THE CROSLEY RADIO CORPORATION (PLAINTIFF) ..... APPELLANT;

AND

CANADIAN GENERAL ELECTRIC CO. LTD. (DEFENDANT) ..... RESPONDENT.

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* Mar. 10, 11, 12.
* June 17.

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

Patent—Validity—Subject-matter—Invention.

In order validly to support a patent, not only must the art or the improvement therein be new, useful, and not anticipated by prior knowledge or prior user by others within the meaning of the *Patent Act*, but also there must be invention; one does not hold a valid

* PRESENT:—Duff C.J. and Rinfret, Cannon, Davis and Kerwin JJ.

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subject-matter of a patent unless he shews the exercise of inventive ingenuity. Generally speaking, the question whether or not in any particular case there has been invention is one of fact and degree, depending upon practical considerations to a larger extent than upon legal interpretation. (*Riekmann* v. *Thierry*, 14 R.P.C. 105, *Burt Business Forms Ltd.* v. *Autographic Register Systems Ltd.*, [1933] Can. S.C.R. 230, at 237, 238, and other cases, cited).

In the present case, the judgment of Maclean J., President of the Exchequer Court of Canada, [1935] Ex. C.R. 190, holding that the patent in question (for a domestic refrigerator insulated door, recessed on its inner face so as to provide a hollow food space therein with suitable shelving arrangements, and without materially adding to the exterior dimensions of the refrigerator) was invalid for lack of subject-matter, was affirmed.

APPEAL by the plaintiff from the judgment of Maclean J., President of the Exchequer Court of Canada (1), holding (in an action by plaintiff for infringement) that its patent in question was invalid for lack of subject-matter. The material facts of the case are sufficiently stated in the judgment of Rinfret J. now reported. The appeal to this Court was dismissed with costs.

O. M. Biggar K.C. and *R. S. Smart K.C.* for the appellant.

W. C. Chipman K.C. and *H. K. Thompson* for the respondent.

DUFF C.J.—I concur with Mr. Justice Rinfret.

The improvement in question had, no doubt, some value in convenience and considerable value in respect of properties calculated to result in commercial success.

Everybody who bears in mind the vast number of people who live in small apartments must recognize the importance of reducing the volume of space occupied by necessary household appliances. Useful augmentation of capacity with virtually no increase of cost and relatively very little increase in the exterior dimensions of refrigerators are matters by no means without importance. The change in the form of the interior by recessing the door provides an opportunity for a very convenient rearrangement of shelves, —a convenience which would constitute a strong attraction, no doubt, to housekeepers and improve saleability. But it does not appear to me that what was done was so far from the track of probable development in refrigerator design

(1) [1935] Ex. C.R. 190.

as to amount to invention in the sense of the patent law. I cannot satisfy myself that the conception of recessing the door and thus providing increased capacity and an opportunity for a more convenient arrangement of shelving involved an apprehension of a desideratum, or a gain of great advantage by very simple means, of the kind which the courts have often recognized as affording satisfactory evidence of invention.

The appeal should be dismissed with costs.

The judgment of Rinfret, Cannon and Kerwin JJ. was delivered by

RINFRET J.—It is only necessary in this case to consider the question of subject-matter.

The patent in issue relates to improvements in refrigerating units and has to do particularly with cabinet construction in combination with a cooling apparatus of a mechanical refrigerating system for providing additional food space alleged to be maintained at a temperature different from the normal temperature in the main food compartment. In the specification, the object of the alleged invention was stated to consist in replacing

> the standard door with the inwardly extending pan with a door wherein the thickness or insulating part thereof extends outwardly past the flange of the door and the inwardly extending or pan portion is annular in form so as to provide a hollow food space in line with or extending outwardly of the usual breaker strip.

The result of this construction is claimed to be

> the provision of approximately an extra cubic foot of food space without changing the dimensions of the standard refrigerator box. * * * the slight bulge on the door will in no way change the space within the kitchen or other room within which the box is designed to fit, so that any standard refrigerator door can be replaced by the door embodying the present invention without any change in the position of the box.

A feature specially referred to in the patent

> is the location of the food space at a point relative to the cooling unit whereby the temperatures maintained in this extra food space will be at a higher range than the temperature existing in the refrigerator proper.

The original patent (No. 334,900) issued on August 15th, 1933, and contained nine claims; but, on the ground that the patent was "deemed defective in that it failed to claim accurately and fully the invention disclosed" and that the "error arose from inadvertence," the appellant,

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as assignee of the patentee, Mrs. Constance Lane West, of the city of Detroit, Michigan, petitioned for a reissue of the patent, which was granted on June 5th, 1934, under number 342,173.

By the grant, three new claims were added to the patent and, in addition to claim 9, the new claims are those now sued upon on the ground of their infringement by respondent.

The President of the Exchequer Court, where the trial was conducted, found that the improvement "possessed a new and useful feature * * * not to be found in any of the prior art cited"; that "there was no prior user of it"; that "it is absolutely clear that the defendant's structure infringes the plaintiff's patent"; but "that there is not subject-matter in the patent in suit.

The appellant contended before this Court that the trial judge had misdirected himself by taking an erroneous view of the meaning of the word "invention"; and that is the only point which stands to be examined in this appeal; for if it be decided against the appellant—as we think it ought to be—it is immaterial to discuss the question raised by the respondent that the re-issue was invalid for the reason that it did not meet the essential requirements of the *Patent Act*.

In its factum, the appellant described the improvement as consisting in a special type of door for a domestic refrigerator, the characteristics of which were that the inside face of the door had all around its periphery a projecting flange, as it is called, which co-operates with the edge of the door aperture in the refrigerator box to prevent the leakage of heat around the door, and that, surrounded by this flange, there is in the door a shallow recess which may be equipped with shelves on which articles to be kept cool may be stored.

More than once, in the course of the trial, the respondent admitted that if there was invention in what was described in the patent, then the respondent infringed. For that reason, the appellant abstained from adducing any evidence on the issue of infringement; and, although the respondent attempted to raise that issue before us, we think it must be held to have been abandoned.

On the other hand, while the specification rather emphasizes the importance of the slightly higher temperature in the hollow recess said to be provided by the bulging out of the door, counsel for the appellant clearly indicated at the trial that he was not pressing that particular claim. Indeed, he stated that it was "not of much importance as we find it is difficult to follow the exact course of the air in an experimental fashion, that is, to be of any great advantage," although theoretically he thought it was perfectly easy to explain.

As a consequence, the learned President did not consider that feature of the patent in his judgment; and he stated that there was

> but one substantial point for decision here, and that is whether or not there was invention in the idea of recessing the inner face of an insulated door in a domestic refrigerator so as to provide a hollow food space therein with suitable shelving arrangements, and without materially adding to the exterior dimensions of the refrigerator.

In view of the course of the trial, we do not think it is open to the appellant to pretend that the issue between the parties was not so restricted. And we will proceed to discuss the case accordingly. May it be added, moreover, that, on the evidence, this branch of the patent could hardly be supported.

In the circumstances, counsel for the appellant naturally directed the greatest part of his argument to the question of what constituted invention within the meaning of the Canadian *Patent Act;* and he laid considerable stress on the contention that the true test was that of obviousness. He referred to a number of judgments in the English courts, where the word "Obvious" was used to indicate the dividing line between an improvement held to be an invention in the patentable sense and an advance found to have been a mere workshop improvement and, therefore, not within the patentable class.

Notwithstanding the very ingenious and exhaustive argument of counsel for the appellant, we would hardly think,

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however, he would ask this Court to give a sacro-sanct meaning to the use of the word "obvious" for the purpose of discriminating between the category of improvements which ought to be regarded as being properly inventions in the legal sense and the category of those not so regarded. We would suggest that, in England, the appearance, in later years, of the word "obvious," in judgments dealing with patent matters, probably results from the fact that, under section 25 (subs. *f*) of the English *Patents and Designs Act,* a patent may be revoked upon the ground "that the invention is *obvious* and does not involve any inventive step having regard to what was known or used prior to the date of the patent." But although, perhaps, judgments under Canadian patent law may not have denied patentability to certain improvements upon the express ground that the advance over the prior art should be taken to have been obvious to the persons skilled in the art, the jurisprudence, both in the Canadian courts and in the Judicial Committee of the Privy Council, is not wanting in pronouncements conveying the same idea. It has long been laid down in our courts that, in order validly to support a patent, it was, of course, necessary that the art, or the improvement thereon, should be new, that it must be useful and that it must not have been anticipated by prior knowledge or prior user by others within the meaning of sec. 7 of the *Patent Act,* in force at the time of the issuance of the patent in suit; but that something additional was also required. It was essential that there should be invention and that one did not hold a valid subject-matter of a patent unless he showed the exercise of the inventive faculties (See: Halsbury's Laws of England, *vbis.* Patents and Inventions, no. 288); and that is to say, in the words of Lord Watson (*Thomson* v. *American Braided Wire Company* (1)), "a degree of ingenuity * * * which must have been the result of thought and experiment."

It would be idle to attempt a comprehensive definition. In certain cases, the decision must necessarily be the result of some nicety. It is a question of fact and degree (*Riek-*

(1) (1889) 6 R.P.C. 518 (H.L.)

man v. *Thierry* (1)), depending upon practical considerations to a larger extent than upon legal interpretation. Lord Moulton is quoted by Terrell on Patents (8th ed., p. 78) as stating that, generally speaking, it must be "treated as being a question of fact for the judgment of whatever tribunal has the duty of deciding."

We would refer to the judgments of this Court in: *Durable Electric Appliance Co. Ltd.* v. *Renfrew Electric Products Ltd.* (2); *Mailman* v. *Gillette* (3); *Lightning Fastener Co. Ltd.* v. *Colonial Fastener Co. Ltd.* (4); and more particularly to *Burt Business Forms Ltd.* v. *Autographic Register Systems Ltd.* (5), where the necessity of inventive ingenuity is insisted upon, and reference is made to the leading case of *Harwood* v. *Great Northern Ry. Co.* (6), and to the law as laid down by Lord Halsbury in *Morgan* v. *Windover* (7); by Romer, J., in *Wood* v. *Raphael* (8); and again by the House of Lords in the case already referred to of *Riekmann* v. *Thierry* (9)—where the Court was composed of Lord Halsbury, L.C., Lord Macnaghten, Lord Shand and Lord Davey.

In this case, applying the principle laid down in the judgments referred to and having regard to the general common knowledge of the art, we find it impossible to apply the word "invention," in the patentable sense, to the improvement disclosed in the appellant's specification; and we agree with the trial judge that the patent is invalid for lack of subject-matter. To repeat the words of Lord Tomlin in *Lightning Fastener Co. Ltd.* v. *Colonial Fastener Co. Ltd.* (10), we do not think "the inventive element necesary to constitute subject-matter is made sufficiently evident."

There could be no possible invention in the idea of putting shelves on a door. There were already in existence any number of cabinets, such as medicine cabinets, kitchen cabinets, display cabinets, and the like, including cabinets of the refrigerator class, fitted for the storage of articles.

(1) (1896) 14 R.P.C. 105, at 115 (H.L.).
(2) [1928] Can. S.C.R. 8.
(3) [1932] Can. S.C.R. 724, at 733.
(4) [1933] Can. S.C.R. 371, at 372, 374, 376.
(5) [1933] Can. S.C.R. 230, at 237, 238.
(6) (1865) 11 H.L.C. 654.
(7) (1890) 7 R.P.C. 131, at 134.
(8) (1896) 13 R.P.C. 730, at 735.
(9) (1896) 14 R.P.C. 105.
(10) (1934) 51 R.P.C. 349, at 367.

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Hollow doors with shelves or bulged out doors had already been designed. If a refrigerator manufacturer was not satisfied with his shelving arrangement, it would not require invention on his part to adopt the shelving arrangement of other article-storing cabinets. We fail to see an inventive step, in the sense indicated by the decided cases, in the fact of merely designing a recess door with shelves in the hollowing space, with the consequential result that the door will be bulged out. There was no problem in the idea, nor difficulty in the carrying out of it.

On the evidence, the trial judge expressed no surprise "that the West door did not earlier come into use." He found that mechanical refrigerators for domestic use were comparatively new articles and such structural alterations came at the time when they were likely to be expected. Before then, there was really no incentive to solve the problem, for the real demand had only recently come into existence. The modification suggested by Mrs. West undoubtedly met with some measure of success; but we do not think commercial success is an important factor in the present case, since the growing sales of the appellant's refrigerators were substantially in proportion with the total sales of mechanical refrigerators of all makes in the United States at the material periods of time.

The appellant adduced the evidence of a great number of salesmen and dealers to show the favour with which refrigerators equipped with the West door were received by them. But it is sufficient to make a perusal of that evidence to find that the features of saleability which they emphasize refer merely to the added space, or increased capacity, the easier access to the small articles stored, and the fact that the new name given to the article, "Shelvador," and the attractive ornamentation of the recess door had a distinct appeal to the housewives.

Improvements of that character do not, as a rule, fall within the class of invention. As pointed out by the trial judge, it was perhaps not unnatural that the suggestion came from a woman acting for large furnishing establishments and experienced in the art of interior decoration. The refrigerator in existence long before the West patent at Caulfield's Dairy Limited, in Toronto, may not perhaps show anticipation in the pertinent sense, but it indicates that the idea of shelves in a recess door, such as we have

in the patent in suit, is nothing more than a workshop improvement and did not involve the exercise of the inventive faculty essentially required for the grant of a monopoly.

Under the circumstances, we think the learned President was right in denying validity to the re-issued patent of the appellant, and the appeal should be dismissed with costs.

DAVIS J.—No doubt, if the patent is valid, the defendants have infringed. There is only one issue, subject-matter.

There was no constructional difficulty and the design does not appear to me to lie "so much out of the track of the former use as not naturally to suggest itself to a person turning his mind to the subject," to use the words of Lord Chelmsford, in *Penn* v. *Bibby* (1). Or, to put it in the words of Lord Shaw in *London General Omnibus Company* v. *Bonnard* (2), the design "might well have occurred to an intelligent person without any exercise of that invention which is necessary as the ground of a patent."

There is nothing of substance in the alleged difference of air currents and temperatures within the door as distinct from those in the body of the refrigerator proper. In his opening at the trial, counsel for the appellant, when asked by the trial judge whether the direction of the flow of air had anything to do with the case, said:

> It may come into it but it is not of much importance as we find it is difficult to follow the exact course of the air in an experimental fashion, that is, to be of any great advantage, but theoretically it is perfectly easy to explain.

And during the trial counsel for the appellant said:

> It is very difficult to determine with sufficient scientific accuracy to be useful exactly what the courses of currents in the refrigerator are.

I cannot find in this patent anything more than a design of domestic utility and of commercial advantage. There is not in it that "characteristic or quality the presence of which distinguishes invention from a workshop improvement," to adopt the language of Lord Tomlin (then Tomlin J.) in *Parkes* v. *Cocker* (3).

I therefore concur in the dismissal of the appeal.

Appeal dismissed with costs.

Solicitors for the appellant: *Smart & Biggar.*

Solicitors for the respondent: *MacFarlane, Thompson & Littlejohn.*

(1) (1866) L.R. 2 Ch. App. 127. 127.
(2) (1920) 38 R.P.C. 1, at 15.
(3) (1929) 46 R.P.C. 241, at 248.