

THE COPELAND-CHATTERSON } APPELLANTS;
COMPANY (PLAINTIFFS) }

1907

*Feb. 28

*April 2.

AND

JEAN PAQUETTE AND OTHERS } RESPONDENTS.
(DEFENDANTS) }

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA.

Patent of invention—Infringement—Want of novelty—New and beneficial results—Subject matter of invention—Purchase of patented device—Estoppel.

The plaintiffs were patentees of a device intended to cheapen and simplify former methods of keeping and rendering statements of accounts by merchants and others, as was claimed, by providing for making entries and invoices by one and the same act on manifolded sheets so folded as to occupy the entire platen of standard typewriters and, at the same time, without waste, to provide a binding margin for the leaf with the book-keeping entry to utilize it as a page in a permanently bound book. The sheets manufactured and sold by the plaintiffs accomplished these ends through being folded so as to form two or three leaves, as required; with two-leaf sheets the upper leaf forming an original or invoice and the lower leaf the duplicate and book-keeping entry; with three-leaf sheets, the third leaf serving either as a duplicate or to be used as an original duplicated on the reverse side of the centre leaf. In each case the leaves are connected together so as to form one integral sheet with vertical and transverse score lines enabling the invoices, etc., to be easily detached, leaving the permanently retained page and folded margin with perforations to fit binders. The specifications of the patented device succinctly described and illustrated various forms of folding the sheet to secure these advantages. An action for infringement by the defendants using, manufacturing and selling sheets similar to the above described device was dismissed in the Exchequer Court. On appeal to the Supreme Court of Canada:

Held, affirming the judgment appealed from (10 Ex. C.R. 410) that there was neither subject matter nor novelty in the above device claimed as an invention and, consequently, that it was not patentable.

*PRESENT:—Fitzpatrick C.J. and Girouard, Davies, Idington and MacLennan JJ.

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APPEAL from the judgment of the Exchequer Court of Canada (1) dismissing the plaintiffs' action with costs.

The action was brought against Parquette, trading under the name of "The Montreal Plumbers' Supplies" and Victor Guertin and Henri Guertin, trading as "The Guertin Printing Co.," to recover damages for infringement of the patent referred to in the head-note and for an injunction against their making, selling or using fold-over bill and charge blanks made on the principle of, or on any principle colourably only differing from, the plaintiffs' alleged inventions, unless the same were manufactured by the plaintiffs or by some person duly licensed by them. It was alleged that Paquette had purchased a quantity of the blanks and afterwards procured the other defendants to manufacture and supply him with blanks manufactured according to said inventions or upon principles only colourably differing therefrom, at less cost than they could have been purchased from the plaintiffs and had used such infringements in his business to the prejudice and damage of the plaintiffs, although warned against doing so and with full knowledge of the existence of said patents; and that the other defendants had likewise infringed the patents and caused damages to the plaintiffs by so manufacturing and making sales of similar sheets for like purposes. On the issues joined, the judge of the Exchequer Court, by the judgment appealed from (1), dismissed the plaintiff's action with costs.

Raney for the appellants. The judgment appealed from is erroneous in holding that there was lack of

subject matter and lack of invention and utility. The patent itself is *primâ facie* proof of utility; *Ehrlich v. Ihlee*(1) at page 449, *per* Cotton L.J. And there is cogent evidence of substantive utility in the case. There is also novelty as the prior acts referred to do not cover the special matters constituting our inventions. Walker on Patents (4 ed.) pars. 56, 57, 64, 65, 66, 75, 76; *Topliff v. Topliff*(2); *Fawcett v Homan*(3), *per* Rigby L.J. at page 410; Terrell on Patents (4 ed.) page 99; *Hoe v. Cottrell*(4), at page 603; *Potts v. Creager*(5); *Marvin v Gotshall*(6). There is a presumption in favour of novelty which should not be disregarded in the absence of clear proof.

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There is no evidence to support the defence of want of novelty and want of subject matter of invention. The court should not, therefore, presume what are matters of fact requiring proof as such. *Lancashire Explosives Co. v. Roburite Explosives Co.*(7); *Longbottom v. Shaw*(8); *Lyon v. Goddard*(9); *Reiter v. Jones*(10); Simplicity is no objection; *Vickers, Sons & Co. v. Siddell*(11); *Hinks v. Safety Lighting Co.*(12); *Perry v. Société des Lunetiers*(13); *Williams v. American String-Wraper Co.*(14). The courts uphold patents where there is an appreciable germ of invention; Fulton on Patents, (3 ed.) p. 59. The merit is in conceiving the

(1) 5 Cutler 198, 437.

(2) 145 U.S.R. 156.

(3) 13 Cutler 268, 398.

(4) 1 Fed. Rep. 597.

(5) 155 U.S.R. 597.

(6) 36 Fed. Rep. 908.

(7) 12 Cutler 470.

(8) 8 Cutler 333.

(9) 10 Cutler 334.

(10) 35 Fed. Rep. 421.

(11) 7 Cutler 292.

(12) 4 Ch. D. 607.

(13) 13 Cutler 664.

(14) 86 Fed. Rep. 641.

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idea; *per* Rigby L.J. in *Fawcett v. Homan*(1), at p. 410. See also *Taylor & Scott v. Annand*(2), *per* Romer L.J. at p. 136. We have a new device with a new mechanical operation involving the exercise of original thought, although the separate parts or elements may be old; *Wilkins Shoe-Button Fastener Co. v. Webb*(3); *McMichael & Wildman Mfg. Co. v. Stafford*(4); *Rubber Tire Wheel Co. v. Columbia Pneumatic Wagon Wheel Co.*(5); *The Grip Printing and Publishing Co. v. Butterfield*(6); *Carter Crume Co. v. American Sales Book Co.*(7).

The defendant Paquette purchased from the appellants sheets made according to the specification of the patent in suit and was still using those sheets when the action was brought, and when he was examined for discovery in the action. When he purchased those sheets he became the licensee of the appellants, and he remains their licensee as long as he continues to use the sheets. As a consequence, it is not open to him to dispute the validity of the patent; *Crossley v. Dixon*(8); *Clark v. Adie*(9). So long as he remains a licensee, that is to say so long as he continues to use articles of the appellants' manufacture, and does not repudiate their license, he cannot avail himself of the defence of his co-defendants. *Terrell on Patents*, (4th ed.), p. 217 *et seq.*; *Fulton on Patents*, (3rd ed.), p. 201 *et seq.*

We also refer to *Trudeau* (4th ed.), p. 107; *Lucas*

(1) 13 Cutler 398.

(2) 17 Cutler 126.

(3) 89 Fed. Rep. 982.

(4) 105 Fed. Rep. 380.

(5) 91 Fed. Rep. 978.

(6) 11 Can. S.C.R. 291.

(7) 124 Fed. Rep. 903.

(8) 10 H.L. Cas. 293, 310.

(9) 2 App. Cas. 423.

v. *Miller*(1); *Reynolds v. Herbert Smith & Co.*(2); *Smith v. Goldie*(3), per Gwynne J. at pages 69, 71; *Dansereau v. Bellemare*(4); *Thomson v. American Braided Wire Co.*(5); *Anti-vibration Electric Co. v. Crossley*(6); *Ashworth v. The English Clothing Co.*(7); *Taylor & Scott v. Annand*(8); *Heugh v. Chamberlain*(9), per Jessel M.R.

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Mignault K.C. and *Perron K.C.* for the respondents. We contend that the invention claimed lacks novelty and patentability and is merely a result of mechanical skill, a substitution of known equivalents for parts of existing devices and a mere duplication of old elements without change of function and a mere change in form or size without the result of any new mode of operation. The industrial design was not susceptible of being patented. The letters-patent, by a needless multiplicity of claims, embarrass and deceive the public, and the specifications and drawings contain more than is necessary for obtaining the end for which they purport to be made. See *Case v. Cressy*(10).

On the question of combination or no combination, we refer to *Terrell on Patents* (4th ed.), p. 151, and *Frost on Patents* (2nd ed.), p. 61. See also *Kynoch & Co. v. Webb*(11).

As to subject matter of invention, the cases referred to by the appellants are based upon the peculiar

(1) 2 Cutler 155.

(2) 20 Cutler 123.

(3) 9 Can. S.C.R. 46.

(4) 16 Can. S.C.R. 180.

(5) 6 Cutler 518.

(6) 22 Cutler 441.

(7) 19 Cutler 463.

(8) 17 Cutler 126; 18
Cutler 53.

(9) 25 W.R. 742.

(10) 17 Cutler 255.

(11) 17 Cutler 100.

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circumstances of each case and do not decide more. They really condemn the patent which is nothing more than a sheet of paper with a score line placed half an inch from the line of fold. The fallacy of the claim as to saving paper and fitting the ordinary type-writer is shewn by merely folding the margin (which of course it is open to any one to do) of the sheet made according to claim 1, or figures 2 and 9, when such sheet becomes of the same width as the other sheets filed. See remarks of Buckley J. in *McNaught v. Dawson* (1).

THE CHIEF JUSTICE.—The appeal is dismissed with costs. I concur for the reasons stated in the court below.

GIROUARD J.—I quite agree with the court below that there was nothing to patent. The appellant contended for the first time before this court that it was a patent of combinations. This alleged combination is not to be found in his application for the patent, nor in the patent itself, nor in the statement of claim. Their contention is clearly unfounded. I think there is no error in the judgment appealed from.

DAVIES J. also concurred.

IDINGTON J.—I agree with the learned trial judge that there is nothing new in folding a sheet of paper from right to left or left to right or in having score lines in one or some of such leaves or placing such score lines so as to produce when separation takes place at the score line, one leaf larger than the other

or in utilizing the margin of a sheet of paper to bind it in a book if desired.

I may add that I am unable to find anything new in the folding of a margin of a sheet of paper to be used in the process of typewriting. Typewriters have been doing that ever since the typewriting machine was invented. And I suspect many have done so with sheets of letter paper, of which copies would be mailed, and one copy would be put away in a portfolio for preservation, and even in the way of filing upon posts. I cannot see what, if one desired to put away such preserved copies gathered together in a more permanent form, is to be invented, that would not occur to any ordinary mind accustomed to do such work, or needing it to be done. It was urged that the wide spread use of such goods, as made after the patent in question, was proof of their utility, and being so useful, it is said, we must infer from this utility that something has been invented. The business push and energy that may present to business men the utility of such things and bring them into use must not be so confused with the question of utility as to be the sole test of that utility, which must be inherent in a patentable invention.

The appellant's counsel urged before us that their patent consisted of a combination and the application of it to book-keeping all of which was new and hence a subject matter for a patent.

It was stoutly maintained by respondent's counsel that this was not set up before the learned trial judge and I incline to doubt if it was strongly pressed upon his attention though evidently present to the mind of counsel during the trial.

There seem, however, to be two answers to this

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claim, assuming it now open to appellants before us, when and if discarded by appellant below.

The claims set forth in appellant's specification do not specifically claim any such combination, nor as it appears to me, do the specifications substantially claim to rest the alleged invention on the ground of a combination, either of old things or old combined with a something new.

It also was plausibly urged that there was such a combination which was applied to a new purpose.

This of itself would not be patentable. It would leave the appellant's case within the line of cases of which *Harwood v. Great Northern Railway Co.* (1), is a leading one. And to escape such result the appellant's counsel sought to claim the feature of folding, so as to leave a margin of suitable width to bind in a book, with least waste of paper, as a something that would not be obvious or so obvious to anyone in relation to keeping of accounts as to remove it beyond the field of patentable invention.

I cannot assent to this. The manifolding of anything by means of typewriting and the preservation of a copy in case, or book, or file, with posts to bind or without, has so long been the common property of mankind that I cannot find anything needed to be done that was not obvious to any one of ordinary intelligence.

Indeed the enterprise that undertakes to sell paper ready prepared for use in any such way is worthy of praise, but I hardly think that enterprise is yet patentable.

Some things within the sphere of human intelligence are yet left free from such restraints.

I cannot find that Paquette by his purchase from appellants of paper duly prepared by methods they have adopted bound himself (as a licensee is in some actions bound) not to deny the validity of this patent.

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The appeal should be dismissed with costs.

Idington J.

MACLENNAN J.—I agree in the result of the judgment dismissing the appeal with costs.

Appeal dismissed with costs.

Solicitors for the appellants: *Mills, Raney, Hales
and Colquhoun.*

Solicitors for the respondents: *Archer, Perron and
Taschereau.*
