

*Judgment of the Lords of the Judicial Committee of the Privy Council on the Petition of Titus Salt (Assignee) for the Extension of Norton's Patent for certain Improvements in the production of Figured Fabrics; delivered the 4th March, 1863.*

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Present:

SIR EDWARD RYAN.

THE MASTER OF THE ROLLS.

SIR JOHN TAYLOR COLERIDGE.

THEIR Lordships will not call upon the opponents in this case. They think that the Petitioner has not made out a sufficient case to call upon this Court for an extension of the time of his Patent. The Petitioner became possessed of this Patent in the year 1853, and it appears to their Lordships that the time which has elapsed since 1853 down to the present time (1863) when this application is made, places the Petitioner in a species of dilemma from which it is difficult for him to extricate himself. Their Lordships think that if nothing has been done with this Patent for the period of ten years, during which the Petitioner has had it, it must be either because the Patent itself cannot be practically employed for any useful or beneficial purpose, or because the Petitioner has purposely abstained from endeavouring so to employ it. If the former were the case, that would furnish a decisive reason why their Lordships should not grant an extension of the Patent; or, on the other hand, if the fact be that this Patent can be put to a useful and beneficial purpose, but the Petitioner has abstained from doing so, their Lordships are unable to understand, and would require to have it explained to them, why it

should not have been put to a useful and beneficial purpose during the ten years that the Petitioner has been possessed of it. Their Lordships think it would be setting a bad precedent which would lead to injurious consequences if they were to countenance that species of wilful delay. It may well happen in the progress of discovery and improvement that is daily taking place in every department of science and art, that inventions and discoveries might be made applicable to the particular subject matter of some Patent which, in conjunction with and as an addition to it, might be of great value to the inventors, but which not only could not be put into practice without making use of the previous invention, but for which Patents had been obtained on the faith that, on the expiration of the Patent for the original invention itself, they would become profitable. And if their Lordships were to permit a Patentee to keep his Patent unemployed for a period of ten or twelve years in the expectation that such a state of things might arise, and then, when it arose, come and ask for an extension of the Patent on the ground that he had not obtained sufficient remuneration for it, he would be obtaining an undue and unfair advantage: that would be making use of the intentional non-employment of his invention in order thereby to obtain a share of the profits properly due to the inventions of others, and would thus frustrate the object for which the monopoly granted by Letters Patent was created, viz., the rewarding of Inventors for their merit, and thereby to encourage them in making discoveries useful to mankind.

The grounds upon which their Lordships grant extensions of Patents all have reference to the inventor himself. They are, in the first place, to reward the Inventor for the peculiar ability and industry he has exercised in making the discovery; in the second place, to reward him because some great benefit of an unusual description has by him been conferred upon the public through the invention itself; or, lastly, because the Inventor has not been sufficiently remunerated by the profits derived from his strenuous exertions to make the invention pro-

fitable. All these grounds proceed upon the supposition that the invention is a new and useful invention. But where the Inventor intentionally delays for a great length of time attempting to put it into practice, the grounds for prolongation of the Patent which I have already mentioned cannot be relied on by him unless it be possible for him to show some reasonable excuse for the delay.

In some circumstances there might be a considerable ground of excuse arising from want of funds; the pecuniary difficulties in which the Patentee had been involved in working out his invention might have placed him in a situation which had made it extremely difficult for him to obtain the means for taking the necessary steps to put the patent into operation. But it appears that no such circumstances have existed in the present case. The present Petitioner is a gentleman possessed of affluence and ample means to put this invention into operation, and yet it appears that he has taken no effectual steps for this purpose during the whole period which he has enjoyed the Patent from 1853 down to the present time.

This delay, however, is not the only reason which influences their Lordships in coming to their present decision. The Petitioner is not the Inventor.

It is very true that under the late Statute a person is not excluded from applying for a Patent upon the ground of his being the Assignee of the Patent; but it must always be borne in mind that the Assignee of a Patent does not, unless under peculiar circumstances, apply on the same favourable footing that the original Inventor does. The ground that the merits of the Inventor ought to be properly rewarded, in dealing with an invention which has proved useful and beneficial to the public, does not exist in the case of an Assignee, unless the Assignee be a person who has assisted the Patentee with funds to enable him to perfect and bring out his invention, and has thus enabled him to bring it into use; none of which grounds exist in the present case. The reason why the Assignee of a Patent is not precluded from making an application for an extension of it, is because, as was

stated by Lord Brougham in the case of Morgan's Patent (Webster's Reports), if he were so precluded it would diminish the value of the Patent in the hands of the Inventor by not enabling him to dispose of his Patent so favourably as he might do if the Assignee of it were not excluded from applying for a prolongation. But not only does the Petitioner as an Assignee not appear in so favourable a position as the Inventor, but in addition to that, in the present case, it is not the Assignee who has held the Patent for ten years, who properly speaking is himself applying for the extension, but he has formed, or has concurred in forming, a Joint Stock Company to work this Patent in conjunction with others founded upon it; and the application substantially is that of the Joint Stock Company. This circumstance increases the unfavourable light in which their Lordships have usually regarded these cases.

In one case, namely, in the case of Cardwell's Patent, in the tenth volume of Moore's Reports, where the Patentee agreed with a Public Company to grant them an exclusive licence to use a Patent and covenanted to obtain a renewal of it to be for the exclusive benefit of the same persons, though their Lordships held that the matter which induced them to recommend Her Majesty not to renew the Patent was, that the agreement entered into was repugnant to the provisions of the 5th and 6th William IV, cap. 83, still their Lordships in giving Judgment by Lord Justice Knight Bruce state thus:—"Considering that the present application is substantially rather the application of other persons than of the Petitioner; considering also the great advantages the Colaba Press Company appear to have derived from this Patent, and that, though originally granted to the Petitioner, if there be renewal, the Company will probably substantially take more interest in the Patent than Cardwell himself, their Lordships doubt very much, to say the least, whether, independently of the particular circumstances to which I am about to advert, there would be any case for extending the period of the present privilege."

Their Lordships also find in another case, the case of the Electric Telegraph Company, that Lord Langdale, in delivering the Judgment of

their Lordships, says, "We do not say it would be right to take into consideration the mere commercial transactions of a Company of this sort, if it had turned out that the contrary had been the case. They buy this patent right; they buy it for a commercial purpose, not at all with the view of encouraging the Inventors, or of rewarding the Inventors, though, when they are sinking their own capital in this particular mode, they do incidentally give a profit to the Inventors. It is not the same case as some cases which have arisen, where the Inventor, being himself struggling with difficulty for the want of capital, is obliged to obtain the assistance of persons who have capital, giving them a share of the profits, which may be done in a great variety of ways and under many different circumstances; but those parties, with a knowledge of the value of the invention, and its capability of being reduced to practical use to any extent to which capital might be employed upon it, think fit to engage that capital in carrying on a trade by the use of this particular invention." And accordingly in that case their Lordships declined to prolong the Patent. Their Lordships think that those observations are applicable to the present case.

In this case it appears that the real applicants are a mere Joint Stock Company who have bought this Patent for the purpose of trading with it, and with others founded upon it, and not for any purpose by means of which any benefit can be derived by the original Inventor, who not only has long since parted with all his interest in it, but has since died. Their Lordships do not think it desirable that a Patent should be prolonged for such an object, and they are, moreover, apprehensive that, if they were to accede to the prayer of the Petitioner, it might be that the other Patents taken out by the Petitioner and founded upon this, might derive undue support from such extension. It may be that these, or some of them, are not in themselves capable of being supported as the legal subject for a Patent (on which their Lordships express no opinion, as these Patents are not the subject of the present inquiry); but if the fact be so (and the observation is of general import, and not confined to this case), then the public

might be excluded from the use of certain known processes by reason of their being inseparably connected with the use of the particular invention, the Patent for which had been extended; and if the auxiliary and supplemental Patents have been taken out by others and are valid, then they, as has been already observed, might be deprived of their just profits if an extension of this Patent were granted.

Taking all these circumstances into consideration, their Lordships think it their duty humbly to recommend Her Majesty not to grant any extension of the Patent in this case.

*Mr. Grove.*—May I venture to submit to your Lordships that this is one of the cases in which costs might be given?

*The Master of the Rolls.*—We do not think the costs ought to be given in this case.

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