenty-five per cent. on the net amount of the sales of infringing transformers after deducting commissions and fixing the factory cost at forty per cent."

The defendant filed many exceptions, among others—

"that the complainant has not shown what was the profit made by defendant on its transformers due to the patented invention of claim 4, as distinguished and segregated from the other features contained in said transformers."

There were also numerous exceptions as to the master's method of stating the account. These and others were not specifically passed on because the circuit court and the circuit court of appeals (one judge dissenting) held (173 Fed. 361) that claim 4 was a limited detailed claim; that the additions made by the defendant were non-infringing and valuable improvements which contributed to the profits; that the burden of apportionment was upon plaintiff, and, having failed to separate the profits it was only entitled to a decree for nominal damages. The court (one judge dissenting) also affirmed the decree that Type M was not an infringement of claim 4.

Mr. Justice Lamar, after making the foregoing statement, delivered the opinion of the court.

The statute makes the decision of the circuit court of appeals final in patent cases, and the plaintiff's petition for the writ of certiorari herein was not granted for the purpose of reexamining the court's ruling that defendant's Type M transformer was not an infringement of claim 4 of the Westinghouse patent. The writ was issued in view of the holding that, though the master found that the defendant had made a profit of $132,000 from the sale of infringing transformers, the plaintiff could yet only recover one dollar because it failed to separate the profits made by its patent from those made by the defendant's addition.

1. The question as to who has the burden of proof, in cases like this, is one of great practical importance and constantly arises in patent cases. There has been much controversy on the subject and a conflict in the decisions. The authorities cited in the briefs of the two litigants, and others bearing on the subject, have been examined, but we shall not undertake to separately review them, for they disagree not so much as to the rule as to its application. It will be sufficient for the present purposes to say that—

(a) Where the infringer has sold or used a patented article, the plaintiff is entitled to recover all of the profits.

(b) Where a patent, though using old elements, gives the entire value to the combination, the plaintiff is entitled to recover all the profits. (Hurlbut v. Schillinger, 130 U. S. 472.)

(c) Where profits are made by the use of an article patented as an entirety, the infringer is liable for all the profits—"unless he can show—and the burden is on him to show—that a portion of them is the result of some other thing used by him." (Elizabeth v. Pavement Company, 97 U. S. 127.)

(d) But there are many cases in which the plaintiff's patent is only a part of the machine and creates only a part of the profits. His invention may have been used in combination with valuable improvements made, or other patents appropriated by the infringer, and each may have jointly, but unequally, contributed to the profits. In such case, if plaintiff's patent only created a part of the profits, he is only entitled to recover that part of the net gains. He must, therefore—

"give evidence tending to separate or apportion the defendant's profits and the patentee's damages between the patented feature and the unpatented features, and such evidence must be reliable and tangible, and not conjectural or speculative; or he must show, by equally reliable and satisfactory evidence, that the profits and damages are to be calculated on the whole machine, for the reason that the entire value of the whole machine, as a

marketable article, is properly and legally attributable to the patented feature." (Garretson v. Clark, 111 U. S. 121.)

The real controversy arises in applying this principle to those cases where it is impossible to separate the single profit into its component parts.

2. In considering the question presented by the record here, it is to be borne in mind that Congress has legislated (Rev. Stat. 4921) with a view of affording the patentee ample redress against the infringer. It not only makes the latter liable for damages—sometimes threefold damages—but for all profits derived from the use or sale of plaintiff's invention. The rule as to the burden of proof has, however, been so applied that this statutory right has been often nullified by those infringers who had ingenuity enough to smother the patent with improvements belonging to themselves or to third persons. In such cases the greater the wrong the greater the immunity; the greater the number of improvements the greater the difficulty of separating the profits. And if that difficulty could only be converted into an impossibility the defendant retained all of the gains, because the injured patentee could not separate what the guilty infringer had made impossible of separation.

Manifestly such consequences demonstrate that either the rule or its application is wrong. The rule is sound, for it but announces the general proposition that the plaintiff must prove its case and carry the burden imposed by law upon every person seeking to recover money or property from another. But the principle must not be pressed so far as to override others equally important in the administration of justice. It may serve to illustrate the rule and its limitations, if, at the risk of stating the obvious, we apply it to the various steps of this case.

The plaintiff proved its patent and that it had been infringed by the defendant in the manufacture of several thousand transformers which sold for $955,000. The patent was itself evidence of the utility of claim 4, and the defendant was estopped from denying that it was of value. (Lehnbeuter v. Holthaus, 105 U. S. 94.) But no matter how great its presumptive or actual value it did not follow that the defendant had made a profit by the sale of the infringing transformers. And so, having sued for profits, the Westinghouse Company was under the burden of showing they had been made. This it did to the satisfaction of the master, who found that the defendant had netted $132,000 from their sale.

The defendant then had the right either to disprove the plaintiff's case or to offer evidence in mitigation, or both. Accordingly it submitted evidence tending to show that the spaces added by the defendants were non-infringing and valuable improvements which had contributed to the making of the profits.

In reply the Westinghouse Company insisted that claim 4 was an entirety, covering a circulatory system in and around a transformer placed in an oil-filled receptacle; that it embraced the "intervening spaces in the coil" because at least a part of the coil was in the core; that if these spaces were held not to be infringements they had in fact, as employed by the defendant, added nothing to the profits, but on the contrary had crippled the coil and lessened the electrical efficiency of the transformer. (129 Fed. 607.) For that reason the plaintiff contended that it had shown that all the gains were "legally attributable to the patented feature." (Garretson v. Clark, 111 U. S. 121; Elizabeth v. Pavement Co., 97 U. S. 126, 7; Crosby Valve Co. v. Safety Valve Co., 141 U. S. 454; Keystone v. Adams, 151 U. S. 144-145.) This view was sustained by the master. But if it be assumed, as was found to be the fact by the court, that the spaces were non-infringing and valuable improvements, it may then have prima facie appeared that these changes had contributed to the profits. If so, the burden of apportionment was then logically on the plaintiff, since it was only entitled to recover such part of the commingled profits as was attributable to the use of its invention.

3. Lindley, L. J., said in Siddell v. Vickers (9 Rep. Pat. Cases, 162) that there—

"was no form of account more difficult to work out than an account of profits."

But that is no reason why the plaintiff should be denied its rights. The problem here, though different, was in many respects analogous to that presented in those cases in which it is necessary to separate the interstate from the intrastate earnings made by a railroad where the same track, rolling-stock, depots and labor are employed at the same time in making gross receipts. These commingled expenses must be apportioned between the two classes of earnings in order to determine whether the intrastate rate is confiscatory. The courts,

"while recognizing the impossibility of reaching a conclusion that is mathematically exact,"

have, in addition to all the other evidence bearing on the question, received—

"the testimony of experts as to the relative cost of doing a local and through business." (Chicago, etc., Co. v. Tompkins, 176 U. S. 178.)

The converse is true. What is permissible in an effort to separate costs may also be done in a patent case where it is necessary to separate profits. (Root v. Railway Co., 105 U. S. 198. See also Rubber Co. v. Goodyear, 9 Wall. 802.) In effect, this was attempted in the present case. Witnesses who had been in the employment of the defendant and who had kept the books,

purchased the material, superintended the construction and fixed the price of the transformers, were not able to show that profits had been made, and consequently were not able to show what part of the profits was attributable to the patent and what to the additions, if found to be non-infringing and valuable improvements.

4. Having, by books and other data, proved to the satisfaction of the master the existence of profits, the plaintiff had carried the burden imposed by law, and established every element necessary to entitle it to a decree, except one. As to that, the act of the defendant had made it not merely difficult but impossible to carry the burden of apportionment. But plaintiff offered evidence tending to establish a legal equivalent. It had proved the existence of a fact which, whether treated as a rule of evidence or as a matter of substantive law, would entitle it to a decree for all the profits. The method was different from that mentioned in the second branch of the rule in the Garretson Case, 111 U. S. 121, but the plaintiff had now presented proof to demonstrate its right to the whole of the fund because of the fact that the defendant had inextricably commingled and confused the parts composing it. This result would not be in conflict with the principle which in the first instance imposed the burden of proof on the plaintiff, but merely gave legal effect to a new fact which as a matter of law entitled the patentee to a particular judgment. It presented a case where the court was called on to determine the liability of a trustee ex maleficio, who had confused his own gains with those which belonged to the plaintiff. One party or the other must suffer. The inseparable profit must be given to the patentee or infringer. The loss had to fall on the innocent or the guilty. In such an alternative the law places the loss on the wrongdoer.

5. It is said, however, that the rule does not apply to patent cases. Why it should be limited does not appear. It is admitted that an injunction may be granted against selling infringing devices, even though the result will be to prevent the defendant from using valuable appliances confused with the patented device. And Lord Eldon treated this conceded right to enjoin as an application of the rule relating to the confusion of goods. He therefore restrained the publication of a book, a large portion of which was original, because copyright matter was incorporated therein, saying in Mawman v. Tegg, 2 Russ. 390:

"As to the hard consequences which would follow from granting an injunction, when a very large portion of the work is unquestionably original, I can only say that if the parts which have been copied cannot be separated from those which are original, without destroying the use and value of the original matter,

he who has made an improper use of that which did not belong to him must suffer the consequences of so doing."

This case was cited and approved in Callaghan v. Myers, 128 U. S. 658, where the infringer who had blended his own with copyright matter, in a volume which sold for a profit, was made to—

"abide the consequences on the same principle that he who has wrongfully produced a confusion of goods must alone suffer."

In one of these cases the original matter was less, and in the other more, than that unlawfully appropriated. In both, as in patent cases, the infringer was a "trustee for the plaintiff in respect of profits." (Root v. Railway Co., 105 U. S. 214.) And the liability is not lessened because the confusion is due to a wrongful appropriation by a trustee de son tort instead of carelessness of a trustee lawfully appointed. Nor is it limited to those cases where the patented device is shown to have preponderated in the creation of the profits. The owner of a small part of the fund is as much entitled to the protection of the law as the owner of a larger share. The rule, however, is not intended to penalize the infringer, nor to give the patentee profits to which he is clearly not entitled. So that where, by general evidence, expert testimony or otherwise, it is shown that his patent is of relatively small value, it will often be possible to prove that, at the utmost, it could not have contributed to more than a given amount of the profits. (Lupton v. White, 15 Vesey Jr., 432-440.) In such cases, except possibly against one who had concealed or destroyed evidence or been guilty of gross wrong, the plaintiff's recovery cannot exceed the amount thus proved, even though it be impossible otherwise more precisely to apportion the profits.

6. But when a case of confusion does appear—when it is impossible to make a mathematical or approximate apportionment—then from the very necessity of the case one party or the other must secure the entire fund. It must be kept by the infringer, or it must be awarded, by law, to the patentee. On established principles of equity, and on the plainest principles of justice, the guilty trustee cannot take advantage of his own wrong. The fact that he may lose something of his own is a misfortune which he has brought upon himself; and if, as argued, the fund may have been made by the use of other patents also, for which he may be liable in another case, it is again a misfortune which he has brought upon himself and an instance of a double wrong causing double liability. He cannot appeal to a court of conscience to cast the loss upon an innocent patentee and by judicial decree repeal the provision of Revised Statutes 4921, which declares that in case of infringement the complainant shall be entitled to recover the "profits to be accounted for by the defendant."

This conclusion is said to be in conflict with the Garretson and other decisions which, it is claimed, justify the conclusion that the defendant is entitled to retain all of the profits even where the patentee is unable to make an apportionment. (Warren v. Keep, 155 U. S. 265.) An analysis of the fact of those cases will show that they do not sustain so extreme a doctrine. For they deal with instances where the plaintiff apparently relied on the theory that the burden was on the defendant, and for that, or other reasons, made no attempt whatever to separate the profits. None of the cases cited discuss the rights of the patentee who has exhausted all available means of apportionment, who has resorted to the books and employes of the defendant, and by them, or expert testimony proved, that it was impossible to make a separation of the profits. This distinction, between difficulty and impossibility, is involved in the ruling by the Circuit Court of Appeals of the Sixth Circuit in Brennan & Co. v. Dowagiac Mfg. Co., 162 Fed. 476, where the Garretson Case was distinguished and the court said:

"In the present case the infringer's conduct has been such as to preclude the belief that it had derived no advantage from the use of plaintiff's invention. * * * In these circumstances, on whom is the burden of loss to fall? We think the law answers this question by declaring that it shall rest upon the wrongdoer, who has so confused his own with that of another that neither can be distinguished. It is a bitter response for the court to say to the innocent party, "You have failed to make the necessary proof to enable us to decide how much of these profits are your own;" for the party knows, and the court must see, that such a requirement is impossible to be complied with. The proper remedy to be applied in such cases is that stated by Chancellor Kent in Hart v. Ten Eyck, 2 Johns. 62, 108, where he said: 'The rule of law and equity is strict and severe in such cases. * * * All the inconvenience of the confusion is thrown upon the party who produces it, and it is for him to distinguish his own property or lose it.'"

It may be argued that, in its last analysis, this is but another way of saying that the burden of proof is on the defendant. And so doubt such, in the end, will be the practical result in many cases. But such burden is not imposed by law; nor is it so shifted until after the plaintiff has proved the existence of profits attributable to his invention and demonstrated that they are impossible of accurate or approximate apportionment. If then the burden of separation is cast on the defendant it is one which justly should be borne by him, as he wrought the confusion.

7. This conclusion would apparently result in a decree in favor of the appellant. But such an order, under the peculiar facts of this case, would operate to deprive the defendant of

the right to a ruling on the exceptions filed to the report. The master held that the entire commercial value of the transformer was due to the invention covered by claim 4, and that therefore all the profits belonged to the Westinghouse Company. The court, on the other hand, found that the defendant's additions were not infringements and had contributed to the profits, and that because of the failure to make a separation the plaintiff was entitled only to nominal damages. For this reason it did not specifically pass on defendant's exceptions. Other questions of law and fact involved in the accounting were not considered. Neither the court nor the master discussed the question of apportionment and the record does not afford satisfactory data for entering a final decree. This no doubt arises from the fact that both parties relied so entirely upon their theory that the burden was on the other, that facts were not proved which might otherwise have been established. The decree is therefore reversed and the case remanded, with power to hear and determine motions to amend the pleadings and with directions that the case be recommitted to a master for a new hearing on all the questions involved in the original reference, and, on evidence already submitted and such additional testimony as may be offered, for further proceedings not inconsistent with this opinion.

Reversed.

[The following under this heading are brief extracts to complete the discussion.]:

1077. ECLIPSE BICYCLE CO. v. FARROW, 199 U. S. 581, 50 L. ed. 317, 26 Sup. Ct. 150.

The ground on which the account was ordered was that the contract required it, notwithstanding all the difference which the auditor found. We could not come to that conclusion unless we at least were satisfied that it was inconsistent with due business diligence in pushing Farrow for the defendant to take up with E 10. The witnesses pointed out important superiorities in the latter, which we need not repeat, in the way of avoiding clogging by mud or ice, in applicability to a chainless machine, in more immediate and certain operation, and in requiring a less continued exercise of force. On these points they were not contradicted. If, as we think, E 10 did not embody Farrow's invention, and if the company reasonably and honestly thought it a better thing, it had a right to do what it did. We can not say that it was not warranted in its preference of E 10, or that it was not honest in its choice. It follows that, with regard to this, the decree must be reversed.

1078. STANDARD ELEVATOR CO. v. CRANE ELEVATOR CO., 76 Fed. 767, 22 C. C. A. 549.

In a patent case there can be no right to an accounting unless the infringement be made out; but the infringement may be found and the injunction awarded in favor of a complainant who, upon the proofs, has no right to an accounting.. Upon the issue whether or not the complainant is entitled to the accounting, it may not appear that the defendant used or sold the patented device, but merely that he made it; or it may otherwise appear that there were, in fact, no profits, or that an account had already been stated, conditionally or otherwise, by the parties themselves, and that for want of notice, as provided in sec. 4900 of the Revised Statutes of the United States, no damages could be recovered. In such event there could be no award of an accounting in the decree, although the perpetual injunction would be awarded. Whittemore v. Cutter, Fed. Cas. No. 17,601; Elizabeth v. Pavement Co., 97 U. S. 127, 144. In a patent case on the equity side the primary and essential contention relates to the ownership of the patent by complainant, the validity of the claims, and the infringement. The final adjudication in favor of complainant on this contention is a perpetual injunction.

1079. MURRAY v. ORR, ETC., HARDWARE CO., 153 Fed. 369, 82 C. C. A. 445.

When the order of reference was made, the only infringement established by the decree was defendant's sale of Columbia ladders. We think it is better and cleaner-cut practice to require a complainant to set up alleged new infringements in a supplemental bill. Thereupon, if it should be found that the additional types contain only colorable departures from the adjudged infringing type, the decree for an injunction and an accounting and the order of reference could be extended to cover them specifically; or, if the changes should appear to be so radical that the pending suit ought not to be cumbered and delayed by practically a new issue, the supplemental bill could be dismissed with leave to the complainant to begin an independent suit.

* * * .

It was not open to defendant on the question of additional infringements to refer to the prior art to limit the scope of the invention to less than we had found it to be in determining the infringement of the Columbia ladder. As the changes from the Columbia type are only colorable, the part of the decree that is questioned on this appeal must be reversed.

1080. SAYRE v. SCOTT, 55 Fed. 971, 5 C. C. A. 366.

The master's report was based altogether upon the profits actually realized by the defendant from his sales of infringing machines. The defendant was charged with the amount received by him from sales, as stated by himself. * * * Besides a credit for the cost of manufacture, as found by the master, and a credit for advertising, the defendant was allowed for freight and cartage, and discounts to purchasers. We think the master was right in disallowing the lumping sum which the defendant claimed for "clerk hire, selling expenses, rent, and insurance." That was a mere estimate, unsupported by evidence. * * * We do not see upon what principle the defendant is entitled to an allowance for the sum he paid for the Cottrell patents, and the cost of his patterns. They remain his property. These credits were properly disallowed.

1081. MICHIGAN, ETC. R. CO. v. TURRILL, 110 U. S. 301, 28 L. ed. 154, 4 Sup. Ct. 5.

In making up the decree, interest was added from the date of the master's report on the balances found due after the ascertained deductions had been made, and this is assigned for error. As a general rule, a patentee is not entitled to interest on profits made by an infringer. The reason is that profits are regarded in the light of liquidated damages. Parks v. Booth, 102 U. S. 106. But in many of the cases it is said that circumstances may arise in which it would be proper to add interest. Mowry v. Whitney, 14 Wall. 653; Littlefield v. Perry, 21 Wall. 230. Here, as has been seen, in effect, the original decrees rendered in July, 1874, were affirmed in 1876, to the extent of the present recoveries. The cases were only sent back to ascertain how much should be deducted from those decrees for errors in the accounts as then stated. If the decrees had been entered originally for the present amounts, the patentee would have been entitled to interest from 1874. This was settled in R. R. Co. v. Turrill, 101 U. S. 836 * * * Under these circumstances, it seems to us not at all inequitable to allow interest on the corrected amounts from the date of the master's report.

1082. BOESCH v. GRAFF, 133 U. S. 697, 33 L. ed. 787, 10 Sup. Ct. 378.

The report of a master is merely advisory to the court, which it may accept and act upon in whole or in part, according to its own judgment as to the weight of the evidence. * * * Yet, in dealing with exceptions to such reports, "the conclusions of the master, depending upon the weighing of conflicting testimony, have every reasonable presumption in their favor and are

not to be set aside or modified unless there clearly appears to have been error or mistake on his part."

1083. ELIZABETH v. AMERICAN PAVEMENT CO., 97 U. S. 126, 24 L. ed. 1000.

It is also clear that a patentee is entitled to recover the profits that have been actually realized from the use of his invention, although, from other causes, the general business of the defendant, in which the invention is employed, may not have resulted in profits; as where it is shown that the use of his invention produced definite saving in the process of a manufacture. * * * On the contrary, though the defendant's general business be ever so profitable, if the use of the invention has not contributed to the profits, none can be recovered.

1084. COUPE v. ROYER, 155 U. S. 565, 39 L. ed. 263, 15 Sup. Ct. 199.

But even in equity the profits which the complainant seeks to recover must be shown to have been actually received by the defendant; * * * in other words, the fruits of the advantage which he derived from the use of that invention over what he would have had in using other means then open to the public and adequate to enable him to obtain an equally beneficial result.

1085. BRENNAN & CO. v. DOWAGIAC MFG. CO., 162 Fed. 472, 89 C. C. A. 392.

A patentee may withhold the exploiting of his patent in a particular territory, or he may not be able at the time to extend his business therein. But this gives no right to the infringer to invade the territory and anticipate the sales which the patentee might have when he should desire and be able to carry his invention there for a profit which is legitimately his own. But this, while it might be an answer to the suggestion made by the master, is not relevant to such a proceeding as this. The fact that the owner of a patent does not exercise his right or cannot at the time do so to the full, gives no license to another, and the latter is liable for infringement, to the same extent as if the owner were exercising his right to the utmost. The owner has the same right as he has to any other property, which he may put to use or not as he chooses; and in such case the rule always is that, if a stranger without right seizes and uses it, he is bound to pay for such use, and it is no answer for him to say that the owner was doing nothing with it. If it be true, as has often been declared, that the exclusive right of a patentee is property, for the protection of which the public faith is

pledged, it should have the same immunity from invasion, and its violation should be attended with the same consequences as in the case of other species of property.

1086. ORR, ETC., HARDWARE CO. v. MURRAY, 163 Fed. 54, 89 C. C. A. 492.

Two rules governing the question of profits as between patentee and infringer are laid down by the Supreme Court. The first of these rules (Elizabeth v. American Pavement Company, 97 U. S. 126, 24 L. ed. 1000) is as follows: Where profits are made by an infringer, by the use of an article patented as an entirety, the infringer is responsible to the patentee for the whole of such profits, unless he can show—and the burden is on the infringer to show it—that a portion of such profits is the result of some other thing used by him. And the second rule (Garretson v. Clark et al., 111 U. S. 120, 28 L. ed. 371) is as follows: That where the patent is for an improvement, and not for an entirely new article or product, the burden is on the patentee to show what portion of the infringer's profits is due to the particular patented feature.

Inasmuch as appellant offered no proof, other than the patent itself, tending to show that the profits made by it upon the ladders sold by it were the result of anything else than the use of the ladder patented as an entirety, and inasmuch as no proof was offered by appellee, other than the patent itself, tending to separate or apportion the profits made by the appellant, by the use of the patent in question, from such profits as might have been due to other features, neither party has attempted to take these cases out of the rule contended for by his adversary—leaving it as the determinative question in these cases whether (the patent only being before us) the rule laid down in the Nicholson Case, or the rule laid down in the Garretson Case, is applicable to the case before us, as the patent has already been upheld and construed by this court.

The new thought in the art of ladder building, embodied in the Murray patent, was the utilizing of the man's weight to adjust the center of gravity. It was a unitary thought, to carry out which the elements already named were only agents; and a unitary thought, though thus carried, makes the ladder thus built a new article within the meaning of the Nicholson case.

1087. WALES v. WATERBURY MFG. CO., 101 Fed. 126, 41 C. C. A. 250.

An infringer is a trustee ex maleficio for the owner of the exclusive rights protected by the patent; and a trustee who has confused the profits made by the use of the trust property with those made from his own property, and commingled them so

that they cannot be segregated, must account for the whole. * * * On the other hand, such a rule would work unjustly in many cases—as where the patented feature is of an insignificant part of the machine or article; and it is probably because of its manifest inequity in such cases that the courts have placed upon the complainant the burden of proof.

[See, however, Nos. 1076 and 1087, for example.]

1088. BAKER v. CRANE CO., 138 Fed. 60, 70 C. C. A. 486.

How much of the 28½ cents, the difference between the cost and selling price of defendant's new appliance, was due to the improvement covered by claim 1? The record fails to show. This was necessary.

1089. MAST & CO. v. SUPERIOR DRILL CO., 154 Fed. 45, 83 C. C. A. 157.

The court abruptly departed from the orderly course of procedure. The decree did not rest upon any finding by the master, notwithstanding the court overruled all exceptions to it. Nor is it supported by any evidence to be found in the record. It was for an arbitrary sum quite distinct from either of the results which the evidence had any tendency to prove, and the court was not at liberty to pronounce a decree at discretion.

1090. ROBERTSON v. BLAKE, 94 U. S. 728, 24 L. ed. 245.

No license fee charged by the complainant is shown. The burden of proof rests upon him. Damages must be proved; they are not to be presumed.

1091. SEYMOUR v. McCORMICK, 16 How. (U. S.) 480, 14 L. ed. 1024.

But one who invents some improvement in the machinery of a mill could not claim that the profits of the whole mill should be the measure of damages for the use of his improvement. And where the profit of the patentee consists neither in the exclusive use of the thing invented or discovered, nor in the monopoly of making it for others to use, it is evident that this rule could not apply.

1092. HOLMES v. TRUMAN, 67 Fed. 542, 14 C. C. A. 517.

It would be impossible in the case of a patent such as this to introduce testimony to separate the value of the patented from the unpatented parts. The plaintiff's invention practically introduced a new cart—a cart for which a demand at once arose. There is no evidence that at any time carts were constructed after the manner of the plaintiff's but with the patented feature

omitted. There would be no demand for such a cart. It was impossible, therefore, to compare the value of the patented cart with a cart which did not contain the invention. There was in the case the admission of the defendants that they had constructed 150 carts in the year 1893. The testimony of the plaintiffs was that, by reason of the competition of infringers, the price of their cart, which was originally $35, had been reduced to $22.50. The measure of their damages was their entire loss.

1093. CLARK v. WOOSTER, 119 U. S. 322, 30 L. ed. 392, 7 Sup Ct. 217.

Established license fees are the best measure of damages that can be used. There may be damages beyond this, such as the expense and trouble the plaintiff has been put to by the defendant, and any special inconvenience he has suffered from the wrongful acts of the defendant; but these are more properly the subjects of allowance by the court under the authority given to it to increase the damages.

1094. HUNT, ETC. FRUIT PACKING CO. v. CASSIDY, 53 Fed. 257, 3 C. C. A. 525.

A license fee, when established and agreed to by the public, is only a means of estimating the market value of a patented machine or device of which the patentee had been deprived by infringement.

* * *

The proof of a license fee for two improvements in fruit dryers is not competent to show the damages sustained by an infringement of one of these improvements.

1095. NATIONAL, ETC. PAPER CO. v. ELSAS, 86 Fed. 917, 30 C. C. A. 487.

They were perfectly indifferent to the claimed rights of any one else, and purchased infringing goods from the Dayton Company on March 26, 1892, a month after the issuance of a preliminary injunction against them, and nearly 1½ months after the date of Judge Lacombe's opinion. While the master cautiously does not find a removal of their books and papers to evade the accounting, it appears that they did not exert themselves to produce them. They were passive instruments in the hands of the real defendants, and permitted all the difficulties which the master has detailed to be interposed. The doubling of the small amount of damages which the master was able to find, was a proper exercise of power of the circuit court.

1096. PARKS v. BOOTH, 102 U. S. 96, 26 L. ed. 54.

Interest on the profits decreed to the complainant should not have been allowed, as was decided by this court many years ago, the better opinion being that profits in such a case are to be regarded in the light of unliquidated damages, which usually do not draw interest without the special order of the court.

1097. MARSH v. SEYMOUR, 97 U. S. 348, 24 L. ed. 963.

Damages of a compensatory character may be allowed to a complainant in an equity suit, where it appears that the business of the infringer was so improvidently conducted that it did not yield any substantial profits.

1098. TUTTLE v. CLAFLIN, 76 Fed. 227, 22 C. C. A. 138.

We have been in doubt as to the proper disposition of the case—whether it should be sent to a master for rehearing, or whether this court should ascertain from the record the proper amount. Manufacturing Co. v. Cowling, 105 U. S. 253. This case had now been in court for eighteen years. It survived two masters, and was before a master for more than nine years. The lapse of time undoubtedly arose from a variety of circumstances, and we are not aware that it is attributable to the counsel in the case; but the delays which are incident to an accounting are well known, and we hesitate exceedingly to compel an additional expenditure of time. The manufacture of plaits in any large amount has now ceased, and it is very likely that further testimony would result only in estimates not the result of experience. We have therefore concluded to ascertain from the record a more satisfactory amount of profits, and conclude that a reasonable allowance will be the sum of $40,000.

PART XX.

COSTS AND CONTEMPT.

STATUTES.

1099. COSTS NOT RECOVERABLE IN CERTAIN SUITS FOR INFRINGEMENT OF PATENT UNLESS DISCLAIMER ENTERED, ETC.

Sec. 973. When judgment or decree is rendered for the plaintiff or complainant, in any suit at law or in equity, for the infringement of a part of a patent, in which it appears that the patentee, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor, no costs shall be recovered, unless the proper disclaimer, as provided by the patent laws, has been entered at the Patent Office before the suit was brought. [See §§ 4917, 4922.]

1100. SUIT FOR INFRINGEMENT WHERE SPECIFICATION IS TOO BROAD.

Sec. 4922. Whenever, through inadvertence, accident, or mistake, and without any willful default or intent to defraud or mislead the public, a patentee has, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor or discoverer, every such patentee, his executors, administrators, and assigns, whether of the whole or any sectional interest in the patent, may maintain a suit at law or in equity, for the infringement of any part thereof, which was bona fide his own, if it is a material and substantial part of the thing patented, and definitely distinguishable from the parts claimed without right, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer. But in every such case in which a judgment or decree shall be rendered for the plaintiff, no costs shall be recovered unless the proper disclaimer has been entered at the Patent Office before the commencement of the suit. But no patentee shall be entitled to the benefits of this section if he has unreasonably neglected or delayed to enter a disclaimer. [See §§ 973, 4917.]

1101. CHRISTENSEN v. WESTINGHOUSE, 135 Fed. 774, 68 C. C. A. 476. (1905, Second Circuit).* * *

Before Wallace, Townsend, and Coxe, Circuit Judges.

Wallace, Circuit Judge:

These cases are before us on writs of error to review two proceedings in contempt, in each of which the order of the court below adjudged the defendant, in an equity suit brought to restrain the infringement of a patent, guilty of contempt for violation of an interlocutory injunction restraining such infringement. The two cases may be considered together conveniently.

The order in the first proceeding fined the defendant $1,000, and directed one-half of the fine to be paid to the clerk of the court for the use of the United States, and one-half to the complainant in the suit. The order in the second proceeding fined the defendant $4,000, and directed one-half of the fine to be paid to the clerk of the court for the use of the United States, and one-half to be paid to the complainant.

The injunction was granted October 18, 1901, and restrained the defendant from making or selling certain automatic air-brake apparatus particularly described therein. The defendant's principal place of business was in Milwaukee, Wis., but it had an office and a managing agent at New York City. A copy of the injunction was duly served upon its solicitors in the cause by the complainant's solicitors, October 21, 1901. October 28, 1901, the solicitors for the complainant sent a copy of the injunction to the defendant, inclosed in a registered letter properly addressed to the defendant at Milwaukee, and mailed at the city of New York, with postage prepaid. In July, 1902, the complainant, having been informed that the defendant had sold certain valves which were an infringement of the injunction to the Boston & Maine Railroad Company, called the attention of the defendant to the fact, and sent a representative to Concord, N. H., to investigate. One of the valves found there which had been sold by the defendant was submitted to experts, and pronounced to be an infringement of the patent. In December, 1902, a notice of an application for an attachment for the violation of the injunction, together with a copy of the moving papers, was served upon the defendant's solicitors by the complainant's solicitors. These papers were transmitted by the latter to the counsel of the defendant at Milwaukee, and their contents were communicated by him to the manager of the defendant there. The defendant appeared upon the hearing of the application and filed various objection to the proceedings. The court found that the defendant had sold four of the infringing valves on or about July 21, 1902. The affidavits introduced by the defendant in opposition to the application set forth, among other things, in sub-

stance, that the infringing devices had not been constructed according to the directions given to its workmen, that its workmen were five or six hundred in number at its Milwaukee shops, and that the four valves had "slipped through the shop" inadvertently. In deciding the motion, the court in its opinion said:

"The defendant, upon the record here presented, must be acquitted of any deliberate violation of the order of the court, its officers having given instructions not to make or sell such structures. Nevertheless, it is thought that an enjoined defendant should take such steps as will enforce obedience to its instructions on the part of its employes. This motion might have been avoided had proper attention been given to the notification served upon the defendant last summer that infringing valves had been found which had been sold by its employes since injunction."

The order imposing the fine was entered January 10, 1903.

In July, 1903, the complainant learned from information derived from the American Car & Foundry Company that the defendant had sold to that company, upon an order given July 26, 1902, equipments embracing the infringing valves for between 25 and 30 cars, which were delivered to that company on the 28th of August, 1902, and by it shipped to the Denver & Northwestern Railway Company in April, 1903. Thereafter notice of a second application for an attachment for this violation of the injunction, together with copies of the affidavits upon which the application was based, was served by the complainant's solicitors upon the defendant's solicitors. When this motion came up for hearing, the defendant's solicitors appeared, and objected that such service was unauthorized. Thereupon the court made an order directing the complainant's solicitors to serve notice of the application for an attachment, and a copy of the affidavits to be used thereon, upon the defendant by registered mail. Pursuant to this order, the notice and a copy of the affidavits were duly mailed to the complainant's solicitors by depositing the same in the postoffice at the city of New York, May 21, 1904, in a registered letter properly addressed to the defendant, with the postage thereon prepaid. This letter was indorsed with the names of the complainant's solicitors. On May 26 the letter was returned to the complainant's solicitors by the postmaster with the official indorsement "Refused." At the time and place of hearing mentioned in the notice, the defendant's solicitors appeared, and filed an objection as follows:

"The undersigned, solicitors of defendant in the above-entitled suit, respectfully represent to the court that they are not authorized to accept service of process or other papers in criminal contempt proceedings against the defendant, or to waive any rights which the defendant may have had in such proceedings, and object that the complainant has not duly served its motion

for attachment in the pending proceeding upon the defendant, and that the court has no jurisdiction to entertain the pending proceeding because, among other reasons, the defendant has not been brought into court."

The affidavits used upon the hearing contained a recital of the previous proceedings and copies of the moving and answering affidavits used thereon, besides additional affidavits setting forth the facts in regard to the further infringement, and to the service of the motion for an attachment, which have been referred to. In deciding the motion, the court in its opinion, among other things, said:

"This is the second violation of the same injunction, and defendant does not offer even the excuse of inadvertency which it presented before."

The assignments of error in each of the proceedings assert that the court erred in deciding that the injunction was duly served on the defendant, in deciding that the defendant had infringed the injunction, in deciding that proper notice to the defendant of the motion for attachment had been given, and assert that the court imposed an excessive fine. Various other errors were assigned, but, as they have not been argued, it is unnecessary to refer to them.

The service of a copy of an injunction upon the solicitors for the defendant in an equity suit ordinarily affords sufficient notice to the defendant, and should be deemed equivalent to actual notice to the defendant of the contents. It is the duty of the solicitor promptly to inform his client of the contents of the document, and that the presumption is that he has done so. If it should appear that he has not done so, the court would doubtless acquit the defendant of any intentional misconduct in a proceeding to punish him for violating the order. In this case there was the additional presumption that a letter properly addressed and mailed reached its destination at the proper time and was duly received by the person to whom it was addressed This is a presumption of fact resting upon the consideration that the post office is a public agent charged with the duty of transmitting letters, and that what ordinarily results from the transmission of a letter through the post office probably resulted in the given case; it is deduced from the known course of business, and the presumption that the officers of the postal system have discharged their duty. Rosenthal v. Walker, 111 U. S. 185, 4 Sup. Ct. 382, 28 L. ed. 395; Kimberly v. Arms, 129 U. S. 512, 9 Sup. Ct. 355, 32 L. ed. 764; Henderson v. Carbondale Coal & Coke Co., 140 U. S. 26, 11 Sup. Ct. 691, 35 L. ed. 332; Schutz v. Jordan, 141 U. S. 213; 11 Sup. Ct. 906, 35 L. ed. 705. According to the modern practice, actual service of an injunction upon the person sought to be restrained is not requisite to lay the foundation of a pro-

ceeding against him for contempt. The authorities are collected in Rapalje on Contempt, § 46, where the author, after referring to some conflict in the cases, uses this language:

"The weight of authority, however, and in our judgment the better opinion, is that a defendant against whom an injunction is issued, who has actual notice thereof, will be bound thereby, although the same is not served upon him."

In re Lennon, 166 U. S. 548, 554, 17 Sup. Ct. 658, 41 L. ed. 1110, the court said:

"To render a person amenable to an injunction, it is neither necessary that he should have been a party to the suit in which the injunction was issued, nor to have been actually served with a copy of it, so long as he appears to have had actual notice."

In deciding that the defendant had violated the injunction, the court necessarily passed upon the questions whether the defendant had sold the valves, and whether the valves were an infringement of the complainant's patent. Upon writ of error the court can not review questions of fact. Its review is confined to questions of law only. This is the rule when contempt proceedings are under review. In re Debs, 154 U. S. 564, 15 Sup. Ct. 900, 39 L. ed. 1092; Besette v. Conkey Co., 194 U. S. 334, 24 Sup. Ct. 665, 48 L. ed. 997.

The affidavits did not contain any positive statements of the sale of the valves by the defendant, but the statements were founded upon information derived from the parties in whose possession the valves were found. The defendant did not deny making the sales. There was certainly sufficient evidence to justify the court in finding that the valves were infringing valves, and this court can not enter upon an inquiry as to its weight or conclusiveness.

The question whether notice of the motion for an attachment had been properly given to the defendant was not raised by the objections taken in the first proceeding, and need not be considered. In Matter of Nichols, 54 N. Y. 62. In the second proceeding, however, the objection was raised. It may be conceded that generally the rule obtains that, before a party will be punished for contempt, it must appear that he has been personally served with notice of the application. The precedents, however, are not unanimous. In Encyclopaedia of Pleading & Practice, vol. 4, p. 783, the text states the rule as follows:

"While, from the character of contempt proceedings, the order to show cause is the most natural and ordinary process of reaching the offender, and most in vogue under American practice, nevertheless the court will issue an attachment without an order nisi where one is present in court, and, with full knowledge of an order passed, is guilty of disobedience; or against an officer of

the court failing to comply with its mandates, such officer being presumed to be always before the court."

In Zimmerman v. Zimmerman, 14 N. Y. Supp. 444, the Supreme Court of New York held that service on the attorney of the party was sufficient. In Petrie v. The People, 40 Ill. 334, 344, it was objected that the defendant had not been served with any notice of the application prior to the issuance of the attachment, and it was held that as the defendant was fully aware of the order which he was charged with having violated, and knew he was in default under it, and subject to attachment for contempt for non-compliance, service was unnecessary. In Eureka Lake Co. v. Yuba County, 116 U. S. 410, 6 Sup. Ct. 429, 29 L. ed. 671, it was decided that when a court, having acquired jurisdiction of a cause and the parties to it, issues an order upon one of the parties to show cause why he should not be punished for contempt in disobeying a temporary restraining order of injunction made in the cause, and he conceals himself to evade service of a process, the court may, on proper return of the facts, direct service of the order to show cause to be made on his attorney of record, and, after due service thereof, may proceed to hear the order to show cause, and to adjudicate the same. The court in its opinion said:

"To deny the power of calling on a concealed corporation through its chosen attorney of record in a suit to appear and answer to a charge of contempt for disobeying the orders of the court duly entered in that suit, would be to deny it the power of vindicating its authority and enforcing obedience to its lawful commands against a party personally subject to its jurisdiction."

These authorities show that it is not indispensable that the party proceeded against be actually served with notice of the application for the attachment. In the present case the presumption that its solicitors gave it prompt notice of the application of which they had been notified has as much force as the presumption that they gave the defendant notice of the injunction; and the presumption also obtains, from the proper mailing of notice of the application to the defendant, that it had an opportunity to acquaint itself of the contents. If the defendant chose to refuse to receive the registered letter which had been sent to it, it was in no better position to raise the objection which has been urged than a party would be who had concealed himself to avoid service. As a matter of fact, it can not be doubted that the defendant had a sufficient opportunity to appear and controvert the charge of contempt. Instead of doing this, it contented itself with opposing the application upon purely technical grounds. We think the objection was not well taken, and the assignment of error is not valid.

The contention of the defendant that the fines were excessive

involves a review of the judicial discretion exercised by the court below, and the rule is that decisions of that character will not be reversed unless it is manifest that they have proceeded upon wrong principles or that the discretion has been abused. Proceedings of contempt are of two classes: Those prosecuted to preserve the power and vindicate the dignity of the courts by punishing the contemnor, and those prosecuted to compel observance and redress the violation of orders or decrees made in behalf of a party to an action pending before the court. The former are punitive and essentially criminal in their nature, and the government, the courts, and the people are interested in their prosecution. The latter are civil, remedial, and coercive in their nanature, and the parties chiefly interested in their conduct and prosecution are the individuals whose private rights and remedies they are necessary to redress. The intentional violation of an injunction by a party to the cause is an act in defiance of the authority of the court and in derogation of the rights of the adverse party, and a prosecution for contempt in such case may partake of both a punitive and a remedial character. The proceeding is not one to enforce the criminal laws, but is one of a quasi criminal nature. If the adjudication imposes a fine on the contemnor in favor of the government, it is a criminal judgment; if it imposes a fine in favor of the adverse party, in reparation of the loss which has been occasioned him by the act of the contemnor, it is a civil judgment. If the fines in the present case had been imposed solely in favor of the government, the question whether they were reasonable or excessive in amount would be so largely one of the discretion of the court below that we should not feel justified in disturbing them. Different judges and different tribunals may well reach different views in deciding, upon the same state of facts, whether a given penalty is an adequate, or a moderate, or an excessive punishment for an offense, and, because the correct measure of the punishment can not be ascertained by any fixed criterion, a reviewing tribunal should interfere only in an extreme case. Rogers Manufacturing Co. v. Rogers, 38 Conn. 121; The People v. Delvecchio, 18 N. Y. 352; Myers v. The State, 46 Ohio 473, 22 N. E. 43, 15 Am. St. 638. The defendant was a large manufacturing corporation. It had infringed a patent of sufficient importance to induce it to contest its liability in an expensive litigation, and, when defeated in the circuit court, to prosecute an appeal to the circuit court of appeals, where it was again defeated. Its officers were presumably men of sufficient intelligence and business experience to appreciate their obligations to respect and observe the mandate of the court, and to apprehend the probable consequences of neglect or evasion or contumacy. In the first proceeding the violation of the injunction may not have been willful in the sense that it was a delib-

erate act; but upon what consideration can this court say, in view of the fact that the defendant had failed to exert proper supervision over those in its employ, that the fine was excessive? In the second proceeding the court below was certainly not without justification in considering that the violation of the injunction had not been inadvertent. It was not such a trivial violation as would have been likely to be accidental. The silence of the defendant, and its attitude in meeting the charges against it by merely technical objections, were quite properly taken into consideration in fixing the amount of the fine and in disciplining it for its contumacy.

We entertain some doubt whether we are at liberty to review that part of the orders by which half of the fine imposed upon the defendant was awarded to the complainant. Although the orders do not in terms recite that this half of the fine was awarded as a compensation to the complainant for the loss and expense to which it had been put in obtaining evidence and prosecuting the contempt proceedings, we assume that this was the meaning of the orders. If the whole fine had been awarded to the complainant, the orders could not have been reviewed on writ of error, and could only be reviewed upon an appeal from the final decision in the cause. It was held by the Supreme Court (Re Christensen, 194 U. S. 458, 24 Sup. Ct. 729, 48 L. ed. 1072) that because the fine (in the first proceeding) was imposed in part in vindication of the authority of the court, this feature of the judgment dominated the proceedings, and fixed its character as one which was reviewable by this court upon a writ of error as a final decision in a proceeding of a criminal nature. The court did not suggest that the part which was not punitive could be re-examined, and the question was not before the court. Nevertheless we derive the impression from the opinion that it was not the meaning of the court that there should be a partial review only, and that the court regarded the whole proceeding as open to review, because it was one which was to be regarded as having for its primary though not its sole purpose the vindication of the authority of the court.

This court had occasion to consider the propriety of such an order in Cary Manufacturing Co. v. Acme Flexible Clasp Co., 108 Fed. 873, 48 C. C. A. 118. In that case we said:

"The power of the circuit court to direct the payment of part or all of the fine to the complainant in an application for contempt, as a compensation for his time and outlay in prosecuting the application, has been recognized often in the circuit courts, especially in this circuit, and in practice is a power which ought to be exercised when the expense and trouble to which the complainant has been subjected justified its exercise."

Some of the adjudged cases in which the practice has been

sanctioned are cited in the opinion in that case. There are cases in which the court upon the hearing may be able, from the depositions and from the character of the proceeding, to award the complaining party a sum which will not exceed a fair indemnity, and in which it may be proper to do so without incurring the expense of a reference to a master or the taking of further proof. In Macaulay v. White Sewing Machine Co. (C. C.) 9 Fed. 698, Judge Blatchford directed the defendant to pay a fine of $250, "to go to the plaintiff towards his expenses and counsel fees about this motion." In re North Bloomfield Gravel Mining Company (C. C.) 27 Fed. 795, Sawyer, C. J., in imposing a fine of $1,500, directed that the whole be paid to the complainant, "as a compensation, in part for the large expenses that must have been incurred in procuring evidence and prosecuting this proceeding for contempt." In Ready Roofing Co. v. Taylor, 15 Blatchf. 94, Fed. Cas. No. 11,613, the order adjudging the defendant guilty of contempt directed an account to be taken by a master of the damages caused by the act of the defendants, and then fined them in that amount, together with the costs of the proceeding. In Doubleday v. Sherman, 8 Blatchf. 45, Fed. Cas. No. 4,020, the defendant was fined in the sum of $3,703, part of the amount being the taxed cost of the proceeding, and the balance for solicitors' and counsel's fees and disbursements, which had been ascertained upon a reference. In Searls v. Worden (C. C.) 13 Fed. 716, the court awarded the proved expenses of the complainant, but refused to allow a counsel fee which had been charged of $1,000, Judge Brown (now Mr. Justice Brown) saying, "I am not disposed, however, to impose upon the defendants the burden of paying the fees of complainant's counsel, brought here from a distance to press this motion." In re Tift (D. C.) 11 Fed. 463, the court allowed the complaining party $1,000 "in reimbursement of the expenses and trouble" of the contempt proceeding. In Wells, Fargo & Co. v. Oregon Railway & Navigation Co. (C. C.) 19 Fed. 20, the court ordered a reference to a master to ascertain what loss, expense, or injury the plaintiff had sustained by reason of the misconduct of the defendant, "with a view of enabling the court to impose by way of punishment a corresponding penalty on the defendant for the benefit of the plaintiff." In Indianapolis Water Co. v. American Straw Board Co. (C. C.) 75 Fed. 972, the court ordered the fine to be paid to the clerk for the use of the complainant, and fixed the amount at $250, "as a moderate allowance for solicitor's fees," together with taxable costs.

It will thus be seen that the practice has not been uniform, and that in some of the adjudged cases the award, like that in the present case, was for a round sum, not based upon any proved items of loss or expense, but apparently intended to cover prob-

able loss and expenses. It is obvious that a fine exceeding the indemnity to which the complainant is entitled is purely punitive, and, notwithstanding the foregoing precedents to the contrary, we think that when it is imposed by way of indemnity to the aggrieved party it should not exceed his actual loss incurred by the violation of the injunction, including the expenses of the proceedings necessitated in presenting the offense for the judgment of the court. We are also of the opinion that when the fine is not limited to the taxable costs it should not exceed in amount the loss and expenses established by the evidence before the court. Unless it is based upon evidence showing the amount of the loss and expenses, the amount must necessarily be arrived at by conjecture, and in this sense it would be merely an arbitrary decision. Another reason why it should be based upon evidence is that otherwise the question of its reasonableness can not be re-examined upon an appeal from a final decree in the cause, and the appellate court would have to treat the fine as a purely arbitrary one, or deny to the appellant his right of review.

The orders under review did not proceed upon any estimate of the actual loss or expenses which the complainant had incurred made from the evidence before the court, and for this reason we think they were erroneous. It may be that the sum directed to be paid to the complainant in the first proceeding was not excessive in amount, but whether it was or was not, and how much of it was intended to cover the expenses of the proceeding, and how much the loss directly suffered by the violation of the injunction, can only be conjectured. The amount directed to be paid to the complainant in the second proceeding is so large that it is difficult to believe that it was not excessive. It follows that, although so much of the orders as directs the payment of half of the fine to the clerk for the use of the United States should be affirmed, that part which directs the payment of half to the complainant should be reversed, with instructions to the court below to take evidence and order payment to the complainant of such sum only as may be found to be a sufficient indemnity.

The orders are accordingly affirmed in part and reversed in part, with instructions to the circuit court to proceed conformably to this opinion.

1102. IN RE CHRISTENSEN ENGINEERING COMPANY 194, U. S. 458, 48 L. ed. 1072 (1904).* * *

Mr. Chief Justice Fuller delivered the opinion of the court:

The examination in Bessette v. W. B. Conkey Co., just decided, 194 U. S. 324, of the right of review in contempt cases, precludes the necessity of extended discussion.

In that case Bessette was not a party to the suit, and the con-

troversy had been settled by a final decree, from which, so far as appeared, no appeal had been taken. He was found guilty of contempt of court, and a fine of $250 imposed, payable to the United States, with costs.

In this case the Christensen Engineering Company was a party. The contempt was disobedience of preliminary injunction, and the judgment in contempt was intermediate the preliminary injunction and the decree making it permanent. The fine was payable, one-half to the United States, and the other half to the complainant.

The distinction between a proceeding in which a fine is imposed by way of compensation to the party injured by the disobedience, and where it is by way of punishment for an act done in contempt of the power and authority of the court, is pointed out in Bessette's Case, and disclosed by some of the cases referred to in the opinion.

In New Orleans v. New York Mail S. S. Co., 20 Wall. 387, 22 L. ed. 354, the act in contempt was by one not then a party to the suit. No order was entered against him until the final decree in the case, and then he was punished for the act of disobedience, purely as an act of a criminal nature, and without compensation to the plaintiff in whose favor the injunction was originally ordered. No review under the then existing law was allowable. In Hayes v. Fischer, 102 U. S. 121, 26 L. ed. 95, the contempt proceeding was remedial and compensatory, and the entire amount of the fine was ordered paid to the plaintiff in reimbursement. It was held that, if the remedial feature was alone to be considered, and the proceeding regarded as a part of the suit, it could not be brought to this court by writ of error, but could only be corrected on appeal from the final decree; if to be regarded as a criminal action, then it was one of which this court had no jurisdiction, either by writ of error or appeal. In Ex parte Debs, 159 U. S. 251, 15 Sup. Ct. 1039, there was nothing of a remedial or compensatory nature. No fine was imposed, but only a sentence of imprisonment. This court had no jurisdiction of a writ of error in such a case. And see O'Neal v. United States, 190 U. S. 36, 47 L. ed. 945, 23 Sup. Ct. 776. In Worden v. Searls, 121 U. S. 14, 30 L. ed. 853, 7 Sup. Ct. 814, the proceeding was remedial and compensatory, in that for violations of a preliminary injunction the defendants were ordered to pay the plaintiff $250 "as a fine for said violation," by one order, and, by another order, to pay a fine of $1,182 to the clerk, to be paid over by him to the plaintiff for "damages and costs," the $1,182 being made up of $682 profits made by the infringement, and $500 expenses of plaintiff in the contempt proceedings. These interlocutory orders were reviewed by this court on appeal from the final decree, and as that decree was reversed, the orders were also set aside, this

being done "without prejudice to the power and right of the circuit court to punish the contempt referred to in those orders, by a proper proceeding." It was also said "that, though the proceedings were nominally those of contempt, they were really proceedings to award damages to the plaintiff, and to reimburse to him his expenses."

These authorities show that when an order imposing a fine for violation of an injunction is substantially one to reimburse the party injured by the disobedience, although called one in a contempt proceeding, it is to be regarded as merely an interlocutory order, and to be reviewed only on appeal from the final decree.

In the present case, however, the fine payable to the United States was clearly punitive and in vindication of the authority of the court, and we think, as such, it dominates the proceeding, and fixes its character. Considered in that aspect, the writ of error was justified, and the circuit court of appeals should have taken jurisdiction.

Petitioner entitled to mandamus.

1103. BULLOCK ELECTRIC & MFG. CO. v. WESTINGHOUSE, 129 Fed. 105, 63 C. C. A. 607 (1904, Sixth Circuit).* * *

Before Lurton, Severens, and Richards, Circuit Judges.

Lurton, Circuit Judge, after making the foregoing statement of the case, delivered the opinion of the court.

1. The willful violation of an injunction by a party to the cause is a contempt of court constituting a specific criminal offense. Ex parte Kearney, 7 Wheat. 38, 42, 5 L. ed. 391; Crosby Case, 3 Wilson, 188; New Orleans v. Steamship Co., 20 Wall. 387, 392, 22 L. ed. 354; Hayes v. Fischer, 102 U. S. 121, 26 L. ed. 95; 4 Ency. Pl. & Pr. 766 et seq.

It is immaterial to consider the distinction sometimes noticed between criminal and civil contempts, inasmuch as both kinds involve the vindication of the authority of the court, whether the remedy incidentally inure to the benefit of a party or not. Cyclo. Law & Proc. 6 et seq.

The proceeding to punish for a contempt is in its nature a criminal proceeding, whether the result be partially remediable or not, and the same rules prevail which govern in the trial of indictments, the defendant being entitled to the benefit of any reasonable doubt. Accumulator Co. v. Consolidated Electric Co. (C. C.) 53 Fed. 793; In re Acker (C. C.) 66 Fed. 291; Harwell v. State, 10 Lea 544; 4 Ency. Pl. & Pr. 768 et seq.; U. S. v. Jose (C. C.) 63 Fed. 951.

Although the contempt consists in the violation of an injunction granted by a court of equity, the proceeding for its punish-

ment "is a new and distinct proceeding, and is quite independent of the equities of the case on which the decree is founded," and "an appeal is not an appropriate remedy for obtaining a review." City of Frankfort v. Deposit Bank of Frankfort (decided at February session of this court) 127 Fed. 812; New Orleans v. Steamship Co., 20 Wall. 387, 392, 22 L. ed. 354; In re Chetwood, 165 U. S. 443, 17 Sup. Ct. 385, 41 L. ed 782.

Is it reviewable by a writ of error? A contempt proceeding is classified as a misdemeanor and not as a felony. In re Acker upon writ of error by virtue of the broad appellate powers conferred by the act of March 3, 1891, c. 517, 26 Stat. 826 (U. S. Comp. St. 1901, p. 547), establishing circuit court of appeal, and defining and regulating the appellate powers of United States courts. If, therefore, the imposition of the fine complained of "was a judgment in a criminal case" as it is defined to be in New Orleans v. Steamship Co., 20 Wall. 387, 392, 22 L. ed. 354, it was a judgment in a misdemeanor case; for contempts are universally classified as misdemeanors, and not felonies. In re Acker (C. C.) 66 Fed. 291. If a judgment in a misdemeanor case, it is reviewable upon writ of error by this court. This conclusion was reached by the circuit court of appeals for the second circuit in Gould v. Sessions, 67 Fed. 163, 14 C. C. A. 366. But in Nassau Electric R. Co. v. Sprague Electric Co., 95 Fed. 415, 37 C. C. A. 146, and Christensen Engineering Co. v. Westinghouse Air Brake Company (decided Feb. 15, 1904) 129 Fed. 96, writs of error were dismissed upon the authority of In re Debs, 158 U. S. 564, 573, 15 Sup. Ct. 900, 39 L. ed. 1092.

In the statement of the Debs Case, at page 573, 158 U. S., and page 903, 15 Sup. Ct., 39 L. ed. 1092, it is stated that the defendants in that case had "applied to this court for a writ of error, and also one of habeas corpus. The former was denied, on the ground that the order of the circuit court was not a final judgment or decree." The only report of the decision on the writ of error is found in 159 U. S. 251, 15 Sup. Ct. 1039, where the statement is, "Petition denied."

The supreme court had no jurisdiction in respect of writs of error in misdemeanor cases, and the writ of error upon this ground was necessarily denied. The reporter's statement that it was denied because the order "was not a final judgment or decree" is doubtless an error. Certainly we do not feel justified in departing from the well-settled doctrine, so often enunciated in former cases, in respect of the distinctness of a judgment imposing a fine for a contempt from the case in which the disobeyed order was made, upon so slender an authority. If the judgment, as in this case, was in fact unconditional and absolute, so that nothing remained but to execute it, it was in every sense a final judgment.

The claim that a defendant in such circumstances must await the final result of the cause in which the injunction was granted before he can have the judgment inflicting fine or imprisonment reviewed upon the theory that the judgment is not final is absolutely unsupportable. If it be an independent and distinct proceeding from the residue of the case, it will be no more final after that case has reached a final decree than when the fine was imposed. To say that he may pay his fine or endure his imprisonment and review the legality of the matter at some indefinite time in the future is to deny, in effect, the right of review at all. *The motion to dismiss the writ is denied.*

Was the defendant, on the conceded facts of the case, guilty of contempt as matter of law? Upon this writ of error no question as to whether the injunction was rightly or wrongly, providently or improvidently, issued can arise. The court confessedly had jurisdiction of the parties and of the subject-matter, and the bill of exceptions recites that the temporary injunction was issued upon bill, answer, exhibit, affidavits, "and upon the agreement of the defendant."

Neither is the result to turn upon any question of conflicting fact, for it is not the province of a reviewing tribunal to weigh the facts upon a writ of error. * * *

[See No. 1101.]

[In the case of Solar Light Company v. Rubin, Judge Lacomb is unofficially reported to have made the statement in the United States Circuit Court for the southern district of New York, from the bench, at a hearing of a contempt motion on October 6,1911, substantially as follows:

"The Gompers case, (221 U. S. 492) held this:

"In a case of an order of the circuit court directing a man to do something, the court, on an application to punish for contempt may imprison him until he obeys the order.

"If the court orders a man not to do something and he disobeys the order of the court, on an application to punish for contempt can not imprison the man for that contempt nor punish by a fine for the benefit of the United States. The utmost measure of the fine it may impose is the exact amount of money the complainant can show he has lost by the specific act of which he complains.

"Nevertheless, if the papers show the order of the court has been disobeyed and the matter is flagrant enough the matter may be brought to the attention of the district attorney for criminal action.

"Of course I realize that this puts an almost impossible burden on the complainant.

"Counsel: Then do I understand your honor to mean that this court is practically powerless to enforce its decrees?

"The Court: Unless the actual money loss can be shown it would seem so."

In the case of Victor Talking Machine Company v. Spiegel, the same judge, on motion to punish for contempt, filed a short opinion as follows:

"Lacombe, C. J.

"Disobedience of an injunction forbidding the further sale of infringing machines is undoubtedly shown and were it not for the decision of the supreme court in the Gompers case, 221 U. S. 492, I should be inclined to inflict some fine proportioned to the gravity of the offense. But that decision seems to hold that the fine to be inflicted in a civil application to punish for contempt can be only one calculated to make the complainant whole for such loss or damage as it has sustained by reason of the forbidden sale. There is nothing in the papers to show the extent of such loss or damage and the motion must therefore be denied."

Under the old rulings of the court, prior to the decision in the Gompers case, it was not necessary that the papers should show the extent of the loss or damage such as referred to in the last mentioned case.

In another case of Victor Talking Machine Company et al. v. Louis Greenberg, in the same court a like disposition was made of the motion to punish for contempt.]

[*Pending legislation in the 62d Congress if resulting in the passage of the "injunction act" will not, it is thought, alter the situation in patent causes.*]

1104. KREPLIK v. COUCH PATENTS CO. 190 Fed. 565, 111 C. C. A. 381 (1911, First Circuit, Patent No. 712,718).

Before Aldrich, Brown and Hale, District Judges.

Hale, J.:

The defendant says that, having adjudged him guilty of contempt, the circuit court had no jurisdiction to order him to pay a fine for use of the petitioner; but that its action was in excess of its jurisdiction, and void.

Let us look at the precise action which is brought before us. The final decree shows that the circuit court did three distinct things: First, the court found that the defendant, Samuel Kreplik, had violated the injunction of the court; second, the court ordered Samuel Kreplik to pay a fine of $500 to the clerk of the court for the use of the petitioner within ten days from the date of the decree; third, the court ordered Samuel Kreplik to be im-

prisoned for ten days. The court further provided for necessary process to enforce its order.

It appears, then, that the circuit court provided compensation to the petitioner for the losses it had suffered by reason of Kreplik's act of contempt. This court is not called upon to pass upon the question whether or not the compensation so awarded is excessive. Questions as to the amount of compensation to the petitioner are not properly raised. While the defendant assigned as error that the circuit court imposed a fine in the absence of evidence showing the expenses incurred by the petitioner, he did not rely upon such assignment in his exceptions. He did not make them a part of his exceptions. Thus the question of the reasonableness of compensation is not before us. In Merchants' Stock & Grain Company v. Chicago Board of Trade, 187 Fed. 398, 109 C. C. A. 230, the circuit court of the eighth circuit has recently considered the question in relation to what matters may be passed upon under a writ of error, and what questions may be reviewed only by appeal.

The courts of the United States recognize that the process of contempt has two distinct aspects—one criminal to punish disobedience; and the other remedial and civil to enforce a decree of the court, and to compensate private persons. In Re Christensen Engineering Co., 194 U. S. 458, 24 Sup. Ct. 729, 48 L. ed. 1072, it was held by the supreme court that, where the fine for violation of an injunction is to reimburse the party injured by the disobedience, it has not a punitive character; but, where the fine is payable to the United States, it is clearly punitive and in vindication of the authority of the court. Bessette v. Conkey, 194 U. S. 324, 24 Sup. Ct. 665, 48 L. ed. 997. In Gompers v. Bucks Stove & Range Co., 221 U. S. 418, 31 Sup. Ct. 492, 55 L. ed. 797, the supreme court has lately passed upon this question. The court clearly draws the vital distinction between proceedings for civil contempt, which are between the original parties, and proceedings at law for criminal contempt, which are between the public and the defendant. The court holds that the proper remedial relief for a disobedience of an injunction in the equity cause before it would have been to have imposed a fine for the use of the complainant, measured in some degree by the pecuniary injury caused by the act of disobedience.

The two aspects of contempt proceedings have often been before the circuit court in this circuit, where it has been clearly recognized that in an equity cause a fine for contempt imposed for the use of the petitioner is not a punitive fine, but merely indemnity to the petitioner for the loss occasioned to him by the offensive acts of the defendant. In the case at bar the circuit court, under the third paragraph of its decree, gave suitable compensation to petitioner; and, while the compensation is spoken of

as a fine, it clearly is not such a fine as can be held to be punitive within the meaning of the law.

We have now considered only the question whether the circuit court could properly, under the circumstances of the case, impose a fine upon the defendant for the use of the petitioner, without regard to the form of proceeding We shall later in this opinion consider the question whether the circuit court could properly pass upon the punitive and remedial elements in one and the same proceeding.

We have no doubt that the action of the circuit court in giving its remedial relief was free from error. The action of the circuit court in giving compensation to the petitioner was in our opinion lawful in accordance with the practice of the court in this circuit, and with the rule of the supreme court.

3. Did the circuit court err in ordering the defendant to be imprisoned for ten days?

In the Gompers case the supreme court has exhaustively considered the whole subject of contempt. The court there points out that contempts are neither wholly civil nor altogether criminal; and that it is not always easy to classify a particular act as belonging to either of these two classes. The court there had to determine whether the case before it was one of criminal contempt; and it was compelled to give a critical examination to the pleadings, the procedure, the attitude of the parties to the case, and to all the special facts in the proceeding. The case arose upon an appeal which presented everything in the record. The court found that it was a case of purely civil contempt: but that the court below had undertaken to proceed as in a criminal case, had found guilt, and imposed sentence, without having made it clear to the defendants that they were being tried upon a criminal charge, that the defendants had been forced to testify without knowing that they were being heard upon a charge and not upon a suit. From the special circumstances of the case the court clearly showed that the defendants were not given the protection to which respondents are entitled in a case where guilt or innocence are brought in question, and where the liberty of the citizen is involved. The court showed that both parties to the controversy treated the proceeding as purely and solely civil, and not involving a criminal charge. The court clearly pointed out that in a case of doubt the mutual understanding of the parties is of controlling force, and often determines the question of whether the civil or the criminal element dominates the proceeding.

The case at bar comes before us upon a writ of error, and presents only such questions as arise under the exceptions and are stated in the assignment of errors. This contempt proceeding was distinct and separate from the original equity cause. It

arose upon a petition for contempt in which the petitioners stated facts sufficient to bring before the court both the civil and criminal elements of contempt, and in which the aid of the court was invoked, both to compensate the complainant and also to vindicate its authority. The case clearly shows that the defendant had a fair and full trial on the question of criminal contempt. At the special request of the defendant himself, the circuit court ruled that:

"This proceeding is a criminal proceeding, reviewable in error; and the rule of evidence as to the proof of the offense beyond a reasonable doubt, including the element of criminal contempt, is applicable."

This ruling gave the defendant the clear, specific safeguard of a trial upon a criminal charge. There was a common understanding of all parties that he was having such trial. He has had his day in court at a hearing in which the criminal element dominated the proceeding; and he himself admits that he has been tried and sentenced upon a criminal proceeding, where the rule of evidence as to the proof of the offense beyond a reasonable doubt was made to apply. It is not, then, necessary to critically consider the forms of the proceeding, to find out that the defendant had the proper protection to which he was entitled in a case where a criminal charge was made against him. It is true that in the case at bar many of the different forms were present which in the Gompers case induced the supreme court to hold that proceeding to be solely a civil one; but the court was providing for the ample protection of the citizen where a criminal charge is made against him. It was not undertaking to enumerate the different things which must be present in order to make a criminal proceeding. The case now before us was, in its dominant element, confessedly and unquestionably a criminal proceeding. We are not obliged to examine the mere forms, to find its character.

In our opinion the sentence of ten days imprisonment was properly and lawfully imposed.

4. Was it error for the circuit court to pass upon both the punitive and remedial elements in one proceeding?

The circuit court imposed a punitive sentence. By its ruling it allowed the criminal element to dominate the proceeding. It also made an award of compensation for the complainant. Of this latter action the defendant complains, and says that it was error for the court to take such action. We have already discussed the award of compensation, standing by itself, and have found it to be free from error. It is our duty now to briefly consider the question presented by the circuit court having taken action upon both the punitive and civil aspects of the case in one proceeding,

although there may be doubt whether this question fairly arises upon this writ of error.

In discussing the action of the court upon the criminal side we have found that the mutual understanding of the parties was of great and, perhaps, determining force. Here again, upon the remedial side, the understanding of the parties is of great moment. The record shows that, while the defendant requested the court to rule that the case was a criminal one, the defendant also requested rulings which pertained simply and only to the civil side of the case. It appears then that both parties assumed that, while the civil rights of the parties were involved, the court was asked to proceed further to vindicate its authority. The circuit court made its two awards, its compensatory award and its punitive award, in one proceeding. In doing so it followed the practice of the courts in this circuit and in other circuits. This practice had no less a sanction than that of Judge John Lowell, and of Judge Nelson in Hendryx v. Fitzpatrick (C. C.) 19 Fed. 810, 813, where the court in this circuit held that the process of contempt had two distinct functions, one criminal to punish disobedience, and the other civil and remedial; that in patent causes the practice has been to combine the two under a proper proceeding, and to order punishment if it is thought proper, and to indemnify the plaintiff if it is thought proper, or to do both if justice requires; that in patent causes it has been usual to embrace the public and the private remedy in one proceeding. This has been held to be the proper practice by Mr. Justice Miller in Re Chiles, 22 Wall. 157, 168, 22 L. ed. 819.

In the Gompers case the court has nowhere said that this practice of the several circuits in patent causes is improper or illegal. Under the principles announced in that case, it must, of course, appear in a cause in equity that, before imposing a sentence for criminal contempt, the court distinctly gave the defendant his day in court and allowed him a full and fair hearing upon a criminal charge. In that case the supreme court recognizes that the practice with reference to contempt proceedings has been unsettled. It does not condemn the practice of the circuit court in the several circuits in equity causes in passing upon the punitive and civil aspect of the case in one proceeding. It does, however, hold with great force and clearness that a citizen should not be compelled to face a criminal charge without being fully advised that he is facing such charge. We do not find that the supreme court has ever said that any particular form of proceeding is required, providing the defendant is left in no doubt as to what charge is made against him. In the Gompers case the court further points out that, in United States Revised Statutes, § 725 (U. S. Comp. St. 1901, p. 583), Congress has declared the power which already inhered in courts to punish contempts of their au-

thority. It seems clear that by that statute the Congress did not undertake to limit the courts in the rights which they already possessed, to act promptly and independently in any competent proceeding for the purpose of enforcing their judgments and punishing disobedience. The supreme court has long since taken the view that such statutes as the one in question are legislative assertions of this right of courts; that this right is incidental to the grant of judicial power, and could have been exercised without the aid of the statute; that such legislative grant of power can be considered either as an instance of abundant caution or a legislative declaration that the power of punishing for contempt shall not extend beyond its acknowledged limits of fine and imprisonment. Anderson v. Dunn, 6 Wheat. 204, 227, 5 L. ed. 242; Bessette v. Conkey, 194 U. S. 327, 24 Sup. Ct. 665, 48 L. ed. 997. In Re Christensen Engineering Co., 194 U. S. 458, 24 Sup. Ct. 729, 48 L. ed. 1072, the supreme court further said that, where a court is proceeding in vindication if its authority, this element dominates the proceeding, and is reviewable by the circuit court of appeals on writ of error. It is clear, then, that in a proceeding where both the remedial and punitive elements are brought before the court the criminal element must control. But in saying that the criminal element dominates the proceeding the supreme court does not say that such domination excludes the remedial element from being considered, or prevents a judge in a case like the one before us from vindicating the court's authority by punitive action, and at the same time applying remedial relief.

In the case at bar the circuit court gave the defendant a full hearing upon all the civil and remedial aspects of the case at the same time that it gave him a trial upon the charge for criminal contempt. The defendant fully understood that he was being tried upon the remedial aspects of the case as well as upon a criminal charge. He asked for rulings touching both aspects of the cause. There was no necessity for the circuit court to delay the administration of justice by dividing the two elements, and insisting upon separate proceedings in each element. If there had been such necessity, the court might have proceeded with the remedial side of the case, and have then granted a motion to show cause at a further hearing why the defendant should not be tried upon the charge for criminal contempt. But in the proceeding before it the circuit court found that, upon a proper petition, upon ample notice, and with a full understanding, the parties might properly be heard upon both elements, and it allowed the criminal element to dominate the proceeding. Under the principles of the Gompers case, and under the prevailing practice of this circuit, we find no error in the action of the circuit court.

The judgment of the circuit court is affirmed.

[The following under this heading are brief extracts to complete the discussion.]:

1105. IN RE STEINER ET AL., 95 Fed. 299 (1912, C. C. N. Y.).

Lacombe, J:

On Reargument.

Upon consideration of the arguments presented at the rehearing, I am satisfied that there was error in the decision filed February 2, 1912, holding that the various acts complained of were not committed in the presence of the court, or so near thereto as to obstruct the administration of justice. The opinions cited—Ex parte Savin, 131 U. S. 267, 9 Sup. Ct. 699, 33 L. ed. 150, and Kirk v. U. S., 163 U. S. 49, 16 Sup. Ct. 911, 41 L. ed. 66—are persuasive to a contrary conclusion. There is no essential difference between "obstructing the administration of justice," by tampering with a juror or a witness, or by preparing, verifying, and securing the presentation of a false affidavit, intended to influence the action of a court.

The former order of dismissal, if it has been actually entered, is therefore vacated and set aside, and the motion to dismiss the proceedings is denied.

The cause will be taken up for hearing on Monday, May 27th, at 10:30 a. m. As there may be conflicting testimony, which will present a question of fact as to what was or was not in fact done, there will be a jury in attendance, to whom there may be submitted such concrete questions of fact as may at the time seem desirable. This does not mean that the whole case will be tried by the jury. The trial is one for the court, but the court is willing to have a jury decide which of two or more opposing witnesses is truthfully stating the facts.

Since a panel is specially called for this date (May 27th), counsel for both sides must be prepared to go on when the case is called.

1106. BULLOCK, ETC., MFG. CO. v. WESTINGHOUSE, ETC., MFG. CO., 129 Fed. 105, 63 C. C. A. 607.

The willful violation of an injunction by a party to the cause is a contempt of court constituting a specific criminal offense. Ex parte Kearney, 7 Wheat. 38, 42, 5 L. ed. 391; Crosby case, 3 Wilson, 188; New Orleans v. Steamship, 20 Wall. 387, 392, 22 L. ed. 354; Hayes v. Fisher, 102 U. S. 121, 26 L. ed. 95; 4 Ency. Pl. & Pr. 766 et seq. It is immaterial to consider the distinction sometimes noticed between criminal and civil contempts, inasmuch as both kinds involve the vindication of the authority of the court, whether the remedy incidentally inure to the benefit of a party or not. Cyclo. Law & Proc. 6 et seq.

The proceeding to punish for a contempt is in its nature a criminal proceeding, whether the result be partially remediable or not, and the same rules prevail which govern in the trial of indictments, the defendant being entitled to the benefits of any reasonable doubt. Accumulator Co. v. Consolidated Electric Co., (C. C.) 53 Fed. 793; In re Acker, (C. C.) 66 Fed. 291; Harwell v. State, 10 Lea 544; 4 Ency. Pl. & Pr. 768 et seq.; U. S. v. Jose, (C. C.) 63 Fed. 951.

* * *

A contempt proceeding is classified as a misdemeanor and not as a felony. In re Acker, (C. C.) 66 Fed. 291. Misdemeanors are reviewable by this court upon writ of error by virtue of the broad appellate powers conferred by the act of March 3, 1891, c. 517, 26 Stat. 826, * * * establishing Circuit Courts of Appeal, and defining and regulating the appellate powers of United States courts. If, therefore, the imposition of the fine complained of "was a judgment in a criminal case," as it is defined to be in New Orleans v. Steamship Co., 20 Wall. 387, 392, 22 L. Ed. 354, it was a judgment in a misdemeanor case; for contempts are universally classified as misdemeanors, and not felonies. In re Acker, (C. C.) 66 Fed. 291. If a judgment in a misdemeanor case, it is reviewable upon writ of error to this court. This conclusion was reached in the Second Circuit in Gould v. Sessions, 67 Fed. 163. But in Nassau v. Sprague, 95 Fed. 415, and Christensen v. Westinghouse, 129 Fed. 96, writs of error were dismissed upon the authority of In re Debs, 158 U. S. 564, 573, 15 Sup. Ct. 900, 39 L. ed. 1092.

[See for full statement No. 1103.]

1107. DUBOIS v. KIRK, 158 U. S. 58, 39 L. ed. 895, 15 Sup. C.t 729.

This court has held in several cases that an appeal does not lie from a decree for costs; and if an appeal be taken from a decree upon the merits, and such decree be affirmed with respect to the merits, it will not be reversed upon the question of costs.

1108. JOHNSON v. FOOS MFG. CO., 141 Fed. 73, 72 C. C. A. 105.

If the mandate of this court requires the trial court to enter a decree sustaining some parts of the patent and finding infringement, the statute will then have application and the patentee will not be allowed his costs because he had entered his disclaimer before starting his suit and had put the defendant and the public to the disadvantage incident to his having asserted certain parts of his patent without right. We are not satisfied that either section [R. S. 973 and 4922] applies to a decree of this court where the decree of the court below is found erroneous, and that court is directed to enter a decree sustaining some of the claims

of the patent in suit. If that court had rendered the proper decree, the patentee would not have been compelled to come here to obtain that measure of relief to which it is found he was entitled. It would be a harsh rule that would not allow him to recover the costs of his appeal from an erroneous decree so far as relief was denied upon the claim of his patents which were good because success had not attended the whole of his contention.

1109. ECAUBERT v. APPLETON, 67 Fed. 917, 15 C. C. A. 73.

There was, however, so much irrelevant matter introduced into the case as to make it inequitable that the defendant should pay the costs in this court, and he should not be compelled to pay the costs in the circuit court which were caused by this class of evidence.

1110. LEE INJECTOR MFG. CO. v. PENBERTHY INJECTOR CO., 109 Fed. 964, 48 C. C. A. 760.

That $20.90 paid by appellate to the commissioner of patents for copies of patents for insertion in the printed record be taxed as costs of appeal. This is allowed. It is part of the cost of printing the record, and therefore taxable here.

1111. SIZER v. MANY, 16 How. (U. S.) 98. 14 L. ed. 861.

The costs are, perhaps, never in fact, taxed, until after the judgment is rendered; and in many cases, can not be taxed until afterward. And where this is the case the amount ascertained is usually, under the direction of the court, entered nunc pro tunc as a part of the original judgment. And this mode of proceeding is necessary for the purposes of justice, in order to afford the necessary time to examine and decide upon the several items of costs, to which the successful party is lawfully entitled.

1112. BRUSH ELECTRIC CO. v. CALIFORNIA ELEC. LIGHT CO., 52 Fed. 945, 3 C. C. A. 368.

The Brush Company would undoubtedly have the right to be protected from any costs that might be adjudged against it, or incurred in the management of the suit in question. The court, upon proper motion, would without doubt compel this protection. The usual practice is in such cases, to require a sufficient bond of indemnity. Under such conditions there would be an implied contract on the part of the Brush Company to permit the use of its name by the California Company.

1113. JOHNSON v. FOOS MFG. CO., 141 Fed. 73, 72 C. C. A. 105.

In equity cases this court directs the imposition of costs according to the circumstances, and apportions them or denies cost altogether by no iron-clad rule. Indeed, such a rule could not be well prepared, and would more often than otherwise lead to injustice.

1114. MOTION PICTURE PATENTS CO. v. YANKEE FILM CO., 192 Fed. 134 (District Court, S. D. New York, 1912).

These cases, therefore, in my judgment, furnish an opportunity for applying section 982 Rev. Stat. U. S. (U. S. Comp. St. 1901, p. 706), if in that enactment the word "costs" is to be construed as including expenses. While without authority on this point, I think the statute should be so construed, for it does not speak of multiplying causes, but of multiplying "proceedings in any cause." Under the present statute regarding fees and costs, it is difficult to perceive how costs eo nomine can be multiplied "in any cause"; but expenses and taxable disbursements can be so multiplied with ease.

In this case I think such multiplication took place, and occurred unreasonably and vexatiously, by reason of the taking of testimony after petition for reissue filed. The amount of annoyance and expenses caused thereby (so far as shown by these papers) does not warrant any such allowance or measurement as is asked for by defendants.

The bills will be dismissed, and the excess of costs (i. e., expenses(in each case fixed at $150.

1115. CHEATHAM ELECTRIC SWITCHING DEVICE CO. v. TRANSIT DEVELOPMENT CO., ET AL., 197 Fed. 563. (District Court, E. D. New York, 1912).

It would seem that the delay in removing the original trolley pans, in the place of merely disconnecting the wires operating the same, was not such a contempt as should be punished, beyond the expense of ascertaining whether the defendants had complied with the orders of the court. And in the same way, the failure on the part of one defendant to avoid the use of similar structures upon the other systems, can not be justified, but it is nevertheless somewhat excusable, inasmuch as it was remedied as soon as pointed out.

The complainant, however, having been put to the expense of bringing the matter to the attention of the defendants, and while admitting their good faith, being compelled to bring, at the cost of his own time and effort, the defendants to a realization of the facts, should not be left entirely without a remedy. The legal

expense connected with the first application has been stated under oath to be $75, and the witness Cheatham was shown by the affidavits to have devoted considerable time to an inspection of the devices necessary to making said motion.

It would seem that a denial of the motion to punish the defendants for contempt, upon the payment of $50 by the Nassau Electric Railroad Company, and $100 by the Transit Development Company, to the complainant, would be equitable under the circumstances.

SUPPLEMENTARY NOTES

These notes are intended primarily to bring various topics up to the date of issuance of this publication. A few of the notes under "Interference" are in the nature of further explanation. Occasionally some of the notes are repeated under subordinate topics.

The notes are appropriately referenced in the Index.

ACCOUNTING, PROFITS AND DAMAGES.

Damages from Unfair Competition in Patent Litigation.

Ludwigs v. Payson Mfg. Co. and vice versa, 206 Fed. 60, 65, (C. C. A. Seventh Circuit).

"Counsel for Ludwigs cite several cases in support of their contention that under no circumstances can damages from unfair competition be lawfully included in patent litigation between citizens of the same state. Illinois Watch-Case Co. v. Elgin National Watch Co., 94 Fed. 667, 35 C. C. A. 237; Keasby & Mattison Co. v. Philip Carey Mfg. Co. (C. C.) 113 Fed. 432; King v. Inlander (C. C.) 133 Fed. 416; Cushman v. Atlantis Fountain Pen Co. (C. C.) 164 Fed. 94; Mecky v. Grabowski (C. C.) 177 Fed. 591; Johnston v. Brass Goods Mfg. Co. (D. C.) 201 Fed. 368. * * * Under such circumstances (whether the compactness for cheapness of manufacture and the ornamental form are within the protection of the claims or not) a federal court of equity in granting relief for the infringement of the mechanism ought not to remit the complainant to another forum to mete out the damages which necessarily appear in proving the infringement and which, though in one aspect arising from fraud in trade, in a fairer aspect are aggravations of the infringement. Globe-Wernicke Co. v. Fred Macey Co. (C. C. A., 6th Circuit) 119 Fed. 696, 56 C. C. A. 304; Adam v. Folger (C. C. A., 7th Circuit) 120 Fed. 260, 56 C. C. A. 540; Woods Sons Co. v. Valley Iron Works (C. C.) 166 Fed. 770; Onondaga Indian Wigwam Co. v. Ka-Noo-No Indian Mfg. Co. (C. C.) 182 Fed. 832; Ross v. Geer Co. (C. C.) 188 Fed. 731; Saxlehner v. Eisner & Mendelsohn Co., 179 U. S. 19, 21 Sup Ct. 7, 45 L. Ed. 60; Siler v. Louisville, etc., R. Co., 213 U. S. 175, 29 Sup. Ct. 451, 53 L. Ed. 753."

Total Profits.

Van Brunt v. LaCross Plow Co., 208 Fed. 281, (Wis.). Discussion of rule permitting recovery of entire profits.

Profits, Measure of.

Dunn Mfg. Co. v. Standard Computing Scale Co., 204 Fed. 617, (C. C. A., Sixth Circuit). The infringing article comprised the features of a patent and a patented improvement on which the defendant paid royalties. Held, that it did not follow that such payment constituted a segregation of profits attributable to the use of the improvement so as to leave all of the remaining profits necessarily attributable to the invention infringed. See this case for citations, illustrations and distinctions.

Profits, Measure of—Trustee.

Carborundum Co. v. Electric Smelting Co. and vice versa. 203 Fed. 976, 981, 982, (C. C. A., Third Circuit). Rule of trustee ex maleficio applied.

"A valid process patent, though for a process only, confers on the patentee a right to exclude all others from using such process for the attainment of its object. Others may secure the desired result, if they can, by the employment of a different process, if open to them, but they can not without the leave or license of the patent owner use the patented process with impunity. And on an accounting for profits, and not for damages, in a case of infringement, where profits to the infringer are impossible save through his infringement, he must be treated as a trustee ex maleficio and can withhold none of his gains from the patentee. The fact that in such a case the patent is not for the product, but only for the process, is wholly immaterial; for the infringer will not be permitted by a court of equity to take advantage of his own wrong, but will be held accountable as a trustee of the profits.

"It is well settled that, in the case of mechanical inventions, where the infringed patent covers a mere improvement upon mechanism before known and open to the defendant to use, the complainant can recover only the excess of such profits as have been realized through the use of the improvement over what the defendant might have made by the use of such mechanism without such improvement. But it is equally well settled, that where the entire commercial value of the mechanism arises from the patented improvement the owner of the patent will be entitled to recover from the infringer the total profits derived from the manufacture, use or sale of such mechanism. Crosby Valve

Co. v. Safety Valve Co., 141 U. S. 441, 12 Sup. Ct. 49, 35 L. Ed. 809; Westinghouse Co. v. Wagner Mfg. Co., 225 U. S. 604, 32 Sup. Ct. 691, 56 L. Ed. 1222; Manufacturing Co. v. Cowing, 105 U. S. 253, 26 L. Ed. 987; Hurlbut v. Schillinger, 130 U. S. 456, 9 Sup. Ct. 584, 32 L. Ed. 1011; Maimin v. Union Special Mach. Co., 187 Fed. 123, 109 C. C. A. 41; Wales v. Waterbury Mfg. Co., 101 Fed. 126, 41 C. C. A. 250. Manufacturing Co. v. Cowing, supra, is strongly analogous to the present case. There the court said:

"'If the improvement is required to adapt the machine to a particular use, and there is no other way open to the public of supplying the demand for that use, then it is clear the infringer has by his infringement secured the advantage of a market he would not otherwise have had, and that the fruits of this advantage are the entire profits he has made in that market.'"

Trustee.

In re Beckwith, 203 Fed. 45 (C. C. A., Seventh Circuit). Application of rule of trustee ex maleficio with citations.

Master—Power Of.

L. S. Starrett Co. v. Brown & Sharpe Mfg. Co., 208 Fed. 887 (C. C. A., First Circuit). The question whether or not the patent is infringed by another structure as made by the defendant after the bringing of the suit and not passed upon by the court, but in respect to which evidence was produced, may be presented to and ruled on by the master.

ACQUISITION OF TITLE—TITLE, GRANT, INHERITANCE, ASSIGNMENT.

Assignment—When Effective.

National Electric Signalling Co. v. Telefunken Wireless Co., 208 Fed. 679 (C. C. A., Third). An assignment of a patent passes title at the date of the execution and delivery, though acknowledged by the assignor at a later date.

Assignment—Acknowledgment—Certified Copies as Evidence.

Toledo Computing Scale Co. v. Computing Scale Co., 208 Fed. 410 (C. C. A., Seventh).

"In regard to the acknowledgment of a corporation's conveyance, the Massachusetts statutes (Rev. Laws Mass. 1902, c. 127, §§ 7 and 18) required (what is commonly called for in all jurisdictions with which we are familiar) that the notary's certificate should show that the persons who signed as officers were

personally known to the notary, that on oath they stated they were such officers and were authorized by the board of directors to execute the instrument, and that the corporation either had no seal or that its genuine seal was affixed to the instrument, and that they thereupon acknowledged said instrument to be the free act and deed of the corporation. Execution of the instruments here in question was not proven by testimony. Certified copies of assignments of patents, not duly acknowledged, are not proof of execution. Paine v. Trask (C. C.), 56 Fed. 233; New York v. Cable Ry. Co., 60 Fed. 1016, 9 C. C. A. 336; National Co. v. Navy Co. (C. C.), 99 Fed. 89. As the acknowledgments of these assignments are insufficient in every respect to constitute good corporate acknowledgments, the record is barren of proof of execution."

See for numerous citations.

Assignment—Partnership.

Fishel Nessler Co. v. Fishel & Co. et al., 204 Fed. 790 (C. C. A., Second). The patentee had assigned his patent to himself and another as partners. Held, estopped to deny valid when sued for infringement by assignee of his partner's interest, whether assignment voluntary or by trustee in bankruptcy.

Assignment—Delivery of Patent.

In Paine v. Parkhurst, 205 Fed. 740 (C. C. A., Sixth), it was held that where a contract for the sale of a patent stipulated that the seller of the patent should forward the "original patent papers" together with an assignment, to a bank to be delivered to the purchaser after an examination and upon payment of the price, the delivery of the original letters-patent was a condition precedent necessary to complete the purchase.

(See quotation in note under "Letters-Patent," etc.)

Assignee, Suit By.

Vacuum Engineering Co. v. Dunn, 209 Fed. 219 (C. C. A., Second Circuit). Patentee cannot defend against suit brought by his assignee on the ground that he was induced to part with the patent by unfair representations.

ACTIONS AT LAW.

Directing a Verdict.

Evans v. Southern Pac. Co., 202 Fed. 160 (C. C. A., Ninth Circuit). Where it is clear to the court from undisputed facts

that the plaintiff cannot recover it is its duty to direct a verdict for defendant; but where different minds might reach different conclusions or make different inferences the question is for the jury.

Sec. 721, R. S. U. S.—State Laws.

Old Dominion Co. v. Lewiston et al., 202 Fed. 178 (C. C. A., Second Circuit). All inferior federal courts must follow the law as defined by the Supreme Court of the United States, even if in any case the decision be in conflict with the rules of the Supreme Court of the state on the same facts.

State Laws and Federal Courts.

Harrison et al. v. Foley, 206 Fed. 57 (C. C. A., Eighth Circuit).

"The doctrine of the law of the case in its customary sense does not run from state to federal jurisdiction (Gardner v. Railroad, 150 U. S. 349, 14 Sup. Ct. 140, 37 L. Ed. 1107), or conversely. Its application is generally to a second appeal in the same appellate court (Guarantee Co. v. Insurance Co., 59 C. C. A. 376, 124 Fed. 170; Mutual Reserve Fund Life Ass'n v. Ferrenbach, 75 C. C. A. 304, 144 Fed. 342, 7 L. R. A. [N. S.] 1163; Great Northern Ry. Co. v. Western Union Tel. Co., 98 C. C. A. 193, 174 Fed. 321), and of course to the courts inferior to that which first ruled."

AMENDMENT, CORRECTION, REPEAL, EXTENSION.

Reissue—Broadened.

Toledo Computing Scale Co. v. Computing Scale Co., 208 Fed. 410 (C. C. A., Seventh Circuit). Example of reissue sustained where the principal part of the invention had been practically missed in the patent by presenting it in a combination claim with particularly described weighing mechanism.

CONTEMPT.

In General—Compensatory Fines.

Morehouse et al. v. Giant Powder Co. et al., 206 Fed. 24 (C. C. A., Ninth Circuit). General discussion of contempt with a special reference to Judicial Code; citation of authorities. A district court has power to punish as a contempt disobedience of an order made previous to the enactment of the Judicial Code.

A compensatory or punitive fine as incident to a decree, essentially civil and remedial. No prescribed form; sufficient if papers clearly apprise the defendant of the nature of the charge.

COSTS.

Affirmed on Merits, Not Reversed on Costs.

Superior Hay Stacker Mfg. Co. v. Dain Mfg. Co., 208 Fed. 549 (C. C. A., Eighth Circuit). Where decree in infringement suit which also awards costs to complainant is affirmed on the merits it will not be reversed as to costs. Citing Du Bois v. Kirk, 158 U. S. 58, 67; 39 L. Ed. 895.

COURTS, CAUSES—PRACTICE AND PROCEDURE.

Jurisdiction.

Barker v. Eastman, 206 Fed. 865 (C. C. A., First Circuit).

"Inasmuch as the claim is made that certain proceedings subsequent to the filing of the bill here gave the Circuit Court jurisdiction, all we need say in reference to that is that the general principle stated in Railway Company v. Lewis, 173 U. S. 457, 19 Sup. Ct. 451, 43 L. Ed. 766, is thoroughly settled that, if it does not appear at the outset that a suit is one of which the Circuit Court, at the time its jurisdiction was invoked, could properly take cognizance, the suit must be dismissed; and lack of jurisdiction cannot be supplied by anything set up by way of defense. This is reaffirmed in Omaha Electric & Power Company v. Omaha, 230 U. S. 123, 33 Sup. Ct. 974, 57 L. Ed. 1419. This does not, of course, bar amending a bill or other proceedings in such a way as to show jurisdiction, if in fact the court had jurisdiction."

The court then proceeds to discuss Payne v. Hook, 7 Wall. 425, 19 L. Ed. 260, and cites cases limiting or qualifying that case or some expressions of it, these with reference to the necessity of jurisdiction being shown by the bill.

* * * * * * *

Camp et al. v. Bonsal et al., 203 Fed. 913 (C. C. A., Fourth Circuit). The Act of Congress providing that where the suit is based on diversity of citizenship it shall be brought only in the district of the residence of either the plaintiff or the defendant is subject to exceptions as, for example, in § 8, Act of March 3, 1875, ch. 137, 18 Stat. 472; Judicial Code (Act of March 3, 1911, ch. 231, 36 Stat. 1087.)

* * * * * * *

American Malting Co. v. Keitel, 209 Fed. 351 (C. C. A., Sec-

ond Circuit). Equity has jurisdiction to restrain one who induces another to break a contract.

* * * * * * *

Chadeloid Chemical Co. v. Johnson et al., 203 Fed. 993 (C. C. A., Seventh Circuit). Where a contract required licensee to make stated reports, pay royalties, submit his books to inspection, etc., no remedy by suit in equity for infringement.

Jurisdiction—Usage of State Courts.

Foster Milburn Co. v. Chinn, 202 Fed. 175, 177 (C. C. A., Second Circuit).

"It is certainly the general rule of the federal courts that an objection once taken to the jurisdiction is not waived by the defendant's subsequently answering and taking part in the trial. Harkness v. Hyde, 98 U. S. 476, 25 L. Ed. 237. It is also true that the defendant may attack a judgment of the court of another state for lack of jurisdiction, either appearing on the face of the record or proved by testimony. Thompson v. Whitman, 18 Wall. 457, 21 L. Ed. 897. It is, however, the law of the state of Kentucky that though the defendant appear specially to object to the jurisdiction of the court, if he thereafter appeal to a higher court from any judgment recovered against him in the action, he ipso facto waives his objection and transforms his special into a general appearanse. It is not necessary for us to determine whether the service of process upon Monroe, as managing agent, was good or bad. We are obliged under section 905, U. S. Rev. St. (U. S. Comp. St. 1901, p. 677), to give full faith and credit to the judgment; that is to say, the same faith and credit it would have 'by law or usage' in the state of Kentucky. So doing, we must treat the defendant as having appeared generally. The trial judge was right in holding that a usage established by the decision of the highest courts of Kentucky is to be given the same effect as if established by statute. In the latter case the Supreme Court has held that such a rule is binding in a suit upon a judgment in the courts of another state. York v. Texas, 137 U. S. 15, 11 Sup. Ct. 9, 34 L. Ed. 604."

Jurisdiction—State and Federal Courts.

Harrison et al. v. Foley, 206 Fed. 57 (C. C. A., Eighth Circuit).

"The doctrine of the law of the case in its customary sense does not run from state to federal jurisdiction (Gardner v. Railroad, 150 U. S. 349, 14 Sup. Ct. 140, 37 L. Ed. 1107), or conversely. Its application is generally to a second appeal in the same appellate court (Guarantee Co. v. Insurance Co., 59 C. C. A. 70, 124 Fed. 170; Mutual Reserve Fund Life Ass'n v. Fer-

renbach, 75 C. C. A. 304, 144 Fed. 342, 7 L. R. A. [N. S.] 1163; Great Northern Ry. Co. v. Western Union Tel. Co., 98 C. C. A. 193, 174 Fed. 321), and of course to the courts inferior to that which first ruled."

Jurisdiction—Mandamus—Master's Summons.

In re Beckwith, 203 Fed. 45 (C. C. A., Seventh Circuit). Circuit Court of Appeals has jurisdiction of petition for mandamus to compel trial court to overrule objection to master's summons requiring the defendant to render a sworn statement of account in accordance with Equity Rule 63.

Jurisdiction—Libel, etc.

American Malting Co. v. Keitel, 209 Fed. 351 (C. C. A., Second Circuit). In the absence of statute and of acts of conspiracy, intimidation, or coercion, the equity courts have no jurisdiction to restrain the future publication and issuance of libelous circulars, though the false statement may injure complainant in his business or as to his property. The court discusses the question at length, citing numerous authorities, and then refers to numerous other cases which have restrained libels saying, however, that in those cases the conspiracies or the intimidation or coercion of the complainant or his customers had been alleged.

Power of Appellate Court to Decide all Questions.

Smith v. Farbenfabriken, 203 Fed. 476, 478 (C. C. A., Sixth Circuit).

* * * "yet the lower court did in fact decide an independent question of general law as also the question of jurisdiction. The assignments of error are addressed to both questions; as to the former, challenging the validity of the order granting a preliminary injunction 'upon the showing made in the bill of complaint and affidavits made in support thereof.' It is settled that in such a case this court has power to hear and decide all the questions. Olds v. Herman H. Hettler Lumber Co., 195 Fed. 9, 11, 115 C. C. A. 91 (C. C. A. 6th Cir.); A. J. Phillips Co. v. Grand Trunk Western Ry. Co., 195 Fed. 12, 15, 115 C. C. A. 94 (C. C. A. 6th Cir.)."

Supreme Court and Inferior Courts.

Old Dominion Co. v. Lewiston et al., 202 Fed. 178 (C. C. A., Second Circuit). All inferior federal courts must follow the law as defined by the Supreme Court of the United States, even if in

any case the decision be in conflict with the rules of the Supreme Court of tht state on the same facts.

Prior Litigation—Effect of.

Doelger v. German-American Filter Co., 204 Fed. 274 (C. C. A., Second Circuit). Example of elaborate litigation upon a patent. Held that where a patent has been the subject of such extensive and persistent litigation and uniformly sustained a court should, unless clearly convinced to the contrary, follow such previous favorable decisions.

Comity.

Hurd et al. v. James Goold Co., 203 Fed. 998 (C. C. A., Second Circuit). The court in one circuit not obliged to stretch the doctrine of comity so far as to prevent prior licensee in another circuit from bringing suit because the owners have been enjoined in the other circuit from bringing suit.

Receivers.

National Electric Signalling Co. v. Telefunken Wireless Co., 208 Fed. 679 (C. C. A., Third Circuit). Receivers for corporation properly empowered may intervene in infringement suit.

Appeal and Error—Bill of Exceptions.

Robertson v. Cockrell, 209 Fed. 843 (C. C. A., Fifth Circuit).

"Per Curiam. The judgment is affirmed, for want of bill of exceptions seasonably allowed, upon the authority of Muller v. Ehlers, 91 U. S. 249, 23 L. Ed. 319; Jones v. Grover & Baker Sewing Machine Co., 131 U. S. cl., appendix, 24 L. Ed. 925; Michigan Insurance Bank v. Eldred, 143 U. S. 293, 12 Sup. Ct. 450, 36 L. Ed. 162; Glaspell v. Northern Pacific, 144 U. S. 211, 12 Sup. Ct. 593, 36 L. Ed. 409; Hume v. Bowie, 148 U. S. 245, 13 Sup. Ct. 582, 37 L. Ed. 438; United States v. Jones, 149 U. S. 263, 13 Sup. Ct. 840, 37 L. Ed. 726; Morse v. Anderson, 150 U. S. 156, 14 Sup. Ct. 43, 37 L. Ed. 1037."

Bill of Exceptions—Objections.

Pittsburgh, etc., Ry. Co. v. Ginn, 208 Fed. 989 (C. C. A., Sixth Circuit). Rule 10 of the Circuit Court of Appeals for the Sixth Circuit, (202 Fed. vii, 118 C. C. A. ix), requiring generally a narrative form of statement of testimony in bill of exceptions should be subject of objection by defendant in error, if so advised, and

if the bill is allowed in that form the records shall show the judge's directions therefor.

Defenses—Assignee.

Vacuum Engineering Co. v. Dunn, 209 Fed. 219 (C. C. A., Second Circuit). Patentee cannot defend against suit brought by his assignee on the ground that he was induced to part with the patent by unfair representations.

Rehearing and Reopening.

The familiar principles, of course, govern in the average case. They are, for example, presented in patent cases in Brill v. North Jersey Street Ry. Co., 125 Fed. 526, (N. J.); Banzl v. Battle Island Paper & Pulp Co. et al., 132 Fed. 607, (N. Y.); Reece Folding Machine Co. v. Fenwick et al., 140 Fed. 287, 72 C. C. A. 39; Lord v. Staples & Hanford Co., 148 Fed. 19, 78 C. C. A. 493; Cameron Septic Tank Co. v. Village of Saratoga Springs, 159 Fed. 453, 464, 86 C. C. A. 483; Combustion Utilities Corporation v. Worcester Gas Light Co., 190 Fed. 155, 164 (Mass.); Money-Weight Scale Co. v. Toledo Computing Scale Co., 199 Fed. 905, (C. C. A., Seventh).

It should be observed that under the Rules of Equity (69) a rehearing may not be granted after the passing of the term at which the decree was rendered, unless by special leave granted during the term. In cases where no appeal or petition lies a rehearing may be asked at any time before the end of the next term of court.

There have been a number of cases in which rehearings have been granted or the case reopened under circumstances which at first blush might have appeared opposed to the general rule.

For example, in John R. Williams Co. et al. v. Miller et al., 108 Fed. 967, (N. Y.), the case was reopened to admit a newly discovered British patent after an interlocutory decree, the defendant amending his answer and both parties being allowed to file evidence relating to the patent.

In Thomson-Houston Electric Co. v. Nassau Electric R. Co., 110 Fed. 646, (N. Y.), the defendant was before the entry of the decree permitted to introduce a newly discovered Austrian patent upon such terms as to costs and expenses as placed the complainants in the same position as they would have been at the time the patent should have been entered as a defense.

In Sample v. American Soda Fountain Co., 134 Fed. 402, (Pa.), the Circuit Court granted a rehearing after dismissal of the bill by the Court of Appeals, a disclaimer having been filed after the decision of the Circuit Court of Appeals but before the

decree. This was, however, reversed in American Soda Fountain Co. v. Sample, 136 Fed. 857, 70 C. C. A. 415. The Circuit Court should have had leave to reopen from the Circuit Court of Appeals.

In New York Phonograph Co. v. Edison, 136 Fed. 600, (N. Y.), the complainant was granted a rehearing to introduce additional proofs though not newly discovered where the court was of the opinion that the complainant had not been afforded all the relief to which he was entitled.

In Western Electrical Instrument Co. v. Empire Co., 167 Fed. 687, (N. Y.), the case was reopened and a retrial granted to determine the question of the liability of the individual defendants on newly discovered evidence.

INFRINGEMENT.

Generally—Omitting Parts.

Stebler v. Riverside Heights Orange Growers' Assn. et al., 205 Fed. 735, 739 (C. C. A., Ninth Circuit). "One who appropriates another's patented invention, even though he may add thereto another element to perform an additional function, is guilty of infringement. Powell v. Leicester Mills Co., 108 Fed. 386, 47 C. C. A. 416; Letson v. Alaska Packers' Assn., 130 Fed. 129, 64 C. C. A. 463; American Can Co. v. Hickmott Co., 142 Fed. 141, 146, 73 C. C. A. 359; Columbia Wire Co. v. Kokomo Co., 143 Fed. 116, 74 C. C. A. 310; Comptograph Co. v. Mechanical Acct. Co., 145 Fed. 331, 337, 76 C. C. A. 205; Corrington v. Westinghouse Co. (C. C.) 173 Fed. 69, 81; Weston Elec. Inst. Co. v. Whitney Co. (C. C.), 131 Fed. 280; Diamond Match Co. v. Ruby Match Co. (C. C.), 127 Fed. 341; Benjamin Elec. Co. v. Dale Co., 158 Fed. 617, 85 C. C. A. 439; O'Leary v. Utica & Mohawk Co. (C. C.), 139 Fed. 330; L. J. Mueller Co. v. Groeschel (C. C.), 166 Fed. 917; Long v. Noye Mfg. Co. (C. C.), 192 Fed. 570. In Cimiotti Unhairing Co. v. American Unhairing Mach. Co., 115 Fed. 498, 504, 53 C. C. A. 230, 236, the Circuit Court of Appeals of the Second Circuit uses the following language: 'The mere fact that there is an addition, or the mere fact that there is an omission, does not enable you to take the substance of the plaintiff's patent. The question is, not whether the addition is material, or whether the omission is material, but whether what has been taken is the substance of the invention."

Contributory.

American Malting Co. v. Keitel, 209 Fed. 351 (C. C. A., Second Circuit). Equity has jurisdiction to restrain one who induces another to break a contract.

Defendant's Patent.

Murray v. Detroit Wire Spring Co., 206 Fed. 465 (C. C. A., Sixth Circuit).

"The fact that defendant's structure is covered by a patent later than complainant's we lay out of consideration, for the reasons stated in Herman v. Youngstown Co., 191 Fed. 579, 112 C. C. A. 185. See, also, Ries v. Barth (C. C. A. 7), 136 Fed. 850, 854, 69 C. C. A. 528, and Ryder v. Schlichter (C. C. A. 3), 126 Fed. 487, 490, 61 C. C. A. 469."

Impairment.

O'Brien-Worthen Co. v. Stempel, 209 Fed. 847 (C. C. A., Eighth Circuit).

"We think O'Brien's structure comes within the settled rule that infringement is not avoided by impairment in degree so long as the distinguishing function is retained (Penfield v. Chambers [C. C. A. 6], 92 Fed. 630, 653, 34 C. C. A. 579; King v. Hubbard [C. C. A. 6], 97 Fed. 795, 803, 38 C. C. A. 423), and within the principle that *infringement is not avoided by adding elements* to the complete structure of the patent claim."

Contributory.

"The defendant is not manufacturing the complete spring seat with the frame, but the exhibit, 'Defendant's Manufacture No. 1,' is clearly intended for attachment to a frame, and can have no other use. Under the familar rule of contributory infringement (Thomson-Houston Co. v. Ohio Co. [C. C. A. 6], 80 Fed. 712, 26 C. C. A. 107), it infringes claims 1, 2, and 3. Exhibit, 'Defendant's Manufacture No. 2,' embodies a frame and infringes claim 5."

Libel—Circulars.

American Malting Co. v. Keitel, 209 Fed. 351 (C. C. A., Second Circuit). In the absence of statute and of acts of conspiracy, intimidation, or coercion, the equity courts have no jurisdiction to restrain the future publication and issuance of libelous circulars, though the false statement may injure complainant in his business or as to his property. The court discusses the question at length, citing numerous authorities, and then refers to numerous other cases which have restrained libels saying, however, that in those cases the conspiracies or the intimidation or coercion of the complainant or his customers had been alleged.

Libel and Slander—Circulars.

American Malting Co. v. Keitel, *209* Fed. *351* (C. C. A., Second Circuit). Defendant required to make clear in any circulars issued that the aspersions were not directed against the complainant. Held that equity had no jurisdiction in the absence of statute to restrain the publication and issuance of such circulars even where injury could be shown unless there could also be shown to have been conspiracy, intimidation or coercion.

INJUNCTIONS.

Power of Court to Decide All Questions.

Smith v. Farbenfakriken, 203 Fed. 476, 478 (C. C. A., Sixth Circuit).

* * * "yet the lower court did in fact decide an independent question of general law as also the question of jurisdiction. The assignments of error are addressed to both questions; as to the former, challenging the validity of the order granting a preliminary injunction 'upon the showing made in the bill of complaint and affidavits made in support thereof.' It is settled that in such a case this court has power to hear and decide all the questions. Olds v. Herman H. Hettler Lumber Co., 195 Fed. 9, 11, 115 C. C. A. 91 (C. C. A., 6th Cir.); A. J. Phillips Co. v. Grand Trunk Western Ry. Co., 195 Fed. 12, 15, 115 C. C. A. (C. C. A., 6th Cir.)."

INTERFERENCES.

Preliminary Statement.

While a party will be confined to the dates and allegations of his preliminary statement, satisfactory proof of a date earlier than that alleged in the preliminary statement will be taken as establishing the date so alleged in the statement.

Preliminary Statement—Amendment.

The amendment of the preliminary statement—In general and miscellaneous. Foster v. Bent, 77 O. G. 1781; Borg v. Strauss, 130 O. G. 2719; Ridgway v. Filyou, 137 O. G. 979; Dixon v. McElroy, 127 O. G. 2393; Parker v. Appert, 8 App. D. C. 270, 75 O. G. 1201; Stevens v. Selier, 11 App. D. C. 245, 81 O. G. 1932; Cross v. Phillips, 14 App. D. C. 228, 87 O. G. 1399.

Delay in seeking amendment. Floyd v. Rohlfing, 133 O. G. 992; Mills v. Torrance, 98 O. G. 416; Kent v. Wilson & Co., 137 O. G. 1943.

Additional Claims Under Rule 109.

A party may by motion under Rule 109 seek the addition to the issue of such counts other than those originally included as may, in his opinion, be necessary to a proper definition of the inventions which are common to the applications of the various parties. This is an important matter as priority is now awarded strictly upon the subject-matter defined by the counts and as an unsuccessful party may not after the interference advance any claims which might have been advanced for contest in the interference. Under the present practice an adverse judgment upon a narrow issue will cause the loss of a broad claim by one who might have prevailed with regard thereto had the same been included in the issue. The necessity for carefully securing the issue for immaterial limitations before the time for motions under Rule 107 expires is thus apparent.

Failure to Claim Under Rule 109.

Failure to advance claims under Rule 109. In re Marconi, 38 App. D. C. 286, 179 O. G. 577; Ex parte Temple & Goodrum, 176 O. G. 526; Ex parte Sutton, Steele & Steele, 121 O. G. 1012; Horine v. Wende, 29 App. D. C. 415, 129 O. G. 2858; Carroll v. Hallwood, 31 App. D. C. 165, 135 O. G. 896; Blackford v. Wilder, 28 App. D. C. 535, 127 O. G. 1255.

Motions to Dissolve.

Motions for dissolution. The distinction between the various grounds of dissolution and the necessity for observing the same. Klepetko v. Becker, 120 O. G. 658; Kaczander v. Hodges, 118 O. G. 836; Owens v. Richardson, 111 O. G. 1037; Woodward v. Newton, 86 O. G. 490.

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Motions for dissolution. Must be definite—In general. Vreeland v. Fessenden & Co., 119 O. G. 1259; Klepetko v. Becker, 120 O. G. 658; Pym v. Hadaway, 123 O. G. 1284; Lizatte v. Neuberth, 124 O. G. 1842; Murphy v. Borland, 132 O. G. 231. In cases of informality and irregularity. Berrye & Co. v. Hildreth, 122 O. G. 1722; Daggett v. Kaufmann, 127 O. G. 2817; Joseph v. Kennedy, 144 O. G. 1089; Latterhand v. Cornwall, 148 O. G. 1344.

In cases of different meanings and non-interference in fact. Booth & Co. v. Harman & Co., 123 O. G. 319; Lizatte v. Newbirth, 124 O. G. 1842; Baetz v. Kukkuck, 148 O. G. 1343.

In cases of lack of right to make claims. Dunker v. Reist, 119 O. G. 1925; Latour v. Lundell, 122 O. G. 1046; Lizatte v. Newberth, 124 O. G. 1842; Baetz v. Kukkuck, 148 O. G. 1343; Latterhand v. Cornwall, 148 O. G. 1344.

In cases of anticipation, aggregation, etc. Hayne v. DeVilliss, 125 O. G. 667; McCanna v. Morris, 128 O. G. 1292; Phillips v. Scott, 130 O. G. 1312; Thullen v. Townsend, 130 O. G. 1312; Papendell v. Bunnell & Co., 131 O. G. 361; Joseph v. Kennedy, 144 O. G. 1089.

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Patentee may not move to dissolve on ground that issue is not patentable. Mason v. Hutchinson, 201 O. G. 569, overruling Baltzley v. Seeberger, 115 O. G. 1329.

Appeals on Motions.

Appeals interlocutory from decisions on motions are the creations of Rule 124 and not of the statutes relating to appeals in the Patent Office. U. S. ex rel. Lowry v. Allen, Comm'r, 203 U. S. 476, 51 L. Ed. 281, 27 Sup. Ct. 141, 125 O. G. 2365.

Disclosure Need Not Include Old Elements of Issue.

Barber v. Spalckhaver, — App. D. C. —, 201 O. G. 268. It is not essential that a disclosure of an invention should be of all the elements of the issue, but that the essential feature of invention be disclosed. In this case some of the elements of the issue were not shown in the disclosure sketches and the witnesses did not remember after the lapse of six years the precise time when these familiar elements were "disclosed" by the inventor.

Conception—Conduct.

Courses of conduct tending to support or to negative an assertion that an invention had been conceived at a certain time are exemplified in Silverman v. Hendrickson, 19 App. D. C. 391, 99 O. G. 1171; Hope v. Voight, 25 App. D. C. 22, 115 O. G. 1585; Laas Co. v. Scott, 26 App. D. C. 354, 122 O. G. 353; Blackman v. Alexander, 113 O. G. 1703; Barrett v. Harker, 112 O. G. 729.

Conception.

Caveat, an amendment to an application, and an abandoned application may be used as evidence of conception. Young v. Struble, 34 App. D. C. 218, 152 O. G. 1223; Mergenthaler v. Scudder, 11 App. D. C. 264, 81 O. G. 1417; Carty v. Kellogg, 7 App. D. C. 542, 74 O. G. 657; Hien v. Pungs, 68 O. G. 657.

Reduction to Practice.

Evidence of reduction to practice must go to all of the elements of the counts. Robinson v. Seelinger, 25 App. D. C.

237, 116 O. G. 1735; Blackford v. Wilder, 21 App. D. C. 1, 104 O. G. 578; Sherwood v. Drewsen, 29 App. D. C. 161, 130 O. G. 657.

Reduction to Practice Abroad.

Westinghouse Mach. Co. et al. v. General Electric Co., et al., 207 Fed. 75 (C. C. A., Second Circuit). Held that a reduction to practice abroad has no effect upon the question of priority between two parties, following De Kando v. Armstrong, 37 App. D. C. 314, 169 O. G. 1185. The court thought that if § 4886 R. S. U. S. stood alone such production of the machine would be a basis for prior knowledge provided the persons who knew the machine are in this country. The court then concludes: "But the Patent Law is contained in many sections, and they must be construed together to get at the precise code which they set forth. Section 4886 states generally the conditions which must exist in order to entitle an inventor to the grant of a patent. Section 4923 deals specifically with the effect of knowledge and use in a foreign country, and it makes no distinction whether such use is made or such knowledge is acquired by persons who, after using the thing or acquiring the knowledge, remain abroad or come here. This section (4923) provides that the patent taken out by an applicant for the same thing here shall not be void on account of such knowledge or use unless the invention had been patented or described in a printed publication. As we construe this section, reduction to practice in a foreign country can never operate to destroy a patent applied for here, however widely known such reduction to practice may be, either among foreigners or among persons living here, unless the invention be patented or described in a printed publication. To that extent section 4923 qualifies the language of section 4886, which without such qualification might well lead to a different result."

Tests—Inferentially Unsuccessful.

Conduct and circumstances, such as inaction of inventor, pushing other inventions, scrapping the machine, as evidence that an alleged successful test was not one in fact. Warner v. Smith, 13 App. D. C. 111, 84 O. G. 311; Gordon v. Wentworth, 31 App. D. C. 150, 135 O. G. 1125; Riechenbach v. Kelley, 17 App. D. C. 333, 94 O. G. 1185; Quist v. Ostrom, 23 App. D. C. 69, 108 O. G. 2147; Trissel v. Thomas, 23 App. D. C. 219, 109 O. G. 809; Bourn v. Hill, 27 App. D. C. 291, 123 O. G. 1284; Eastman v. Houston, 18 App. D. C. 135, 95 O. G. 2064; Fefel v. Stocker, 17 App. D. C. 317, 94 O. G. 433; Ocumpaugh v. Norton, 24 App. D. C. 296, 115 O. G. 185; Beals v. Finkenbiner, 12 App. D. C. 23, 82 O. G. 598.

Inferences Against Claim to Inventorship.

Effect of prior conduct, delay, statements and other circumstances in opposition to a subsequent claim to inventorship generally. Gibbons v. Peller, 28 App. D. C. 530, 127 O. G. 3643; Furman v. Dean, 24 App. D. C. 277, 114 O. G. 1552; Lloyd v. Antisdel, 17 App. D. C. 490, 95 O. G. 1645; Sachs v. Hundhausen, 21 App. D. C. 511, 105 O. G. 1534; Locke v. Boch, 17 App. D. C. 75, 93 O. G. 1722; Nielson v. Bradshaw, 16 App. D. C. 92, 91 O. G. 644; Tyler v. Kelch, 19 App. D. C. 180, 98 O. G. 1282; Standard Co. v. Peters Co., 77 Fed. 630, 23 C. C. A. 367; Tyler v. St. Amand, 17 App. D. C. 464, 94 O. G. 1969; Scott v. Scott, 18 App. D. C. 420, 96 O. G. 1650; Slaughter v. Halle, 21 App. D. C. 19, 102 O. G. 469; Columbus v. Standard, 148 Fed. 622, 78 C. C. A. 394; Kelly v. Flynn, 16 App. D. C. 573, 92 O. G. 1237; Pickles v. Aglar, 13 App. D. C. 556, 86 O. G. 346.

Diligence.

Though the proposition has been stated generally under this topic and elsewhere, special emphasis should be placed upon the rule that he who was the first to conceive must have been exercising diligence when his rival entered the field.

* * * * * * *

The lack of diligence of the first to conceive and the last to reduce to practice prior to his opponent's entry into the field is immaterial, providing that he was diligent at the moment when his opponent entered the field. He must have continued diligent until he reduced to practice or filed his application.

* * * * * * *

The first to conceive and last to reduce cannot excuse his own lack of diligence by pointing to any lack of diligence upon the part of his opponent. There is no race of diligence; the lack of diligence of the first to reduce to practice before his reduction to practice is entirely immaterial. The lack of diligence upon the part of the first to conceive and last to reduce to practice may often be emphasized, however, by comparing his conduct with that of the first to reduce in those cases when the latter was diligent.

A party may not excuse his lack of diligence on grounds such as sickness or poverty if he was not exercising diligence when these excuses began to operate. Nor may a first conceiver hold the field indefinitely upon the strength of a continuing excuse for lack of diligence no matter how compelling the same may be.

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When the necessity for diligence begins. Funk v. Haines & Matteson, 20 App. D. C. 285, 100 O. G. 1764; Miehle v. Read, 18

App. D. C. 128, 96 O. G. 426; Seeberger v. Dodge, 24 App. D. C. 476, 114 O. G. 2382; Christie v. Seybold, 55 Fed. 69, 5 C. C. A. 33; Paul v. Johnson, 23 App. D. C. 187, 109 O. G. 807; Yates v. Huson, 8 App. D. C. 93, 740 O. G. 1732.

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Diligence of first to reduce to practice, comparisons of conduct; "race of diligence." Christie v. Seybold, 55 Fed. 69, 5 C. C. A. 33; Paul v. Johnson, 23 App. D. C. 187, 109 O. G. 807; Nelson v. Faucette, 33 App. D. C. 217, 143 O. G. 1348; Hammond v. Basch, 24 App. D. C. 469, 115 O. G. 806.

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Commercial activity and business considerations as diligence or as excuses for lack of diligence. Turnbull v. Curtiss, 27 App. D. C. 567, 123 O. G. 2313; Seeberger v. Dodge, 24 App. D. C. 476, 114 O. G. 2382; Nelson v. Faucette, 33 App. D. C. 217, 143 O. G. 1348; McCormick v. Cleal, 80 O. G. 1614; Kasson v. Hetherington, 88 O. G. 1157.

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Patterson v. United States, 202 Fed. 208, (C. C. A., Ninth Circuit). Where one was prosecuted for perjury in his oath to an application it was held immaterial that a prior inventor had not been diligent in reducing to practice and filing application.

Work on Other Inventions.

Work upon other inventions or the filing of applications on other inventions as evidence that a delay was unnecessary. Paul v. Johnson, 23 App. D. C. 187, 109 O. G. 807; Turnbull v. Curtiss, 120 O. G. 2442; Robinson v. Copeland, 24 App. D. C. 68, 112 O. G. 501; Williams v. Liberman, 107 O. G. 832; Parker v. Lewis, 28 App. D. C. 1, 123 O. G. 2314.

Necessary work upon related inventions as an excuse for delay. Lotterhand v. Hansen, 23 App. D. C. 372, 110 O. G. 861; Christensen v. Ellis, 17 App. D. C. 498, 94 O. G. 2561; Stapleton v. Kenney, 18 App. D. C. 394, 96 O. G. 1432; McCormick v. Cleal, 12 App. D. C. 335, 83 O. G. 1514.

Sickness, Poverty, Etc.

That sickness and poverty as an excuse for lack of diligence must extend back to a period of activity. Paul v. Johnson, 106 O. G. 213.

Inability to reduce to practice because of lack of funds, etc., should lead to the filing of an application. Wyman v. Donnelly, 21 App. D. C. 81, 104 O. G. 310; Seeberger v. Dodge, 24 App. D. C. 476, 114 O. G. 2382.

Silence Under Accusation.

The failure of a party to deny a charge that he derived the invention from his opponent. Winslow v. Austin, 14 App. D. C. 137, 86 O. G. 2171; Kempshall v. Royce, 29 App. D. C. 181, 129 O. G. 3162.

Loose Statement or Testimony.

Discrediting effect of looseness in the preliminary statement or of departure in the testimony from the averment of the preliminary statement. Tripler v. Linde, 21 App. D. C. 32, 102 O. G. 1297; Flora v. Powrie, 106 O. G. 2288; Shaffer v. Dolan, 23 App. D. C. 79, 108 O. G. 2146; Croskey v. Atterbury, 9 App. D. C. 207, 76 O. G. 163; Herman v. Fullman, 23 App. D. C. 259, 109 O. G. 1888; Blackman v. Alexander, 113 O. G. 1703.

Failure to Adopt Suggested Claims.

Failure to duly adopt claims suggested for purposes of interference under Rule 96. Ex parte Schulze, 114 O. G. 1550; Ex parte Card & Card, 112 O. G. 499; Ex parte Hellmund, 141 O. G. 565; Ex parte Post, 112 O. G. 1214.

Third Party.

Proofs of invention by one not a party. Pope v. McKenzie, 38 App. D. C. 111, 176 O. G. 1072; Foster v. Antisdel, 14 App. D. C. 592, 103 O. G. 1683; Robinson v. McCormick, 128 O. G. 3289; Hunter v. Stikeman, 13 App. D. C. 214, 85 O. G. 610; Prindle v. Brown, 24 App. D. C. 114, 112 O. G. 957.

Rule 130.

Rule 130 does not refer to anticipation or to bars of public use, publication patent or to different meanings of counts. Dixon v. Graves, 127 O. G. 1993; Weis v. Mack, 185 O. G. 830; Hopkins v. Kleal, 180 O. G. 1393.

Rule 130, seeking hearings and an opportunity to take testimony notwithstanding an order to show cause, under rule 114. Lowry v. Spoon, 122 O. G. 2687; Brown v. Stroud, 122 O. G. 2688; Pym v. Hadaway, 125 O. G. 1702; Clement v. Brown & Co., 125 O. G. 992; Kinsman v. Strohm, 125 O. G. 1699; Weintraut v. Hewitt & Co., 126 O. G. 2589; Pym v. Hadaway, 129 O. G. 480; Martin v. Goodriem & Co., 134 O. G. 1297; Weintraut v. Hewitt & Co., 178 O. G. 889.

Right to Make the Claim—Rule 130.

Under the provisions of Rule 130 were taken up ancillary matters. It should be understood that a finding that a party has a right to the patent sought operates in denial of his opponent's right to a patent. It may not be urged under Rule 130 that the issue is anticipated in the case of one or both parties, or that it has different meanings or that a party has lost the right to claim it by a two years' public use, or by patent or publication, prior to his application.

Second Interference—Res Adjudicata.

Proceedings regarding a party's application prior to the one directly involved in interference which prior application is alleged to disclose the invention in issue. Blackmore v. Hall, 118 O. G. 2538; Rauler Co. v. Adams, 114 O. G. 1827; Struble v. Young, 121 O. G. 339; Robinson v. Seelinger, 25 App. D. C. 237, 116 O. G. 1736.

Bill in Equity—Action of Office Reversed—Joint Application as Evidence—Construction of Issue.

General Electric Co. v. Steinberger, 208 Fed. 699 (N. Y.). Bill in equity under § 4915 R. S. U. S. Decisions of preceding tribunals in granting patent should not be disturbed unless shown to be unmistakably erroneous. Action of Patent Office reversed on ground that unsuccessful applicant in Patent Office was first to produce the limited invention of the issue. A joint applicant who later files a sole application may refer to the joint application as evidence of conception of the invention by himself. Claims in issue may be construed by the court but not altered so as to interfere with an action under § 4918. "But the claims of the patent must be read in the light of the disclosures of the patent when tested by the prior art and cannot be interpreted so broadly as to protect the old devices of corrugations alone. The original claim 15 of the Steinberger patent was in language broad enough to cover mere corrugations. This was rejected by the Patent Office as "inaccurate" and "not presenting patentable matter." This action was acquiesced in by Steinberger and was correct. The present claims, therefore, cannot be read so broadly as to cover and to be held as having allowed this unpatentable structure. Condit Electrical Mfg. Co. v. Westinghouse Electric & Mfg. Co., 200 Fed. 144, 118 C. C. A. 474; Cotto-Waxo Chemical Co. v. Perolin Co. of America, 185 Fed. 267, 107 C. C. A. 373; Simplex Electric Heating Co. v. Leonard, 200 Fed. 581."

Bill in Equity—As Stay on Infringement Suit.

Steinberger v. General Electric Co., 207 Fed. 114 (N. Y.). Suit in equity had been brought under § 4915 R. S. U. S. to determine priority. A subsequent suit for infringement by the party who had been the successful applicant previous to the bill in equity stayed a reasonable time to await the determination of the issue of priority under the bill in equity.

Bill in Equity.

Thoma et al. v. Perri, 205 Fed. 632 (Mass.). Bill in equity under § 4915 R. S. U. S., may be maintained against rival applicant though he has assigned his rights under the application; and suit may be maintained in any district where valid service can be had on the defendant without regard to his special residence.

LETTERS PATENT AND THEIR CONSTRUCTION AND SCOPE.

As Property—Entitled to Possession.

Paine v. Parkhurst, 205 Fed. 740-743 (C. C. A., Sixth Circuit).

"In view of the fact that a record of the patent is preserved in the Patent Office, and that all its assignments are there recorded, the possession of the original letters may be comparatively unimportant; nevertheless, they are not valueless, but of intrinsic and substantial worth. The procurement of a copy of them would be attended with some inconvenience and expense. They are, like a title deed, a personal chattel. They are the evidence of their owner's exclusive right to the use of the invention and create a property interest in such invention. Marsh v. Nichols, Shepard & Co., 128 U. S. 605, 612, 9 Sup. Ct. 168, 32 L. Ed. 538. The rule is well settled that the person to whom title deeds belong may, on account of their value, maintain an action for their recovery (Wilson v. Rybolt, 17 Ind. 391, 79 Am. Dec. 486; Warvelle on Vendors, § 51; Snoddy v. Finch, 9 Rich. Eq. [S. C.] 355, 70 Am. Dec. 216); and the owner of a patent may doubtless avail himself of the same rule to obtain possession of the original patent papers."

Substantially as Described.

Superior Hay Stacker Mfg. Co. v. Dain Mfg. Co., 208 Fed. 549 (C. C. A., Eighth Circuit). The words "substantially as described" do not necessarily limit.

Construction—Reading in Limitations.

Wm. B. Scaife & Sons Co. v. Falls City Woolen Mills, 209 Fed. 210 (C. C. A., Sixth Circuit). Two phases of construction—*Reading limitation into claims. The courts will read in limitations* to give a narrow construction to sustain the patent, but will not do so when the claim is intended to be broad, and for the mere arbitrary purpose of saving a claim. When it is clear to the court that a claim had for its dominant purpose to cover one particular feature the courts should not construe it as specific also for the other elements. Where a claim is ambiguous a given element should be implied if its presence is necessary to distinguish the claim from the prior art and from the other claims of the patent. If, however, it cannot operate to such purpose it should not operate as a limitation. And a statement by the solicitor that the claim was limited to the "exact form" was held not an estoppel.

See this case also for numerous citations on points of construction, patentability, etc.

Construction—Generally.

O'Brien-Worthen Co. v. Stempel, 209 Fed. 849 (C. C. A., Eighth Circuit).

"The specification and claims of a patent constitute a contract between the United States and the patentee, and they are to be read and construed together in the same way and by the same rules by which other contracts are interpreted. The specification which forms a part of the same petition or application as the claims must be read and interpreted with them, not for the purpose of limiting, or of contracting, or of expanding, the latter, but for the purpose of ascertaining from the entire agreement, of which each is a part, the actual intention of the parties. Century Electric Co. v. Westinghouse Mfg. Co., 191 Fed. 350, 354, 112 C. C. A. 8, 12; Seymour v. Osborne, 11 Wall. 516, 547, 20 L. Ed. 33; National Hollow Brake Beam Co. v. Interchangeable B. B. Co., 106 Fed. 693, 701, 45 C. C. A. 544, 552; O. H. Jewell Filter Co. v. Jackson, 140 Fed. 340, 344, 72 C. C. A. 304, 308; Louden Machinery Co. v. Janesville Hay Tool Co., 148 Fed. 686, 690, 78 C. C. A. 548, 552; Electric Machine Co. v. Morris (C. C.), 156 Fed. 972, 974; Lewis Blind Stitch Machine Co. v. Premium Mfg. Co., 163 Fed. 950, 955, 90 C. C. A. 310, 315; Fullerton Walnut Growers' Ass'n v. Anderson-Barngrover Mfg. Co., 166 Fed. 443, 461, 92 C. C. A. 295, 313."

Estoppel By Acquiescence in Rejection and Amendment.

O'Brien-Worthen Co. v. Stempel, 209 Fed. 849 (C. C. A., Eighth Circuit).

"It is an indisputable principle of the law of patent that, if a patentee acquiesces in the rejection of his claims on references cited in the Patent Office and accepts a patent on an amended or substituted claim, he is thereby estopped from maintaining that the amended or substituted claim covers the combinations or devices shown in the references and from successfully claiming that the substituted claim has the breadth of the claims that were rejected. But he is not estopped from claiming and securing by his amended claim every known and useful improvement which he has invented and which is not disclosed by the references. National Hollow Brake Beam Co. v. Interchangeable Brake Beam Co., 106 Fed. 693, 714, 45 C. C. A. 544, 565, and the cases there cited; J. L. Owens Co. v. Twin City Separator Co., 168 Fed. 259, 268, 93 C. C. A. 561, 570; Brill v. St. Louis Car Co., 90 Fed. 666, 668, 33 C. C. A. 213, 215; Hubbell v. United States, 179 U. S. 77, 83, 84, 21 Sup. Ct. 24, 45 L. Ed. 95."

Pioneer.

National Electric Signalling Co. v. Telefunken Wireless Co., 208 Fed. 679 (C. C. A., Third Circuit). Patents No. 918,306 and 918,307, the first for a method of wireless signalling, the second for apparatus for practicing the method held to be pioneer and valid and infringed.

Words, Terms and Phrases.

For "liberal" interpretation of words "end to end" see Stebler v. Riverside Heights Orange Growers' Assn., 205 Fed. 735 (C. C. A., Ninth Circuit).

LICENSES, CONTRACTS AND RESTRICTIONS.

Remedies Under Contracts.

Chadeloid Chemical Co. v. Johnson et al., 203 Fed. 993 (C. C. A., Seventh Circuit). Where a contract required licensee to make stated reports, pay royalties, submit his books to inspection, etc., no remedy by suit in equity for infringement.

Price Restrictions.

Kellog Toasted Corn Flakes Co. v. Buck, 208 Fed. 383 (Cal.).

"The recent case of Bauer & Cie v. O'Donnell, 229 U. S. 1, 33

Sup. Ct. 616, 57 L. Ed. —, decided May 26, 1913, which is the latest one called to my attention, construes the former case thus:

"'The question, therefore, now before this court for judicial determination, is: May a patentee by notice limit the price at which future retail sales of the patented article may be made, such article being in the hands of a retailer by purchase from a jobber, who has paid to the agent of the patentee the full price asked for the article sold? The object of the notice is said to be to effectually maintain prices and to prevent ruinous competition by the cutting of prices in sales of the patented article. That such purpose could not be accomplished by agreements concerning articles not protected by the patent monopoly was settled by this court in the case of Dr. Miles Medical Co. v. John D. Park & Sons Co., 220 U. S. 373 [31 Sup. Ct. 376, 55 L. Ed. 502], in which it was held that an attempt to thus fix the price of an article of general use would be against public policy and void.'"

Licensee—Right to Pursue Remedy.

Hurd et al. v. James Goold Co., 203 Fed. 998 (C. C. A., Second Circuit). Hurd was sued as a licensee for a limited territory. Subsequent to his license the owner of the patent was enjoined in another circuit for bringing suit for its infringement.

"Complainant has joined with himself two corporations who hold the legal title to the patent. These corporations have been enjoined in the sixth circuit from maintaining suits for infringement. These injunctions, of course, bind the corporations against which they were issued; but we cannot see how they can operate to interfere with Hurd's legal rights (assuming that the answers to the certified questions indicate that he has such right) or with the course which equity practice indicates he should follow in vindication of those rights. That practice authorizes him, as holder of an exclusive territorial license, to present his licensors as co-complainants, even against their will and in spite of their protests. Whether they may say, in response to his request, 'we will not appear because we are dissatisfied with you, or because a court has told us we must not, is a matter of indifference to Hurd. Despite these objections, he has brought them in as co-complainants. Whether his doing so exposes them to punishment for contempt is a matter to be decided when it comes up; we have a definite opinion about that, but it is not for us now to express it. We think it strains the doctrine of comity beyond the breaking point to contend that, in order to uphold the hands of the enjoining court, we should deprive Hurd, over whom that court never had any jurisdiction, of the regular and orderly equitable procedure to maintain his legal rights, assuming that the

deliverance of the Supreme Court on the certified question may indicate that he has legal rights, which he can maintain against users of infringing tires in his territory."

Remedies.

Chadeloid Chemical Co. v. Johnson et al., 203 Fed. 993 (C. C. A., Seventh Circuit). Where a contract required licensee to make stated reports, pay royalties, submit his books to inspection, etc., no remedy for failure by suit in equity for infringement.

PATENTABILITY.

Invention—Slight Advance in an Art.

In the case of Hartford v. Moore, 181 Fed. 132, cited with approval by C. C. A., Third Circuit, in Westen Mfg. Co. v. Hartford, 194 Fed. 875. Reissue patent No, 12,437 (original, 695,508), for an automobile shock absorber, was sustained notwithstanding several closely approximating patents and notwithstanding the fact of the existence of a prior patent for use upon a motor car which, the court said, precisely answered all three of the claims in question. The court then proceeded: "Yet, in spite of this similarity, I do not consider that it is a valid anticipation, because some one must have selected it for the purpose, and, as I have already said, novelty of selection is oftentimes a sure sign of patentable invention."

The Second Circuit case was not appealed. For the further history of the patent, see also 158 Fed. 103, 172 Fed. 677 and 163 Fed. 948.

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In Williams v. American String Wrapper Co., 86 Fed. 641 (C. C. A., Seventh Circuit), patent No. 558,244, for a newspaper wrapping with a tearing string secured thereto, was sustained over a prior patent for improvements in key opening metal cans having a detachable string terminating in a free tongue at one edge of the blank sheet of which the can is made. See also Watson v. Stevens, 51 Fed. 757 (C. C. A., First Circuit); Justi v. Clark. 108 Fed. 659 (C. C. A., Seventh Circuit); Moore v. Schaw, 118 Fed. 602; Fries v. Leeming, 131 Fed. 765. See also, Carnegie Steel Co. v. Cambria Iron Co., 185 U. S. 403, 36 L. Ed. 968, herein reported and cited. Also further and as involving question of double use see Aeolian Co. v. Halett & Davis Piano Co., 134 Fed. 872, and many cases cited in Potts v. Creager (p. 494 herein), and Canda v. Michigan Malleable Iron Co., 124 Fed. 486 (C. C. A., Sixth Circuit).

Invention—Effect of Adoption by Defendant.

Elbs v. Rochester Egg-Carrier Co., 203 Fed. 705 (C. C. A., Second Circuit), patent No. 722,512. The claims in issue were as follows:

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

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

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

Invention—Article of Manufacture—Roof.

Riter-Conley Mfg. Co. v. Aiken et al., 203 Fed. 699 (C. C. A., Third Circuit). Patent No. 718,044 for a roof structure held valid. On pages 703, 704 see definitions of article of manufacture.

International Convention.

Commercial Acetylene Co. et al. v. Schroeder et al., 203 Fed. 276 (C. C. A., Seventh Circuit). Effect of International Convention, article 4 bis, of December 14, 1900, as construed by Act of March 3, 1833.

"Complainants contend that this patent is protected by the treaty of 1902 (32 Stat. 1940), and the act of Congress of 1903 in relation thereto. The purpose of the act of 1903 was to lengthen the time after a foreign application before an application at Washington would be barred. It is not conceivable that Congress intended to make this statute retroactive. Any such construction is unwarranted by the words of the statute. Malignani v. Hill-Wright Elec. Co. (C. C.), 177 Fed. 430; Malignani v. Jasper Marsh Cons. Elec. Co. (C. C.), 180 Fed. 442.

So elaborately have all these questions been considered and

authorities cited by the trial court, no good purpose would be served by repeating them here. (D. C.), 197 Fed. 908."

Extensive Use—Commercial Success.

Stebler v. Riverside Heights Orange Growers' Assn. et al., 205 Fed. 735, 738 (C. C. A., Ninth Circuit).

"Neither the Bailey nor the Hutchins invention seems ever to have gone into practical use; and the Ish grader has been wholly or almost wholly, superseded by the plaintiff's machine—a fact to which great weight is to be given. Morton v. Llewellyn, 164 Fed. 693, 90 C. C. A. 514; Wilkins Shoe B. Co. v. Webb (C. C.), 89 Fed. 982; Krementz v. Cottle Co., 148 U. S. 556, 13 Sup. Ct. 719, 37 L. Ed. 558; Western Elec. Co. v. Chicago Co. (C. C.), 14 Fed. 691; Star Brass Co. v. Gen. Elec. Co., 111 Fed. 398, 49 C. C. A. 409; Union Biscuit Co. v. Peters, 125 Fed. 601, 60 C. C. A. 337; St. Louis Flushing M. Co. v. American Co., 156 Fed. 574, 577 84 C. C. A. 340; Robbins v. Dueber Watch Case Co. (C. C.), 71 Fed. 186. It is accordingly held that the defense of anticipation is not sustained."

Combination—Aggregation—Judicial Knowledge.

Krell Auto Grand Piano Co. v. Story & Clark Co., 207 Fed. 946 (C. C. A., Seventh Circuit). Patent No. 825,784 held not void on its face neither for lack of patentability nor as an aggregation of old elements. The court elaborately reviews the question of aggregation and decides that a patent for a mechanism consisting of two or more elements is not necessarily invalid as an aggregation because there is no direct co-action between the elements where such co-action comes to produce a unitary result through the medium of the operator or the operating force. Numerous authorities in the above case on judicial knowledge and necessity ordinarily of a hearing to determine aggregation.

Invention—Combination—Aggregation (Definition)—Extensive Use—Adoption by Defendant.

H. J. Heinz v. Cohn, 207 Fed. 547 (C. C. A., Ninth Circuit) Patent No. 835,850, for a one-piece envelope with a window in the face rendered transparent by the application of an oily preparation and having a colored border to conceal irregularity of outline and patent No. 824,908 for such an envelope with the addition of an advertising evice, held not anticipated, disclosing patentable novelty and ntion, and infringed. Collection of definitions and authoriti

Invention—Double Use—Substitution of Material.

Archer v. Imperial Mach. Co., 207 Fed. 81. Patent No. 999,478, for a machine for peeling potatoes comprising a metal cylinder having a revolving metal disk for moving the potatoes and having its inner surface coated with a granulated abrading material. Held void for lack of invention over the prior art because the emery or similar material was merely a substitute for an equivalent roughened or striated surfaces. The court held that a change of material may evidence invention, but to do so must produce a result so much better than the old material as to be novel and unexpected. Judge Coxe dissenting.

Prior Use—Use Abroad—Prior Knowledge.

Westinghouse Mach. Co. et al. v. General Electric Co. et al., 207 Fed. 75 (C. C. A., Second Circuit). Held that a reduction to practice abroad has no effect upon the question of priority between two parties, following De Kando v. Armstrong, 37 App. D. C. 314, 169 O. G. 1185. The court thought that if § 4886 R. S. U. S. stood alone such production of the machine would be a basis for prior knowledge provided the persons who knew the machine are in this country. Sec. 4923 R. S. U. S., however, very specifically provides that no knowledge or use abroad shall be a bar but only a patent or printed publication.

Invention—Degree—Specification Definite.

Toledo Computing Scale Co. v. Computing Scale Co., 208 Fed. 410 (C. C. A., Seventh Circuit). The court opens the opinion thus: "In this record the greatest thing is the fact that Smith put in the hands of the world's vendors of commodities the first usable automatic computing scales. * * *

"Defendant insists, however, that making the drum lighter was merely a matter of degree. Of course the lessening of weight is a matter of degree; but it is not necessarily merely a matter of degree. If the change converts failure into success, something more than a matter of degree is involved. Unreliable automatic computing scales, in the practical art, are no scales at all. A reliable automatic scale was a new mechanism, a creation, just as in the aspirin case (Kuehmsted v. Farbenfabriken of Elberfeld Co., 179 Fed. 701, 103 C. C. A. 243) this court held that the reduction of the amount of impurities in a compound theretofore known to chemists, whereby a deleterious substance was converted into a valuable medicine, was not merely a change of degree, but was a change of kind, producing a new article of commerce.

"A further insistence is made that the patent is void for indefiniteness, in this, that the degree of thinness of the aluminum frame and of the paper cylinder are not specified. In the quoted part of the specification Smith substantially told those skilled in the art to make the skeleton frame to the last degree of thinness that would support the cylinder, and to make the cylinder of the very thinnest paper they could then or thereafter find in the market, which would be stiff enough to retain its shape when attached to the frame. This, it seems to us, was very clear and definite instruction."

Invention—Slight Distinctions.

Barry et al. v. Harpoon Castor Mfg. Co., 209 Fed. 207 (C. C. A., Second Circuit) Patent No. 995,758, "domes of silence" sustained with interesting discussion of this as a meritorious invention though exceedingly simple and though following similar shapes and forms in other arts.

Anticipation—Drawing.

A. R. Mosler & Co. v. Lurie, 209 Fed. 364 (C. C. A., Second Circuit). The court in this case distinguished Consolidated Bunging Co. v. Metropolitan Brewing Co., 60 Fed. 93, 8 C. C. A. 485 (Second), from this case, placing this particular under another class as follows:

"With a deliverance of the Circuit Court of Appeals for the Seventh Circuit (Gray Telephone P. S. Co. v. Baird Mfg. Co., 174 Fed. 417, 98 C. C. A. 353), we fully concur. It reads as follows:

'A patent for a mechanical combination is not anticipated by a drawing in a prior patent which incidentally shows a similar arrangement which is not essential to the first invention, and was not designed, adapted, or used to perform the function which it performs in the second invention, and where the first patent contains no suggestion of the way in which the result sought is accomplished by the second inventor.'"

Invention Abroad or Foreign Use Not Anticipation.

Vacuum Engineering Co. v. Dunn, 209 Fed. 219 (C. C. A., Second Circuit).

"As to the Schiodt patent we agree with Judge Holt that it cannot be considered as part of the prior art. Briefly the facts are these: Schiodt lived in England and made his invention there; it was not patented or published prior to date of the Locke-Dunn patent. Schiodt filed application with United States Pat-

ent Office May 3, 1905, Locke & Dunn's application was filed March 9, 1906, and patent issued to them July 21, 1908. Schiodt's patent was granted May 21, 1907. Under section 4923, U. S. Rev. St. (U. S. Comp. St. 1901, p. 3396), Locke & Dunn, original inventors, could not be defeated by knowledge of the invention in a foreign country, when not patented or published there. It makes no difference that the person in the foreign country having such knowledge was also an inventor. Appellant seeks to avoid the statute on the theory that the foreign inventor 'gave the American public a knowledge of his invention through the Patent Office' when he filed his application. But in reality by that act he gave the American public nothing. His application was confidential; the public could not see it or be informed of its contents until patent issued upon it. Before that date came Locke & Dunn with their application. Under these circumstances we do not see how the Schiodt patent can be considered 'prior art.' See our opinion in Westinghouse M. Company v. General Electric Company (C. C. A.), 207 Fed. 75, filed June 14, 1913. Even if it were in the prior art we concur with Judge Holt in the conclusion that it does not affect the claims of the patents in suit."

Double Use.

O'Brien-Worthen Co. v. Stempel, 209 Fed. 849 (C. C. A., Eighth Circuit).

"But the application of an old device to a new use is not always or generally even patentable. It is only when the new use is so recondite and remote from that to which the old device has been applied or for which it was conceived that its application to the new use would not occur to the mind of the ordinary mechanic skilled in the art, that there is invention in the conception of its application to the new use, and the old use fails to limit the claim of such an application. Potts v. Creager, 155 U. S. 597, 608, 16 Sup. Ct. 194, 39 L. Ed. 275; Hobbs v. Beach, 180 U. S. 383, 388, 390, 21 Sup. Ct. 409, 45 L. Ed. 586; Adams Electric Ry. Co. v. Lindell Ry. Co., 77 Fed. 432, 447, 23 C. C. A. 233, 248."

Article of Manufacture.

Cincinnati Traction Co. v. Pope, 210 Fed. 443 (C. C. A., Sixth Circuit). Example of street railway transfer sustained as patentable article of manufacture with elaborate discussion and citations.

Effect of Prior Adjudications.

Doelger v. German-American Filter Co., 204 Fed. 274 (C. C. A., Second Circuit). Example of elaborate litigation upon a

patent. Held that where a patent has been the subject of such extensive and persistent litigation and uniformly sustained a court should, unless clearly convinced to the contrary, follow such previous favorable decisions.

SUITS IN EQUITY.

Rules.

For Equity Rules of Practice see 29 Sup. Ct. xxx; 57 L. Ed. 1633; 198 Fed. vii—xliii, 115 C. C. A. xix—xlii.

Demurrers and Motions to Dismiss Bill.

Elaborate arguments with citations are found in American Fibre Co. v. Buckskin Fibre Co., 72 Fed. 508, 18 C. C. A. (Sixth Circuit). In this case the demurrer was overruled as in the cases of Niedich v. Fosbener, 108 Fed. 266 (N. Y.); Standard v. Crane, 76 Fed. 767, 22 C. C. A. 549; Krell Auto Grand Piano Co. v. Story & Clark Co., 207 Fed. 946 (C. C. A.), and Ferro Concrete Const. Co. v. Concrete Steel Co., 206 Fed. 666. Holding a patent invalid on its face upon demurrer and with authorities are Richards v. Chase, 158 U. S. 299, 39 L. Ed. 991; Wells v. Scranton, 153 Fed. 181, 82 C. C. A. 355; Thomas v. St. Louis, 149 Fed. 753, 79 C. C. A. 89; Strom v. Weir, 83 Fed. 170, 27 C. C. A. 502; Brunswick v. Klumpp, 131 Fed. 255, 65 C. C. A. 447; and Fowler v. City of New York, 121 Fed. 147, 58 C. C. A. 113.

In Bronk v. Charles H. Scott Co., 211 Fed. 338, the Court of Appeals of the Second Circuit in the October term, 1913, affirmed a decree of the lower court dismissing the bill for want of infringement with an opinion giving reasons and citing authorities.

For annotated case, see Caldwell v. Powell, 19 C. C. A. 592, 73 Fed. 488 (Third Circuit) on design patent. There is also an excellent discussion pro and con in Parsons v. Seelye, 100 Fed. 452, 40 C. C. A. 484. For cases of demurrer **sustained for want of infringement**, see Collins Mfg. Co. v. Capitol Mfg. Co., 42 Fed. 64 (Conn.), trademark case; Gerard v. Diebold Co., 48 Fed. 380 (Texas), patent case; Fernald v. Oneida Chuck Co., 167 Fed. 559 (N. Y.), patent case. See for comparison of various cases Southern Plow Co. v. Atlanta, 165 Fed. 214, C. C. A. That a prior patent not set out in the bill cannot be considered as part of the record on demurrer although it is set out in the laches agreement attached to the bill, see Havana v. Ostrander & Co., 190 Fed. 199 (N. Y.).

Rules—Motion to Dismiss—Bill.

Wilson v. American Ice Co., 206 Fed. 736 (N. Y.). "This motion, being an alleged defense, in point of law, arising upon the face of the bill for insufficiency of fact, to constitute a valid cause of action, takes the place of a demurrer. Eq. Rule 29 (198 Fed. xxvi, 115 C. C. A. xxvi. It is elementary that a complainant in equity must allege with particularity every material fact necessary for him to prove to establish his right to the relief prayed. Story's Equity Pleading, § 241; Shipman's Equity Pleading, 320; Hageman v. Brown, 76 N. J. Eq. 126, 73 Atl. 862; Schuler v. So. Iron & Steel Co., 77 N. J. Eq. 60, 75 Atl. 552. Only the ultimate facts upon which the complainant asks relief, however, are necessary to be stated, and a short and simple statement of these, omitting mere statements of evidence, is sufficient. See Eq. Rule 25, par. 3 (198 Fed. xxv. 115 C. C. A. xxv)."

Rules—Answer, When Evidence.

Kirkpatrick v. McBride, 202 Fed. 144. Equity Rule 41. When answer under oath is not waived by the bill responsive averments in the answer under oath are evidence; and this rule is not affected by an opposite rule of a state statute covering special feature of evidence.

Rules, Set-Off or Counterclaim.

Terry Steam Turbine Co. v. Sturtevant Co., 204 Fed. 103 (Mass.). Application of Rule 30 Equity Practice on counterclaim; applies only to claim arising out of the transaction which is the subject of the suit. Therefore, the defendant in an infringement suit cannot set up as a counterclaim a cause of action for infringement by plaintiff of a different patent.

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Marconi Co. v. National Electric Co., 206 Fed. 295 (N. Y.). Rule 30 Equity. Set-off or counterclaim may be in cause of action for infringement by the plaintiff of other patents relating to the same subject-matter as the one in suit, if independent suits in equity might be maintained thereon. See for definitions.

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Motion Picture Patents Co. v. Eclair Film Co., 208 Fed. 416 (N. J.). Rule 30, Equity Rules. Illegal demand may not be applied as set-off or counterclaim.

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Vacuum Cleaner Co. v. American Rotary Valve Co., 208 Fed. 419 (N. Y.). Under Equity Rule 30. Defendant set up in an-

swer a counterclaim for damages to his business by reason of circulation by the plaintiff of false statements.

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McGill v. Sorensen, 209 Fed. 876 (N. Y.). Set-off and counterclaim. Defendant may plead a counterclaim for infringement under Rule 30 only where it is shown that an infringement was committed in the district and that the complainant has a regular and established place of business therein. Where suit is brought by an individual assignee of a patent the defendant may not counterclaim for infringement of another patent by a corporation of which the complainant is an officer unless it can be shown that the corporation is the real defendant in interest as complainant.

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