

1955
 *Apr. 1
 *Apr. 26

F. HOFFMANN-LAROCHE & CO. } APPELLANT;
 LTD. CO. }

AND

THE COMMISSIONER OF PATENTS ... RESPONDENT.

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

Patents—New process for manufacture of aldehyde—Application for patent to new process and for patent to product produced thereby—No novelty in product—The Patent Act, 1935, S. of C. 1935, c. 32, ss. 2(d), 26(1), 35(2), 40(d).

The appellant invented a new process for the manufacture of aldehyde and in his application for a patent for the process also claimed a patent to the product produced by such process.

Held: There being nothing new about the product, the appellant was not entitled to obtain a patent therefor even on the basis of a process dependent product claim. *Von Heyden v. Neustadt* 14 Ch. D. 230; *Auer Incandescent Light Mfg. Co. v. O'Brien* 5 Ex. C.R. 243; *Toronto Auer Light Co. Ltd. v. Colling* 31 O.R. 18.

Per Kerwin C.J. and Taschereau, Locke and Cartwright JJ.: S. 41 (1) of the *Patent Act*, S. of C. 1935, c. 32, prohibits a claim for a substance for which a claim might otherwise be made: it does not authorize a claim for any substance which is not authorized by the other provisions of the Act.

Per Rand J.: The prohibition applies to a new substance alone but allows one for that substance as produced by the new process. The special protection afforded the latter by s-s. (2) would seem to confirm the view that both the substance and process are to be new, but at least the substance must be new, and no inference can be drawn from it of a process dependent product claim where the product is old.

*PRESENT: Kerwin C.J. and Taschereau, Rand, Locke and Cartwright JJ.

APPEAL from the judgment of the Exchequer Court of Canada, Thorson P. (1) dismissing an appeal from the Commissioner of Patents who rejected certain claims in an application for a Canadian patent to a process for the manufacture of aldehyde.

1955
 F. HOFF-
 MANN-
 LA ROCHE
 & Co.
 LTD. Co.
 v.
 COMMISS-
 IONER
 OF PATENTS

G. F. Henderson, Q.C. and *A. A. Macnaughton, Q.C.* for the appellant.

W. R. Jackett, Q.C. and *K. E. Eaton* for the respondent.

The judgment of Kerwin C.J. and of Taschereau, Locke and Cartwright JJ. was delivered by:—

THE CHIEF JUSTICE:—This is an appeal against the decision of the President of the Exchequer Court dismissing an appeal from the Commissioner of Patents who had refused to allow claims 14 to 18 inclusive in the appellant's application for a patent. Nos 1 to 13 claimed a new and useful process for the manufacture of an aldehyde and the claims in controversy relate to that product made by that process. Aldehyde is a well-known substance and admittedly there can be no patent for it per se.

In my opinion, the Commissioner and the President of the Exchequer Court rightly decided that the appellant was not entitled to include the claims for the product. By s. 2(d) of the *Patent Act* 1935, c. 32,

- (d) "invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter;

S. 35 dealing with what the specification shall contain provides by s-s (2):

- (2) The specification shall end with a claim or claims stating distinctly and in explicit terms the things or combinations which the applicant regards as new and in which he claims an exclusive property or privilege.

There being nothing new about the product, the appellant is not entitled to obtain a patent therefor even on the basis of a process dependent product claim.

According to the decisions of the Court of Appeal in England in *Von Heyden v. Neustadt* (2) following previous decisions of single judges, the applicant would have a

(1) [1954] Ex. C.R. 52.

(2) (1880) 14 Ch. D 230;
 (1881) 50 L.J. Eq. 126.

1955
 F. HOFF-
 MANN-
 LA ROCHE
 & Co.
 LTD. CO.
 v.
 COMMISS-
 SIONER
 OF PATENTS
 Kerwin C.J.

monopoly in respect of aldehyde when prepared according to his process. In Canada it was decided in the same sense by Mr. Justice Burbidge in the Exchequer Court in *Auer Incandescent Light Manufacturing Co. and O'Brien* (1) and by a Divisional Court in Ontario, in *Toronto Auer Light Co. Ltd. v. Colling* (2). There seems to be no reason to doubt the correctness of these decisions. Counsel for the appellant, however, argues that, if as a matter of law this protection is afforded the appellant, it is entitled to have a patent issued for the product. The difficulty in the appellant's way is not only that the Act does not so provide but s. 2(d) and s. 35(2) demand a negative answer. The statement as to the English practice in Patents for Inventions by Mr. T. A. Blanco White, at p. 59, "it is of course very common to insert such a claim" is borne out by three English patents filed as exhibits but in view of our statutory provisions that practice cannot be followed here.

Mr. Henderson relied upon s-s (1) of s. 40 of the Act:—

In the case of inventions relating to substances prepared or produced by chemical processes and intended for food or medicine, the specification shall not include claims for the substance itself, except when prepared or produced by the methods or processes of manufacture particularly described and claimed or by their obvious chemical equivalents.

While this provision prohibits a claim for a substance for which a claim might otherwise be made, it does not authorize a claim for any substance which is not authorized by the other provisions of the Act. It is not necessary in the present case and I therefore refrain from considering the precise effect of any part of s. 40 except to point out that there is nothing in the decision of this Court in *Continental Soya Co. Ltd. v. J. R. Short Milling Co. (Canada) Ltd.* (3) that affords any assistance to the argument on behalf of the appellant in this connection. It is apparent from a perusal of the reasons for judgment in this Court and from the reasons for judgment of the then President of the Exchequer Court (4), that the product there in question was a new manufacture.

The appeal should be dismissed with costs.

(1) (1897) 5 Ex. C.R. 243.

(2) (1899) 31 O.R. 18.

(3) [1942] S.C.R. 187.

(4) [1941] Ex. C.R. 69.

RAND J.:—The appellant in his application for a patent has claimed for a new process for making a well known substance, an aldehyde, and as well for the aldehyde as made by that process; the former has been allowed but the latter rejected on the ground that the Act does not provide generally for such a subject matter of patent; and the question is whether that view is well founded.

1955
F. HOFF-
MANN-
LAROCHÉ
& Co.
LTD. Co.
v.
COMMIS-
SIONER
OF PATENTS

S. 2(d) defines “invention” as follows:—

“invention” means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter;

As is seen, a patent may be granted for a process as well as for a product provided that each is novel. Where the product, per se, is known, some new attribute must be introduced to furnish novelty, and Mr. Henderson argues that that is done here by associating with it its production by the new process.

This is an artificial attribution, but the argument for it is that it is necessary in order to make effectual the privilege of the process. It is urged that protection by the courts is afforded a patented process by treating persons participating in a production in a foreign country for sale in this country as parties to the infringement of the process in Canada, and several authorities seemingly to that effect are cited: *Elmslie v. Boursier* (1); *Neilson v. Betts* (2); *Von Heyden v. Neustadt* (3). In the latter it was said:—

A person who makes, or procures to be made, abroad for sale in this country, and sells the products here, is surely indirectly making, using and putting in practice the patented invention. Any other construction would, in fact, in the case of any really valuable invention of a process, render the whole privilege granted by the Crown futile.

But the mere need for means of protecting the monopoly cannot justify the extension of the statutory language beyond what it can fairly bear. The definition clause furnishes no warrant for treating a well known substance as being a “new and useful . . . composition of matter” because it has been produced by a certain process. The assumption is that the product of different processes is identical and no such constructive attribute can render the substance itself either new or useful.

(1) (1870) L.R. 9 Eq. 217.

(2) (1870) 5 E. & I. 1.

(3) (1880) 14 Ch. D. 230.

1955
 F. HOFF-
 MANN-
 LAROCHE
 & Co.
 LTD. Co.
 v.
 COMMISS-
 SIONER
 OF PATENTS
 Rand J.

Nor can the claim on this basis be made under ss. 26(1) or 35(2); as provided in the latter the application must, in explicit terms, claim the things or combinations which the applicant regards as new and in which he claims an exclusive property or privilege. The exclusive privilege as to the matter of the invention here is in the process.

S. 41 (of R.S.C. 1952, c. 203, S. 40 of the 1935 Act) remains to be considered. It provides:—

- (1) In the case of inventions relating to substances prepared or produced by chemical processes and intended for food or medicine, the specification shall not include claims for the substance itself, except when prepared or produced by the methods or processes of manufacture particularly described and claimed or by their obvious chemical equivalents.

That language seems to be concerned primarily with new substance, and when process is associated with it, new process. The expressions “claims for the substance itself” and “produced by the methods or processes . . . claimed” point to that: the section prohibits a claim for the new substance alone, but allows one for that substance as produced by the new process. Special protection is afforded the latter by s-s. (2) by means of a presumption that any substance of the same chemical composition as the new product shall “in the absence of proof to the contrary, be deemed to have been produced by the patented process”. This again seems to confirm the view that both substance and process are to be new. But at least the substance must be new, and no inference can be drawn from it of a process dependent product claim where the product is old. It furnishes only a qualification of the prohibition by authorizing the substance claim when associated with a special constructive attribute.

Even if the claim were allowed, what benefit would result that, on the assumption that protection by the Court is given against infringement, would not now be available? Proof that the product was made by the patented process would be necessary. Only with some such means as that provided by clause (2) in raising a presumption or casting the burden of proof on the alleged infringer could any real advantage be gained. But such an evidentiary device could not be supplied by a court.

I agree with the judgment of the President of the court below and would dismiss the appeal with costs.

Appeal dismissed with costs.

Solicitors for the appellant: *Gowling, MacTavish, Osborne & Henderson.*

Solicitor for the respondent: *W. P. J. O'Meara.*

1955
F. HOFF-
MANN-
LAROCHE
& CO.
LTD. CO.
v.
COMMIS-
SIONER
OF PATENTS
Rand J.