

name of himself and the owner of the patent right, that action may be maintained without the co-operation and even against the objection of the latter.¹

Where the owner of a patent is himself an infringer of a licensee's exclusive right to use or to sell the invention covered thereby, no action at law can remedy the wrong. The licensee cannot bring such an action in his own name in that case, any more than in another; and he cannot sue in the name of the wrong-doer, for he would thus make the latter both plaintiff and defendant. Such a state of facts constitutes such an impediment to an action at law as authorizes the licensee to sue the owner of a patent in a court of equity.² And a stranger to the title who joined in the infringement, may be joined with the owner as a defendant.³

Where an exclusive licensee, who pays royalties in proportion to the extent of his use or his sales of the patented invention, allows infringers to use or to sell that invention without interference from him, the owner of the patent right may sue those infringers in his own name and for his own use.⁴

§ 401. The defendant in an action for an infringement of a patent may be a natural person. A private corporation may also be held liable as defendant in such an action.⁵ And a receiver, appointed by a State court for an infringing corporation, may be sued for its infringement or for his own infringement as receiver, without the consent of the State court which appointed him.⁶ Among public corpora-

¹ *Brush-Swan Electric Light Co. v. Electric Co.* 48 Fed. Rep. 224, 1891; *Brush Electric Co. v. Electric Co. of San Jose*, 49 Fed. Rep. 73, 1892; *Brush Electric Co. v. California Electric Co.* 52 Fed. Rep. 945, 1892.

² *Littlefield v. Perry*, 21 Wall. 223, 1874; *Root v. Railway Co.* 105 U. S. 216, 1881; *Rapp v. Kelling*, 41 Fed. Rep. 792, 1890; *Adriance v.*

McCormick Mach. Co. 55 Fed. Rep. 290, 1893; 56 Fed. Rep. 918, 1893.

³ *Waterman v. Shipman*, 55 Fed. Rep. 986, 1893.

⁴ *Still v. Reading*, 20 Off. Gaz. 1026, 1881.

⁵ *York & Maryland Line Railroad Co. v. Winans*, 17 Howard, 30, 1854.

⁶ *Hupfeld v. Automaton Piano Co.* 66 Fed. Rep. 789, 1895.

tions, the liability of a city for infringing a patent has been affirmed,¹ and that of a county has sometimes been affirmed and sometimes denied.² If such a distinction exists between a city and a county, it is founded on the fact that cities are created and exist mainly for the special use of the people who compose them; while counties are subdivisions of States, made for the purposes of political organization, and civil and judicial administration.³ The same reasons, if valid, would indicate that organized villages are generally liable for infringements, while ordinary townships are not. The general rule on the subject would then appear to be that cities and villages are liable for infringements of patents, unless the charters or statutes which created or which regulate them otherwise require or provide, while counties and townships are not so liable unless they are made so by the legislative power which called them into being.⁴ School districts probably fall in the some category as townships in respect to this sort of liability.⁵ No State can be sued for any infringement of a patent.⁶

§ 402. Natural persons cannot escape liability for their infringements of patents on the ground that they are minors, married women, or lunatics.⁷ A minor is not less liable to an action because the act of infringement was done at the command of his father;⁸ but if a married woman commits an infringement in the presence of her husband, she is not

¹ *Bliss v. Brooklyn*, 4 Fisher, 596, 1871; *Asbestine Mfg. Co. v. Hepp*, 30 Fed. Rep. 326, 1889.

² *Jacobs v. Hamilton County*, 4 Fisher, 81, 1862, *May v. County of Mercer*, 30 Fed. Rep. 246, 1887; *May v. County of Juneau*, 30 Fed. Rep. 241, 1887, *May v. County of Logan*, 30 Fed. Rep. 260, 1887; *May v. County of Ralls*, 31 Fed. Rep. 473, 1887.

³ *Ward v. County of Hartford*, 12 Connecticut, 406, 1838; *Commis-*

sioners of Hamilton County v. Mighels, 7 Ohio State, 118, 1857.

⁴ *May v. County of Buchanan*, 29 Fed. Rep. 473, 1886; *May v. County of Cass*, 30 Fed. Rep. 762, 1887.

⁵ *Wilson v. School District*, 32 New Hampshire, 118, 1855.

⁶ Eleventh Amendment to the Constitution of the United States.

⁷ *Cooley on Torts*, Chapter IV.

⁸ *Humphreys v. Douglass*, 10 Vermont, 71, 1838; *Scott v. Watson*, 46 Maine, 362, 1859.

liable to an action therefor, unless it can be shown that she did it without his influence or consent.¹ In the absence of such evidence, the husband is alone liable for the torts of the wife which are committed in his presence;² or under his direction;³ and for the infringements which are committed jointly by both.⁴ The only distinction between the liability of lunatics and of sane persons, for such torts as infringements of patents, seems to be that the former can never be held liable for more than actual damages, in an action at law,⁵ or his actual profits, in an action in equity.⁶

§ 403. An agent or salesman who sells specimens of a patented thing on commission is liable as an infringer for so doing.⁷ And the foreman of a factory is liable for infringements done under his supervision.⁸ But a mechanic who, when working for wages, makes or uses a patented thing, or uses a patented process, at the command of his employer, is not liable to an action at law, on that account,⁹ though he may doubtless be restrained by an injunction from continuing such making or using.¹⁰ A decree for an account of profits would not be proper in such a case, because a mechanic cannot be said to make any profits from such an infringement. Nor would a decree for damages be any more proper in an action in equity, than would a judgment for damages in an action at law.

§ 404. Whoever directs or requests another to infringe a patent, is himself liable to an action for the resulting infringe-

¹ Bishops Law of Married Women, Volume 2, Section 258.

² Bishop's Law of Married Women, Volume 1, Section 43.

³ American Bell Telephone Co. v. Cushman, 57 Fed. Rep. 844, 1898.

⁴ Green v. Austin, 22 Off. Gaz. 683, 1882.

⁵ Cooley on Torts, page 102.

⁶ Avery v. Wilson, 20 Fed. Rep. 857, 1884.

⁷ Potter v. Crowell, 3 Fisher, 112,

1836; Maltby v. Bobo, 14 Blatch. 53, 1876; Steiger v. Heidelberger, 4 Fed. Rep. 455, 1880; Cramer v. Fry, 68 Fed. Rep. 207, 1895.

⁸ Cahoon Mfg. Co. v. Harness Co. 45 Fed. Rep. 584, 1891.

⁹ Delano v. Scott, Gilpin 498, 1834; United Nickel Co. v. Worthington, 13 Fed. Rep. 392, 1882; Young v. Forster, 37 Fed. Rep. 208, 1889.

¹⁰ Goodyear v. Mullee, 5 Blatch. 487, 1867.

ment, on the plain principle that what one does by another he does by himself.¹ So, also, if an infringement is committed by A. B. for the benefit of C. D., but without the knowledge or authority of the latter, the latter will still be liable as an infringer, if he approves the tort after its commission.² An infringement which is committed by an employee in the regular course of his employer's business will also render the latter liable to an action, even if the employer forbade the acts which constituted the infringement,³ or even if the employer did not know that such was the character of those acts.⁴

§ 405. It is a general principle of law, that whoever does an act which naturally causes another to commit a tort, is himself liable to an action therefor.⁵ The applicability of this doctrine to patent suits is a subject which is as yet almost wholly unexamined by the courts. When so examined, it will probably be found to have its limitations. If A. B. unlawfully makes a specimen of a patented thing, and sells it to C. D., a man whose business it is to use things of that class, there seems to be no injustice in holding the former responsible, not only for his own illegal making and selling, but also for the illegal using committed by the latter, for that making and selling naturally resulted in that using. On the other hand, if E. F., a merchant, gives G. H., a manufacturer, an order for a quantity of articles which may be made either with or without a particular patented machine, and if G. H. makes those articles with that machine because he ordinarily and naturally uses that machine for such purposes, it seems to be clear that E. F. is not liable

¹ *Green v. Gardner*, 22 Off. Gaz. 683, 1882.

² See *Judson v. Cook*, 11 Barbour (N. Y.), 642, 1852; *Allred v. Bray*, 41 Missouri, 484, 1867.

³ See *Philadelphia & Reading Railroad Co. v. Derby*, 14 Howard, 468, 1852.

⁴ *Wooster v. Marks*, 17 Blatch. 368, 1879; *McKnight v. McNiece*, 64 Fed. Rep. 116, 1894.

⁵ *Guille v. Swan*, 19 Johnson (N. Y.), 381, 1822; *Brooks v. Ashburn*, 9 Georgia, 297, 1851; *Lewis v. Johns*, 34 California, 629, 1868; *Smith v. Felt*, 50 Barbour (N. Y.), 612, 1868.

for that unlawful making.¹ But if I. J. unlawfully makes a patented machine and leases it to K. L. to be used, it seems right to hold the former liable to an action for that use.

§ 406. Where several persons co-operate in any infringement, all those persons are of course liable therefor. In that, as in all cases of torts for which several persons are liable, all may be sued jointly, or any of them may be sued alone.² But where a patentee sues one of several joint infringers collusively, for the purpose of getting a mutual advantage over another joint infringer, the court, on learning the facts, will dismiss the case³

So, also, an action may be brought against several joint defendants, and sustained against such of them as the evidence shows to be liable, even though not sustained against all.⁴ Where an action at law is sustained against several joint infringers, the judgment will be entered against all, regardless of whether the benefits of the infringement were confined to part of them, or extended to the whole;⁵ though only one payment can be enforced;⁶ and a decree for profits, in an action in equity, will be entered only against those of the defendants who are proved to have actually realized profits from the infringement.⁷

§ 407. The facts which will constitute co-operative joint infringement fall, when analyzed, into a large number of classes. A few of them may be mentioned in this section, but a much larger number must be left to the reflections of the reader, or to the development of litigation.

Where one man owns and others operate an infringing

¹ *Keplinger v. De Young*, 10 Wheaton, 358, 1825; *Brown v. District of Columbia*, 3 Mackey, 502, 1884.

² *Jennings v. Dolan*, 29 Fed. Rep. 862, 1887; *Bray v. Denning*, 56 Fed. Rep. 1019, 1893.

³ *Ring Refrigerator Co. v. St. Louis Ice Mfg. Co.* 67 Fed. Rep. 535, 1895.

⁴ *Reutgen v. Kanows*, 1 Washington, 172, 1804.

⁵ *Cooley on Torts*, p. 136.

⁶ *Jennings v. Dolan*, 29 Fed. Rep. 862, 1887.

⁷ *Elizabeth v. Pavement Co.* 97 U. S. 140, 1877; *Featherstone v. Cycle Co.*, 53 Fed. Rep. 110, 1892.

machine, all are jointly liable to an action therefor.¹ Where one person makes and sells a part of a patented combination, and another person independently make and sells the residue of that combination, both intending that the purchaser shall assemble the parts, and use the combination, there the maker and seller of either of the parts is liable to an action as infringer.² So, also, where a person makes and sells a composition of matter, or makes or sells any material, or thing which is described in a patent, and which is useful only for the purpose of performing a process covered by that patent, or which is thus sold with knowledge that it is to be used in performing that process, there also the seller is liable to an action at law or in equity.³ But where the material thus sold is useful for some other purpose than to perform the patented process, and where the seller does not know when selling it, that it is purchased to be thus used, he incurs no liability to an action for infringement.⁴ But if there was an intention that the thing made and sold should be incorporated into the patented combination, an action for infringement cannot be defeated by showing that it could have been used for some purpose alone, or in unpatented combinations.⁵

Persons who contribute money for the express purpose of supporting others in infringing a patent, are also liable as infringers;⁶ and where an infringer makes a voluntary assignment for the benefit of creditors, and the assignee

¹ *Woodworth v. Edwards*, 3 Woodbury & Minot, 121, 1847.

² *Wallace v. Holmes*, 9 Blatch. 73, 1871; *Schneider v. Pountney*, 21 Fed. Rep. 403, 1884; *Travers v. Beyer*, 26 Fed. Rep. 450, 1886; *Stearns v. Phillips*, 43 Fed. Rep. 795, 1890.

³ *Rumford Chemical Works v. Hecker*, 2 Bann. & Ard. 363, 1876; *Willis v. McCullen*, 29 Fed. Rep. 641, 1886; *Alabastine Co. v. Payne*, 27 Fed. Rep. 560, 1886; *Celluloid*

Mfg. Co. v. Zylonite Co. 30 Fed. Rep. 437, 1887; *Boyd v. Cherry*, 50 Fed. Rep. 282, 1883.

⁴ *Maynard v. Pawling*, 5 Bann. & Ard. 551, 1880; *Millner v. Schofield*, 4 Hughes, 261, 1881; *Snyder v. Bunnell*, 29 Fed. Rep. 47, 1886; *Geis v. Kimber*, 36 Fed. Rep. 109, 1888.

⁵ *Saxe v. Hammond*, 1 Holmes, 456, 1875; *Bowker v. Dows*, 3 Bann. & Ard. 518, 1878.

⁶ *Bate Refrigerating Co. v. Gillett*, 30 Fed. Rep. 684, 1887.

continues the infringement, both may be sued jointly for the infringement committed before, and also that committed after the assignment.¹

Where the owner of a patent on something which infringes an older patent, licenses another to use his device, and furnishes to his licensee, plans and drawings for making his device, and requiring, to that end, the making of the device of the prior patent, without procuring or intending to procure the consent of its owner, that licensor is a joint infringer with his licensee of the prior patent.² And where one who has contracted to erect a building, lets a portion of the work to a sub-contractor, and in the prosecution of their respective parts, each of them infringes a patent of another, both of them are liable as joint infringers.³ So also a person who is employed as manager of a partnership, and in that capacity infringes a patent, is a joint infringer with the partners.⁴

But a man does not infringe a patent, by making an unpatented thing which is adapted for use with a patented thing, and selling that unpatented thing to a licensee under the patent.⁵

Where one of several joint infringers is sued for their infringement, the other one or ones may be admitted as joint defendant to help defend the suit.⁶

§ 408. A partnership is liable to an action for an infringement committed in the regular course of the partnership business, by one or more of the partners, or under his or their orders; and also for any infringement committed outside of that regular course of business, if it was previously authorized or afterward adopted as the act of the partner-

¹ *Gordon v. Harvester Works*, 23 Fed. Rep. 147, 1885.

² *Toppan v. Tiffany Car Co.*, 39 Fed. Rep. 420, 1889.

³ *Jackson v. Nagle*, 47 Fed. Rep. 703, 1891.

⁴ *Featherstone v. Cycle Co.* 53 Fed. Rep. 110, 1892.

⁵ *Robbins v. Columbus Watch Co.*, 50 Fed. Rep. 555, 1892.

⁶ *Curran v. Car Co.*, 32 Fed. Rep. 835, 1887; *Standard Oil Co. v. Southern Pacific Co.*, 54 Fed. Rep. 521, 1893; *Ring Refrigerator Co. v. St. Louis Ice Mfg. Co.*, 67 Fed. Rep. 540, 1895.

ship by all the partners. But no partnership is liable for any infringement committed outside of the regular course of the partnership business, unless it was so authorized or adopted.¹

§ 409. Private corporations are responsible for infringement, committed, authorized, or ratified by them, under substantially the same rules as those which govern the similar responsibility of natural persons. It was formerly supposed that corporations could not be held liable for torts, because torts are never authorized by corporate charters, and are therefore *ultra vires*. But this idea was soon found to produce gross injustice in its practical operation; and was therefore abandoned by the courts.² The law is, that every private corporation is liable for all the torts which were authorized by that corporation, and for all torts done in pursuance of any authority to act on its behalf, on the subject to which the torts relate, and for all torts ratified by the corporation after they are committed.³ And in deciding upon this liability, the courts consider corporate officers, agents, and servants as possessing a large discretion, and they accordingly hold the corporation liable for all their acts within the most extensive range of the corporate powers.⁴ The agent of a corporation in committing an infringement may be another corporation; and the relation of agency exists and binds the principal, where the agent infringes a patent in authorized pursuance of the business which the principal was chartered to transact.⁵ Unless their charters otherwise provide, public corporations which are liable at all for infringements of patents, are doubtless liable under the same circumstances and to the same extent as private corporations are.⁶

¹ See Story on Partnership, Sections 166 and 168.

² Baltimore and Potomac Railroad Co. v. Fifth Baptist Church, 108 U. S. 330, 1882; Salt Lake City v. Hollister 118 U. S. 256, 1886.

³ May v. County of Mercer, 30

Fed. Rep. 248, 1887.

⁴ See Cooley on Torts, p. 119.

⁵ York and Maryland Line Railroad Co. v. Winans, 17 Howard, 38, 1854.

⁶ May v. County of Mercer, 30 Fed. Rep. 248, 1887.

§ 410. Under what circumstances and to what extent an officer, director, or stockholder of a corporation is personally liable for infringements committed by it, are open questions.

It has been adjudicated that where persons actively and personally conduct infringements of patents, they cannot avert an injunction by proving that they acted under the charter of a corporation, and as officers, directors, or stockholders thereof.¹ And in other cases it has been held that an action for infringement of a patent will not lie against an officer, director, or stockholder of a solvent infringing corporation.² And Judge LOWELL held that an action at law cannot be maintained against the officers, directors, or shareholders of a corporation which infringes a patent, even where such persons personally conducted the business which constituted the infringement.³ If that is the law upon the point, it must also be the law that no damages can be recovered by an action in equity against any such person. But it will not follow, where profits have been realized by persons from infringements committed by them in the disguise of a corporation, that they can lawfully retain those profits, and leave the patentee remediless. And it is possible that Judge LOWELL was wrong in his opinion. His examination of the point does not appear to have been characterized by all that thoroughness with which his judicial opinions were generally developed; and he himself remarked that his conclusion was contrary to what counsel had conceded in several earlier cases. The point is one of much importance. Upon it may often depend the just

¹ *Goodyear v. Phelps*, 3 Blatch. 91, 1853; *Poppenhusen v. Faulk*, 4 Blatch. 495, 1861; *National Brake Shoe Co. v. Mfg. Co.* 19 Fed. Rep. 515, 1884; *Iowa Barbed Steel Wire Co. v. Barbed Wire Co.* 30 Fed. Rep. 123, 1887; *Cahoone Mfg. Co. v. Harness Co.* 45 Fed. Rep. 583, 1891; *Armstrong v. Savannah Soap Works*, 53 Fed. Rep. 125, 1892;

Edison Electric Light Co. v. Packard Electric Co. 61 Fed. Rep. 1005, 1893.

² *Howard v. St. Paul Plow Works*, 35 Fed. Rep. 744, 1888; *Boston Woven Hose Co. v. Starr Rubber Co.* 40 Fed. Rep. 167, 1889.

³ *United Nickel Co. v. Worthington*, 13 Fed. Rep. 393, 1882.

reward of invention, and the just punishment of tort. An examination of the subject in the light of analysis and of analogies may therefore be acceptable to the profession.

§ 411. Wrongs are divisible, in one aspect, into two classes: wrongs of commission and wrongs of omission. Where an officer, director, or stockholder of a corporation is engaged in managing its business, and as a part of that business manages and directs the infringement of a patent, that person is chargeable with a wrong of commission. Where such a person has power to prevent his corporation from infringing a patent, and omits to exercise that power, and where the corporation therefore infringes that patent, then that person is chargeable with a wrong of omission. Where a person is an officer, director, or stockholder of a corporation, but has no personal power to cause it to infringe a particular patent, nor to restrain it from so doing, that person is chargeable with no wrong of either sort.

§ 412. Stockholders seldom have any power, merely as stockholders, to control the action of their corporation in such a matter of detail as the infringement of a particular patent. Unless it can be shown that the stockholder whom it is sought to hold liable in a particular case, did possess power of that kind, it is clear that the common law will not compel him to respond in damages for any infringement with which he was not personally connected. If the law were otherwise, a man could lawfully be made to suffer for wrongs which he did not commit, and could not prevent, and from which he received no advantage. Indeed, it is the general rule of the common law that mere stockholders in a corporation are not liable for its debts,¹ and if not liable for its debts, they surely ought not to be liable for its torts.

§ 413. The officers of a corporation are the persons who are charged with the superintendence and control of its transactions. It is doubtless their duty to refrain from directing infringements to be committed; and also to prevent the agents and servants of their corporations from commit-

¹ *Shaw v. Boylan*, 16 Indiana, 386, 1861.

ting infringements of patents when prosecuting the corporate business. If such an officer directs and causes a specific thing to be done which turns out to constitute an infringement, it is extremely difficult to see why he should be permitted to shift all the responsibility for the tort upon the intangible corporation, that is to say, upon the innocent stockholders as a body.

If an agent or a servant of a corporation commits an infringement in the course of the corporate business, the officers whose function it is to control that agent or that servant are chargeable with a wrong of omission. They are guilty of *non-feasance* in the performance of their official duties. If their omission to prevent the infringement is the result of gross inattention on their part, they are liable to the corporation for any loss it may incur on account of the infringement; but it is otherwise if the omission resulted from an error of judgment.¹ Whether such an officer is liable at common law to the owners of the patent infringed, seems to depend upon other considerations.

If an officer, in pursuance of his general authority, directs a servant of a corporation to make a machine for a particular purpose, which machine may be made so as to infringe a patent or may be made so as not to have that effect, it seems that the officer is bound to see that it is not made so as to infringe, and that if the servant makes it in that way, the officer is liable to the patentee.² But if a servant of a corporation, without any special orders to do so, makes or uses or sells a thing which turns out to be an infringement of a patent, it seems that no superior officer is personally liable therefor at common law.³ It appears reasonable that officers of corporations should be bound to see that whatever they cause to be done is done lawfully; but it would perhaps not be ordinarily right to make them personally

¹ *Spering's Appeal*, 71 Pennsylvania State, 11, 1872.

² See *Hewett v. Swift*, 3 Allen

(Mass.), 425, 1862.

³ See *Bath v. Caton*, 37 Michigan, 202, 1877.

responsible to strangers for acts spontaneously committed by their subordinates.

§ 414. Directors of corporations, unlike other officers, act only in a collective capacity. Where an entire board of directors unanimously order a particular thing to be done which will constitute an infringement of a patent, and where that thing is accordingly done by the corporation's agents or servants, there seems to be no reason why those directors should not be held personally liable to an action for that infringement. If the corporation is alone liable in such a case, then crafty and dishonest men may often manage to divide the spoils of infringement, and leave nothing but an insolvent or dormant corporation to be sued by the patentee. It would evidently be a reproach to our laws if such a scheme could be made to work. Whoever attempts to defend the legal safety of such a mode of reaping the harvest of another, should have his attention called to the following sentence, written by Justice CAMPBELL, and approved by the Supreme Court, and worthy to be quoted in every law-book, and remembered by every man. "It is certainly true that the law will strip a corporation or individual of every disguise, and enforce a responsibility according to the very right, in despite of their artifices."¹

Where the action of a board of directors in ordering an infringement, results from the votes of a majority only, the relations of the minority voters to the resulting infringement must be different from that of the others. The members of the minority ought not, in such a case, to be held liable for the action of the board, or for its results, unless they afterward adopt it by ratification. Where an infringement is ordered by a quorum of a board of directors, in the absence of the residue, the residue will be free from common law liability for the wrong unless they afterward ratify it, or unless they are chargeable with such gross non-attendance upon the meetings of the board as justly causes them

¹ York and Maryland Line Railroad Co. v. Winans, 17 Howard, 40, 1854.

to be held responsible for whatever is done by their colleagues in their absence. The mere fact of being a director in a corporation is not sufficient to render a person liable at common law for any tort committed by that corporation or its managers or agents.¹

§ 415. But there is a statutory liability in such cases as those which we are considering. Most of the States have statutes which provide that, under various circumstances therein specified, the officers, directors, or stockholders of a corporation shall be personally liable for its debts or liabilities. Section 721 of the Revised Statutes of the United States provides that "The laws of the several States, except where the Constitution, treaties, or statutes of the United States otherwise require or provide, shall be regarded as rules of decision in trials at common law, in cases where they apply." Under this section of the Revised Statutes, these laws of the States will probably have the same effect in a patent suit in a United States court, that they would have in any action of trespass on the case in a State court.² Such of the State statutes referred to as make stockholders, officers, or directors responsible for the "liabilities" of their corporations are clearly broad enough to cover liabilities arising out of infringements of patents. Indeed Justice STORY decided that such liabilities were covered by the word "debts" in such a statute.³ In most of the States the statutory individual liability of officers, directors, and stockholders of corporations is more limited than it was in Massachusetts when Justice STORY made that decision. It is outside the scope of this text-book to set forth the details of the State statutes which bear upon the point. It will

¹ *Arthur v. Griswold*, 55 New York, 406, 1874.

² *McCluny v. Silliman*, 3 Peters, 270, 1830; *McNeil v. Holbrook*, 12 Peters, 84, 1838; *Vance v. Campbell*, 1 Black, 427, 1861; *Hausknecht v. Claypool*, 1 Black, 431, 1861; *Wright v. Bales*, 2 Black, 535, 1862; *Leffingwell v. Warren*, 2 Black, 599, 1862;

Hanger v. Abbott, 6 Wallace, 537, 1867; *Campbell v. Haverhill*, 155 U. S. 614, 1895; *Parker v. Hall*, 2 Fisher, 62, 1857; *Parker v. Hawk*, 2 Fisher, 58, 1857; *Rich v. Ricketts*, 7 Blatch. 280, 1870; *Hayden v. Oriental Mills*, 15 Fed. Rep. 605, 1883.

³ *Carver v. Mfg. Co.* 2 Story, 448, 1843.

frequently happen that the controlling legislative edicts which relate to the matter will be found in the special charters of particular corporations, rather than in the general statutes of the several States. The general principle which runs through all such laws seems to be that where a corporation is so managed that it cannot be made to respond to lawful claims based on its contracts or torts, those officers or directors who caused that inability, or those officers, directors, or stockholders who profited thereby, shall be made to respond in its place.

§ 416. A consolidated corporation is liable to actions in equity for infringements committed before the consolidation, by each of its constituents, if the property and franchises which the consolidated corporation acquired from that constituent were of sufficient value, over and above all paramount claims, to equal the profits or damages sought to be recovered in such actions.¹ This proposition results from the fact that equity regards the property of a corporation as held in trust for the payment of its debts, and recognizes the right of creditors to pursue that property into whose-soever possession it may be transferred, unless it has passed into the hands of a *bona fide* purchaser.²

The liability of consolidated corporations to actions at law, for infringements committed by their constituent corporations, before the consolidation, is a matter which does not rest on common law principles, so much as upon the statutes of the States wherein those consolidated corporations came into being, or upon the private Acts which authorized the consolidations, or upon the charters of the constituent or of the consolidated companies. Whenever occasion arises to hold a consolidated corporation liable to an action at law for such a cause, a proper authority for so doing can probably always be found in one or another of these sources.

¹ *Sayles v. The Lake Shore and Michigan Southern Railway Co.* Manuscript, 1878.

ters, 286, 1834; *Curran v. Arkansas, Railroad Co. v. Howard*, 7 Wallace, 409, 1868.

² *Mumma v. Potomac Co.* 8 Pe-

§ 417. A plurality of patents may be sued upon in one action, where the inventions covered by those patents are embodied in one infringing process, machine, manufacture, or composition of matter;¹ but not otherwise.² But any action based on alleged infringement, in one process or thing, of a plurality of patents, may be sustained by evidence that one of those patents was so infringed, though the others were not;³ and an action brought for alleged unlawful making, using, and selling may be sustained by evidence of either of those three sorts of infringement.⁴ So also, an action may be based on infringement committed during the first term, and on infringement committed during an extended term, of any patent, and may be sustained on proof of either or both of those infringements. And several actions may be based on several infringements of the same patent, committed at different times by the same infringer.⁵ It has also been held that one action will lie for an infringement of a patent and an infringement of a trade-mark, where the trade-mark and the patent were both infringed together.⁶

¹ *Seymour v. Osborne*, 11 Wallace, 516, 1870; *Bates v. Coe*, 98 U. S. 48, 1878; *Nourse v. Allen*, 3 Fisher, 68, 1859; *Gillespie v. Cummings*, 3 Sawyer, 259, 1874; *Horman Patent Mfg. Co. v. Railroad Co.* 15 Blatch. 414, 1879; *Gamewell Fire-Alarm Telegraph Co. v. Chilli-cothe*, 7 Fed. Rep. 351, 1881; *Nellis v. Mfg. Co.* 13 Fed. Rep. 451, 1882; *Lillendahl v. Detweller*, 18 Fed. Rep. 177, 1883; *Consolidated Electric Light Co. v. Electric Light Co.* 20 Fed. Rep. 502, 1884; *Griffith v. Segar*, 29 Fed. Rep. 707, 1887.

² *Nellis v. McLanahan*, 6 Fisher,

286, 1873; *Hayes v. Dayton*, 8 Fed. Rep. 702, 1880; *Barney v. Peck*, 16 Fed. Rep. 413, 1883; *Hayes v. Bickelhaupt*, 23 Fed. Rep. 184, 1885; *Huber v. Sanitary Depot*, 34 Fed. Rep. 752, 1888.

³ *Matthews v. Mfg. Co.* 18 Blatch. 86, 1880.

⁴ *Locomotive Truck Co. v. Railway Co.* 10 Blatch. 293, 1872.

⁵ *Roemer v. Neumann*, 23 Fed. Rep. 447, 1885.

⁶ *Jaros Underwear Co. v. Fleece Underwear Co.* 60 Fed. Rep. 622, 1894.

CHAPTER XVIII.

ACTIONS AT LAW.

418. Actions of trespass on the case.
419. The question of the propriety of actions of assumpsit for infringements of patents, considered in the light of precedents.
420. Considered in the light of expediency.
421. Forms of civil actions prescribed by State codes and statutes, where applicable to patent cases.
422. Declarations in trespass on the case.
423. The statement of the right of action, in respect of the inventor.
424. In respect of the novelty and utility of the invention.
425. In respect of the absence of public use or sale more than two years before application for a patent.
426. In respect of the patentee, where he is another than the inventor.
427. In respect of the application for the patent.
428. In respect of the letters patent.
429. In respect of a reissue.
430. In respect of a disclaimer.
431. In respect of an extension.
432. In respect of the plaintiff's title.
433. In respect of profert of title.
433a. In respect of marking "patented."
434. In respect of infringement.
435. In respect of the time of infringement.
436. In respect of the damages.
437. The conclusion of the declaration.
438. Substantial and not technical accuracy required in declarations.
439. Dilatory pleas.
440. Twenty-seven defences pleadable in bar in patent actions.
441. The twenty-seven defences reviewed in respect of their natures and effects.
442. Special pleading.
443. The general issue accompanied by a statutory notice of special matter.
444. Notices of special matter.
445. Defences based on facts of which courts take judicial notice, need not be pleaded.
446. The first and second defences.
447. The third defence.
448. The fourth defence.
449. The fifth and sixth defences.
450. The seventh defence.
451. The eighth defence.
452. The ninth and tenth defences.
453. The eleventh defence.
454. The twelfth defence.
455. The thirteenth defence.
456. The fourteenth defence.
457. The fifteenth defence.
458. The sixteenth defence.
459. The seventeenth defence.
460. The eighteenth defence.
461. The nineteenth defence.
462. The twentieth defence.

463. The twenty-first defence.
464. The twenty-second defence.
465. The twenty-third and twenty-fourth defences.
466. The twenty-fifth defence.
467. The twenty-sixth defence: estoppel.
468. Estoppel by matter of record: *res judicata*
469. Estoppel by matter of deed.
470. The twenty-sixth defence; how pleaded.
471. The twenty-seventh defence; statutes of limitations.
472. The national statute of limitation.
476. State statutes of limitations do not apply to any right of action which is attended to by a national statute of limitation.
477. State statutes do apply to all rights of action which are not attended to by a national statute of limitation.
478. Replications, rejoinders, and sur-rejoinders, where licenses or releases are pleaded.
479. Replications, where the national statute of limitation is pleaded.
480. Replications and rejoinders, where a State statute of limitation is pleaded.
481. The similiter.
482. Demurrers.
483. Demurrers to declarations.
484. Demurrers to pleas.
486. Joinders in demurrer.
487. Trial of actions at law for infringement of patents.
488. Trial by jury.
489. Rules of practice.
490. Rules of evidence.
491. Letters patent as evidence.
492. Reissue letters patent are *prima facie* evidence of their own validity.
494. Letters patent presumed to be in force till the end of the term expressed on their face.
495. Evidence of title.
496. Neither licenses, nor releases, need be negatived in a plaintiff's *prima facie* evidence.
497. Evidence of the defendant's doings.
498. Expert evidence of infringement.
499. Hypothetical questions for experts.
500. Expert testimony relevant to the state of the art.
501. Cross-examination of experts.
502. Evidence of damages.
503. Defendant's evidence in chief.
504. Evidence to sustain the first defence
505. To sustain the second defence.
506. To sustain the third defence, when based on prior patents.
507. When based on prior printed publications.
508. When based on prior knowledge or use.
509. Rebutting evidence to the third defence, when based on prior knowledge or use.
510. Rebutting evidence to the third defence, however based.
511. Evidence to sustain the fourth defence.
512. To sustain fifth defence.
513. The sixth defence.
514. The seventh defence.
515. The eighth defence.
516. The ninth defence.
517. The tenth defence.
518. The eleventh defence.
519. The twelfth defence.
520. The thirteenth defence.
521. The fourteenth defence.
522. The fifteenth defence.
523. The sixteenth defence.
524. The seventeenth defence.

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| <p>525. The eighteenth defence.</p> <p>526. The nineteenth defence.</p> <p>527. The twentieth defence.</p> <p>528. The twenty-first defence.</p> <p>529. The twenty-second defence.</p> <p>530. The twenty-third defence.</p> <p>531. The twenty-fourth defence.</p> <p>532. The twenty-fifth defence.</p> <p>533. The twenty-sixth defence.</p> <p>534. The twenty-seventh defence.</p> <p>535. How testimony is taken in actions at law.</p> <p>536. When the judge may direct the jury to return a verdict for the defendant.</p> <p>537. Instructions to juries.</p> <p>538. Verdicts.</p> <p>539. New trials.</p> <p>540. Trials by a judge without a jury.</p> | <p>541. Trial by referee.</p> <p>542. Judgments.</p> <p>543. Costs.</p> <p>544. Costs under the statute.</p> <p>545. Attorney's docket fees.</p> <p>546. Clerk's fees.</p> <p>547. Magistrate's fees.</p> <p>548. Witness fees.</p> <p>549. Taxation of costs.</p> <p>550. Writs of error.</p> <p>551. Bills of exception.</p> <p>552. Erroneous instructions, and refusals to instruct.</p> <p>553. Exception to instructions, and to refusals to instruct.</p> <p>554. Time when exceptions must be noted, and time when bills of exception must be drawn up and signed.</p> |
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§ 418. AN action of trespass on the case, is prescribed by the United States statutes, as the proper legal remedy, for infringements of patents.¹ Patent rights are not based upon the common law; but are founded wholly upon the Constitution and statutes of the United States.² Where a statute creates a right, and prescribes a legal remedy for its enforcement, it is the general rule that no other common law remedy can be used for that purpose.³ Unless patent rights are exempt from this rule, it will follow that an action of trespass on the case is the only action which United States courts can entertain, when sitting as common law courts in patent cases. Whether patent rights are thus exempt, is a question which once arose in a Supreme Court case, but which was not decided because it was apparently overlooked by the counsel and by the court.

¹ Revised Statutes, Section 4919.

² Section 149 of this Book.

³ *Wiley v. Yale*, 1 Metcalf (Mass.),

554, 1840; *Elder v. Bemis*, 2 Metcalf (Mass.) 604, 1841; *Smith v. Woodman*, 8 Foster (28 N. H.), 528, 1854.

The case was that of the *Packet Co v. Sickles*. It was originally an action of assumpsit, based on an alleged contract between the parties, relevant to compensation for the use of a patented machine. A recovery was adjudged on that contract in the court below; but the Supreme Court reversed the judgment on the ground that the contract was not in writing, and was not to be performed within one year, and was therefore void under the statutes of frauds.¹ On the case being remanded, the plaintiff amended the declaration by adding two counts in assumpsit for money had and received. The case was thus changed from an action of assumpsit on a contract, to an action of assumpsit to recover compensation for the infringement of a patent. The defendant did not notice the questionable propriety of an action of assumpsit for that purpose, and therefore pleaded non-assumpsit. The jury found for the plaintiff, and having been instructed by the court to assess the damages on the basis of the value of the use of the machine, it rendered a verdict for \$11,333, with interest from the day when the suit was brought.

Now if an action of assumpsit had been proper, it would be difficult to show any impropriety in the charge of the court, though in an action of trespass on the case it would have been clearly wrong.² When the case again reached the Supreme Court, it was again reversed; this time because the charge did not conform to the precedents relevant to the measure of damages in actions at law for infringements of patents. But no due notice appears to have been taken of the fact that the case at bar was an action of assumpsit, while those precedents had been established in actions of trespass on the case.³ Had that distinction been attended to, the court could hardly have sustained the propriety of the form of action, and at the same time have reversed the

¹ *Packet Co. v. Sickles*, 5 Wallace, 580, 1866.

² *Seymour v. McCormick*, 16 How-

ard, 480, 1853.

³ *Packet Co. v. Sickles*, 10 Wallace, 617, 1873.

case for error in the charge. The suit was treated precisely as though it had been an action of trespass on the case. If the court had meant to affirm the propriety of actions of assumpsit for infringements of patents, it would not have so treated the suit; for its ruling would seem to be inappropriate to that form of action. The precedent is therefore not fairly citable on either side of the question of the propriety of an action of assumpsit for the infringement of a patent.

§ 419. That an action of assumpsit may be based on an infringement of a patent, has been stated to be the law by at least two United States judges.¹

In the first case cited, Judge HUGHES said: "Let us now suppose the case of a person who takes possession of and uses another's horse, wagon and team, or threshing-machine, without his knowledge, consent or authority. . . . In such a case, the owner may recover damages in trespass for the tort; or he may waive the tort, and sue in assumpsit on the implied promise to pay what is equitably due for the use and possession of the property. . . . The case I have supposed is, in principle, precisely the case we have at bar, for there is no magical quality in the property of a patentee in his patent to distinguish this case from the one just supposed, where ordinary property has been taken and used without the owner's consent. . . . The act of the defendant was nothing but the simple one of a person taking and using another's property, without authority, to his own advantage, and incurring a liability to compensate the owner for such use of the property. The case is, in principle, precisely identical with that of such a use of a horse, or a boat, or a wagon and team, or threshing-machine—giving a right of action in assumpsit."

¹ Sayles v. Richmond, Fredericks-
burg & Potomac Railroad Company,
4 Bann. & Ard. 245, 1879; Steam

Stone Cutter Co. v. Sheldons, 15
Fed. Rep. 609, 1883.

In the second case Judge WHEELER said: "When the Windsor Manufacturing Company sold machines, embodying these inventions, to the defendants for use, it invaded the orator's rights and converted the orator's property to its own use. These acts were tortious, and an action would lie for these wrongs. As that company received money for the orator's property, the orator could waive the tort, and sue in assumpsit for the money, or, what is the same in effect, proceed for an account of the money received. In an action or proceeding for the money, the measure of damages would be the amount of money received, not the amount of damage done, and all right of recovery beyond that would be waived."

§ 420. It is against the policy of the law that the owner of a patent right should lose by reason of its infringement. To prevent such a result, the action of trespass on the case is well adapted, because it measures the plaintiff's recovery by the plaintiff's loss. But it is also against the policy of the law that an infringer should gain by reason of his infringement. To prevent such a result, the action of trespass on the case is not well adapted, because an infringer may often gain far more than the patentee loses by reason of the wrongful act of the former. Patents are peculiar property in this respect. A horse or a wagon is worth about as much to one man as to another, but the use of a patent may be worth ten times as much to a rich infringer as to a poor patentee. It would be a reproach to the patent laws if any infringer could unlawfully make, use, and sell specimens of his neighbor's patented invention, and, when called to account in a court of justice, could cancel his liability by paying one-tenth of the proceeds of his tort to the owner of the patent. No complete system of law offers such a premium for its own violation. To prevent such failures of justice, it was long the theory and the practice of the United States courts, that equity had jurisdiction to enforce a patentee's right to recover an infringer's profits, independently of all other equitable titles, rights, and

remedies.¹ But that theory was overruled, and that practice was stopped by the Supreme Court, in the case of *Root v. Railway Co.*² The new rule which was stated and enforced in that case, calls aloud upon courts of law to entertain actions of assumpsit for infringements of patents, if by any means they can find authority for so doing. If no such authority can be deduced from the common law, then it ought to be conferred by legislation; for unless it exists or is supplied, it must often happen that infringers will profit by their infringement, far more than inventors can profit by their inventions.

§ 421. A majority of the States have abolished all common law actions, and have substituted for the whole of them a single form of proceeding which they call a civil action. The United States statutes provide that "The practice, pleadings, and forms and modes of proceeding in civil causes, other than equity and 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 such circuit or district courts are held, any rule of court to the contrary notwithstanding,"³

¹ *Stevens v. Kansas Pacific Railway Co.* 5 Dillon, 486, 1879; *Nevins v. Johnson*, 3 Blatch. 80, 1853; *Sickles v. Mfg. Co.* 1 Fisher, 222, 1856; *Jenkins v. Greenwald*, 2 Fisher, 41, 1857; *Imlay v. Railroad Co.* 4 Blatch. 228, 1858; *Perry v. Corning*, 6 Blatch. 134, 1868; *Howes v. Nute*, 4 Cliff. 174, 1870; *Cowing v. Rumsey*, 8 Blatch. 36, 1870; *Packet Co. v. Sickles*, 19 Wallace, 611, 1873; *Smith v. Baker's Administrators*, 1 Bann. & Ard. 117, 1874; *Wetherill v. Zinc Co.* 1 Bann. & Ard. 485, 1874; *Burdell v. Denig*, 92 U. S. 720, 1875; *Birdsall v. Coolidge*, 93 U. S. 68, 1876; *Vaughan v. East*

Tennessee, Virginia & Georgia Railroad Co. 2 Bann. & Ard. 537, 1877; *Vaughan v. Central Pacific Railroad Co.* 3 Bann. & Ard. 28, 1877; *Sayles v. Dubuque & Sioux City Railroad Co.* 3 Bann. & Ard. 219, 1878; *Gordon v. Anthony*, 16 Blatch. 234, 1879; *Hendrie v. Sayles*, 98 U. S. 546, 1879; *Bignall v. Harvey*, 18 Blatch. 353, 1880; *Atwood v. Portland Co.* 10 Fed. Rep. 283, 1880; *Stevens v. Baltimore & Ohio Railroad Co.* 6 Fed. Rep. 283, 1881.

² *Root v. Railway Co.* 105 U. S. 189, 1881.

³ Revised Statutes, Section 914.

and that "Damages for the infringement of any patent may be recovered by action on the case."¹ Both these apparently inconsistent provisions are contained in the same enactment. They must therefore be construed together; and effect must be given to both. This result is reached by following Section 4919 as far as it necessarily goes, and by conforming in other respects to Section 914.² With this view, it has been held that the complaints and petitions which are prescribed for civil actions by the codes of sundry of the States, may be used in bringing actions on the case for infringements of patents in Federal Courts sitting in those States, respectively;³ and indeed, in one case, it has been held that the forms of pleading and procedure in such an action in a Federal Court should be the same as those employed in civil actions in the State Courts of the State in which that Federal Court is located.⁴ But in a later case, it has been decided, that the pleadings in an action at law, for infringement of a patent, should conform to the common law, even in a code State;⁵ and inasmuch as many of the States still employ common law actions and pleadings in their own courts, it is necessary for pleaders to accurately know the proper characteristics of a declaration, in an action of trespass on the case, for the infringement of a patent.

§ 422. The proper parts of such a declaration are the following: 1. The title of the Court. 2. The title of the term. 3. The venue. 4. The commencement. 5. The statement of the right of action. 6. The conclusion.

The true title of the United States Circuit Court established in Connecticut is "Circuit Court of the United States for the District of Connecticut," and the title of the circuit court which is established in any other district is the same, except as to the name of the district.⁶

¹ Revised Statutes, Section 4919.

² *Cottier v. Stimson* 18 Fed. Rep. 690, 1883.

³ *May v. County of Mercer*, 30 Fed. Rep. 250, 1887.

⁴ *Celluloid Mfg. Co. v. Zylonite Co.* 34 Fed. Rep. 744, 1888.

⁵ *Myers v. Cunningham*, 44 Fed. Rep. 349, 1890.

⁶ Revised Statutes, Section 608.

The proper term of the court in which to entitle the declaration, is the term at which the appearance of the defendant is due.¹ It is unnecessary to entitle a declaration in the name of the case in which it is filed; though it is convenient to indorse that name on the back of the declaration, for the purpose of enabling the document to be readily found in a file.

The venue should be laid in the district where the action is commenced, regardless of the district or districts wherein the infringement was committed.² An infringement suit, being based on a transitory cause of action, the place laid in the declaration draws to itself the trial of all questions of infringement, wherever committed; except in the single case where the United States statutes otherwise provide.³

The commencement contains a statement of the names of the parties to the action, and of the capacity in which they respectively sue or are sued, if it is other than a natural personal capacity. Though it is probably unnecessary, it is undoubtedly prudent to state the nation of which the parties are respectively citizens, and if that nation is the United States, to allege also the particular State of which the parties are citizens respectively. Where either party is a corporation, that fact must be stated, and the name of the State or other sovereignty wherein it was created and exists should also be alleged. The commencement properly closes with a brief recital that the form of action is that of trespass on the case.

§ 423. The statement of the right of action should contain the name and residence of the inventor, in order to identify him, and to enable the defendant to make inquiries into the history of the alleged invention. If that name or that residence were concealed from the defendant, he might thereby be deprived of the means of learning of several perfect defences. As the statutes stand at present, there is no

¹ 1 Chitty on Pleading, 15 American Edition, p. 263.

248, 1843.

³ Revised Statutes, Section 657;

² McKenna v. Flisk, 1 Howard, Section 390 of this book.

necessity for stating the citizenship of the inventor in any declaration, unless the inventor is also a party to the action. Such a necessity will however arise whenever Congress discriminates between citizens of the United States and citizens of other countries, in respect of the terms upon which it may authorize patents to be granted.

§ 424. The novelty and the utility of the invention must be put in issue by proper averments in the declaration;¹ but it is not necessary to state the particular time at which the invention was made, so that it appears to have been made before the application for the patent was filed.² The circumstance that letters patent are themselves *prima facie* evidence of novelty and utility does not render unnecessary a proper allegation of those facts in the declaration. Evidence cannot take the place of pleading, and proper pleading is necessary to make any kind of evidence admissible in support of the right of a patentee to recover for an infringement of his patent.

§ 425. The statement of the right of action must also aver that the invention was not in public use or on sale in this country for more than two years before the inventor's application for the patent; because that fact is one of those which are necessary to give the Commissioner of Patents jurisdiction to grant such a document.³ It is a fact which is of the essence of the right of action, and it must therefore be stated in the declaration.⁴

§ 426. If the patentee is neither a party to the action, nor the inventor of the thing or process covered by the patent; it is natural and proper to separately state his name in

¹ *Coop v. Development Institute*, 47 Fed. Rep. 900, 1891; *Overman Wheel Co. v. Elliott Cycle Co.* 49 Fed. Rep. 859, 1892; *Goebel v. Supply Co.* 55 Fed. Rep. 827, 1893; *Ross v. Ft. Wayne*, 58 Fed. Rep. 407, 1893.

² *Wilder v. McCormick*, 2 Blatch. 31, 1846.

³ Revised Statutes, Section 4886;

Gandy v. Belting Co. 143 U. S. 592, 1892.

⁴ *Gray v. James*, 1 Peters' Circuit Court Reports, 482, 1817; *Blessing v. Copper Works*, 34 Fed. Rep. 754, 1888; *Nathan Mfg. Co. v. Craig*, 47 Fed. Rep. 522, 1891; *Consolidated Brake Shoe Co. v. Detroit Spring Co.*, 47 Fed. Rep. 895, 1890.

order to fully and surely identify the patent. It is well also to state his residence and his citizenship, though there is at present no requirement of law on either of these points.

§ 427. It is not necessary to state in a declaration the particulars of the application for the letters patent, nor the particulars of the proceedings of the Patent Office in considering that application; because the courts will presume that everything was rightly done which the law required to be done in order to authorize the Commissioner to issue the patent.¹ It is customary and proper to say in a declaration that the inventor made due application for letters patent, but not even that general allegation appears to be required.²

§ 428. The declaration may indicate the letters patent in the language of the grant, and make profert thereof; and if that is done, it is not necessary to set out the specification either verbatim or substantially;³ though it is not improper, except in point of prolixity, to incorporate the whole of the patent and specification into the declaration.⁴

The declaration must state that the letters patent were issued in the name of the United States of America, under the seal of the Patent Office, and were signed by the Secretary of the Interior, or an Assistant Secretary of the Interior, as the case may be, and countersigned by the Commissioner of Patents, and that they were delivered to the patentee.⁵ Inasmuch as patents are granted for various spaces of time, it is necessary to state the particular term for which the letters patent in suit were issued. It is

¹ *Cutting v. Myers*, 4 Washington, 221, 1818.

² *Wilder v. McCormick*, 2 Blatch. 31, 1846.

³ *Cutting v. Myers*, 4 Washington, 223, 1818; *McMillin v. Transportation Co.* 18 Fed. Rep. 260, 1884; *Post v. Hardware Co.* 25 Fed. Rep. 905, 1885; *Bogart v. Hinds*, 25 Fed. Rep. 484, 1885; *Wise v. Railroad Co.* 33 Fed. Rep. 277, 1888; *American Bell Telephone Co. v. Southern*

Telephone Co. 34 Fed. Rep. 803, 1888; *Dickerson v. Greene*, 53 Fed. Rep. 247, 1892; *Enterprise Co. v. Snow*, 67 Fed. Rep. 235, 1895; *German v. Wilgus*, 67 Fed. Rep. 597, 1895.

⁴ *Wilder v. McCormick*, 2 Blatch. 35, 1846.

⁵ Revised Statutes, Section 4883; 25 Statutes at Large, Ch. 15, p. 40; *Cutting v. Myers*, 4 Washington, 222, 1818.

necessary also to plead the legal effect of the patent, by saying that it did grant to the patentee, his heirs or assigns, the exclusive right to make, use and vend the invention covered thereby, throughout the United States and the Territories thereof.¹

§ 429. Where the patent upon which the action is based is a reissue, the original letters patent should be set forth precisely as though no surrender and reissue had occurred; and in addition thereto, it is proper to state the particular kind of defect which made the original a proper subject of a reissue; and to state also that such defect arose from inadvertence, accident, or mistake, as the case may be, and without any fraudulent or deceptive intention; and to state that the original patent was surrendered, and who surrendered it; and to state that the Commissioner of Patents caused a new patent to be issued for the same invention; and to state finally the name of the person to whom such new patent was granted. These particulars lie at the foundation of the right of the grantee of a reissue patent to receive such a grant; and although the reissue is *prima facie* evidence that the truth on all these points is favorable to the validity of the patent, it is none the less proper to put those facts in issue by proper pleading. And it is hardly prudent to venture a case on a more indefinite form of pleading; though a more indefinite form of pleading has once been held sufficient in such a case.²

§ 430. Where a disclaimer has been filed, that fact ought to be stated in the declaration, and its legal effect ought to be indicated, because disclaimers constitute amendments of original patents, and operate to vary their scope.³ In such a case also, the declaration ought to state that the disclaimer was filed without unreasonable delay, because that fact is necessary to the right of a patentee to maintain a suit on a patent which required a disclaimer.⁴

§ 431. Where the patent in suit was extended by the

¹ Revised Statutes, Section 4884.

² *Spaeth v. Barney*, 22 Fed. Rep. 828, 1885.

³ Revised Statutes, Section 4917.

⁴ Revised Statutes, Section 4922.

Commissioner of Patents, and where the action is based partly or wholly on its extended term, the declaration must state that the extension was made in due form of law, and must show that it was made before the expiration of the original term. It ought to state also that the extension was for the term of seven years from the expiration of the first term; but as that is true of all such extensions, it is possible that the omission would be an immaterial one.

Where the patent has been extended by a special Act of Congress, and where the suit is partly or wholly based on such extension, the declaration must state the legal effect of the Act of extension, and it must especially show the particular space of time covered thereby.

§ 432. Where the plaintiff is an assignee or grantee of the patentee, it is safer to set forth all the mesne assignments or grants down to him, than merely to state that the exclusive right which was infringed by the defendant, came to the plaintiff by assignment or by grant. This point of pleading seems deducible by analogy from the rule relevant to declaring on an assigned term for years of real estate.¹ And it has once been decided, that a bill, and inferentially a declaration, must not only state how and when the plaintiff became the owner of the patent, but must also allege ownership at the time of bringing the suit;² but Justice BROWN said, in his oration on the Twentieth Century, before the Yale Law School in June, 1895, that "it is one of the ancient maxims of the law, that a state of things once proven to exist, is presumed to continue." It therefore appears that the decision last mentioned was inadvertently made; and that where a declaration traces the title into the plaintiff, it needs to state nothing more on the subject of title. Title papers should be set forth by their legal effect, rather than incorporated bodily into the declaration.

§ 433. No profert need be made in any declaration, of any assignment or grant of any interest under letters patent,

¹ 1 Chitty on Pleading, 368.

² Krick v. Jansen, 52 Fed. Rep. 823, 1892.

because, although those instruments are sometimes under seal, they are not required to be so,¹ and therefore do not fall within the definition of a deed.² If, however, the title of the plaintiff is founded upon letters testamentary or letters of administration, he must make profert of the same, because they constitute exceptions to the general rule that profert is necessary only of deeds.³ 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 tooyer.⁴

§ 433*a*. The declaration must state, either that no person ever made or sold the patented article under the authority of the patent; or that such of the patented articles as were thus made or sold, had the word "patented," together with the day and year the patent was granted, fixed thereon, or when, from the character of the article this could not be done, then to the package wherein one or more of them was enclosed; or otherwise that the defendant was duly notified that his doings were an infringement of the patent, and continued, after such notice, to infringe.⁵

§ 434. Infringement may be stated in a declaration in general terms.⁶ Such a statement may plainly allege that the defendant, without the leave or license of the owner of the patent, did use, or that he did make, or that he did sell, a specimen or specimens of the thing or process covered by the patent, or by specified claim thereof where not all are infringed, within the territory covered by the plaintiff's title thereto, and within the time during which the plaintiff held the title within that territory, and contrary to the form of the Act of Congress in such cases made and provided, and against the privileges granted by the patent.⁷ This last

¹ Revised Statutes, Section 4898.

² Stephen on Pleading, Ninth American Edition, 437.

³ Gould's Pleading, Ch. VIII, Section 43.

⁴ 1 Chitty on Pleading, 366.

⁵ Dunlap v. Schofield, 152 U. S.

244, 1894.

⁶ American Bell Tel. Co. v. Southern Tel. Co. 34 Fed. Rep. 803, 1888.

⁷ Cutting v. Myers, 4 Washington, 223, 1818.

statement seems hardly necessary, for it is but a conclusion of law from the facts stated. And the allegation that the infringement was contrary to the statute is unnecessary, unless the plaintiff seeks to recover exemplary as well as actual damages.¹ Nor is it generally necessary in a declaration to negative the hypothesis of a license; for licenses, where they exist, may more properly be first mentioned in the pleadings of the defendant.² But where the declaration shows that strangers to the suit have an exclusive United States license, it must also show that the defendant is not lawfully operating thereunder.³ While an allegation of either making, using, or selling will be sufficient in a declaration to show a cause of action, no allegation of any one of these kinds of infringement will support evidence of either of the others. A declaration ought therefore to allege as many of them as the plaintiff has any expectation of being able to prove.

Where a suit is brought against a plurality of defendants, it has been held, that the declaration need not expressly state that their infringement was joint.⁴

§ 435. The time of the infringement is properly stated by alleging that it occurred on a specified day, and on divers other days between that day and some later specified date; and no plaintiff will be permitted to prove infringement outside of the space of time which he specified in his declaration.⁵ Repeated infringements may be sued for in one action;⁶ but all of the infringements complained of in one declaration must have been committed after the plaintiff obtained the title to the patent, and before the beginning of the action. Where the plaintiff is an assignee, and where

¹ *Parker v. Haworth*, 4 McLean 373, 1848.

² *Gelpcke v. Dubuque*, 1 Wallace, 222, 1863; *Catlin v. Insurance Co.* 1 Sumner, 440, 1833; *Fischer v. Hayes*, 6 Fed. Rep. 79, 1881.

³ *Still v. Reading*, 20 Off. Gaz. 1026, 1881.

⁴ *Indurated Fibre Co. v. Grace*, 52 Fed. Rep. 126, 1892.

⁵ *Eastman v. Bodfish*, 1 Story, 530, 1841; *LePage Co. v. Russia Cement Co.* 51 Fed. Rep. 949, 1892.

⁶ *Wilder v. McCormick*, 2 Blatch. 32, 1846.

he not only has rights of action against the defendant, for infringements committed after the date of his assignment, but also has purchased rights of action against the same party, for infringements committed before such purchase, he must, if he sues at law, bring a separate action for the latter causes, and must bring that action in the name of the person who owned the patent at the time they accrued.

§ 436. The damages incurred by the plaintiff on account of a defendant's infringement must be stated specially, because no particular damage necessarily arises from infringements of patents, and therefore none is implied by the law.¹ The special damages to be alleged in any particular case depend upon the circumstances of that case; depend upon the particular criterion of damages upon which the plaintiff relies. The various measures of damages in patent cases are stated and explained in the nineteenth chapter of this book. One or more of them will be found to be applicable to every case which is likely to arise. From among them, the pleader may select those which he expects to be able to prove to be pertinent, and may then draw his special statement of damages accordingly. Such a special statement is required by the substantial principles of pleading, as well as by its technical rules. Without it, the defendant would not be apprised of all the issues of the case. He would not know, till the day of trial, whether the plaintiff would prove an established royalty, or prove interference with his business, or prove what would be a reasonable royalty, as the criterion of his damages. The defendant would therefore have to go to court provided with witnesses on all these points, or would have to trust his sagacity, and guess which of these points he would be called upon to meet. It was to prevent such inconveniences that written pleadings were originally designed; and for the same purpose, among others, they are still retained as a part of actions in courts.

§ 437. The conclusion of a proper declaration in a patent case alleges that, by force of the statutes of the United

¹ 1 Chitty on Pleading, 396.

States, a right of action has accrued to the plaintiff to recover the actual damages which the declaration specifies, and such additional amount, not exceeding in the whole three times the amount of such actual damages, as the court may see fit to adjudge and order, besides costs. The conclusion ends with the ancient allegation of bringing suit.

§ 438. A declaration, though not drawn in due form, is sufficient for practical purposes, if it contains all that is essential to enable the plaintiff to give evidence of his right, and of its violation by the defendant, and affords to the defendant the opportunity of interposing every defence allowed to him by law.¹ Courts do not encourage merely technical objections to pleadings, and even on special demurrer, will seek to sustain those which, though not technically accurate, are substantially sufficient for the real purposes of pleading.

§ 439. Dilatory pleas in patent actions are not materially different in their nature and operation from corresponding pleas in other common law cases. It is therefore unnecessary to treat those preliminary defences in this book. Recourse may be had to the standard works on common law pleading for whatever information the patent pleader may require upon the subject.

§ 440. The defences which are pleadable in bar to an action, are very numerous in the patent law, and most of them are peculiar to this branch of jurisprudence. Where the facts appear to warrant so doing, a defendant may plead: 1. That the matter covered by the letters patent was not a statutory subject of a patent: or 2. That it was not an invention: or 3. That it was not novel at the time of its alleged invention: or 4. That it was not useful at that time: or 5. That the inventor actually abandoned the invention: or 6. That he constructively abandoned it, by not applying for a patent on it, till more than two years after it was in public use or on sale in this country: or 7. That the invention claimed in the original patent is substantially different

¹ *Wilder v. McCormick*, 2 Blatch. 37, 1846.

from any indicated, suggested, or described in the original application therefor: or 8. That the patentee surreptitiously or unjustly obtained the patent for that which was in fact the invention of another, who was using reasonable diligence in adapting and perfecting the same: or 9. That the invention was made by another jointly with the sole applicant: or 10. That it was made by one only of two or more joint applicants: or 11. That for the purpose of deceiving the public, the description and specification filed in the Patent Office was made to cover less than the whole truth relevant to the invention, or was made to cover more than was necessary to produce the desired effect: or 12. That the description of the invention in the specification is not in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which it appertains, or with which it is most nearly connected, to make, construct, compound, and use the same: or 13. That the claims of the patent are not distinct: or 14. That the patentee unreasonably delayed to enter a needed disclaimer: or 15. That the original patent was surrendered and reissued in the absence of every statutory foundation therefor: or 16. That the claims of the reissue patent in suit are broader than those of the original, and that the reissue was not applied for till a long time had elapsed after the original was granted: or 17. That the reissue patent in suit covers a different invention from any which the original patent shows was intended to be secured thereby: or 18. That the invention claimed in the original patent, is substantially identical with an invention claimed in a prior patent granted on the application of the same inventor: or 19. That the patent was repealed: or 20. That the patent legally expired before the alleged infringement began, or before it ended: or 21. That the patentee made or sold specimens of the invention covered by his patent, without marking them "patented," and without notifying the defendant of his infringement: or 22. That the plaintiff has no title to the patent, or no such title as can enable him to maintain the action: or 23. That the defendant has a license, which

authorized part or all of the doings which constitute the alleged infringement: or 24. That the defendant has a release, discharging him from liability on account of part or all of the alleged infringement: or 25. That the defendant is not guilty of any infringement of the patent upon which he is sued: or 26. That the plaintiff is estopped from enforcing any right of action against the defendant: or 27. That the cause of action sued upon is partly or wholly barred by some statute of limitation.

§ 441. The first fourteen of these defences assail the validity of original patents; and either of them, if successfully maintained, will defeat any such patent, and therefore defeat any action based thereon. All of the fourteen are also applicable to actions based upon reissue patents, for though a defective or insufficient specification, or a defective or insufficient claim, or an excessive claim, can be cured by surrender and reissue,¹ those faults are sometimes retained and sometimes introduced in reissues.

The fifteenth, sixteenth, and seventeenth of these defences assail reissues as reissues. To what extent those defences, if successful, will affect the patent, or the action, are points which are explained in the chapter on reissues.²

The eighteenth defence assails the validity of original patents, and it may be applicable to all the claims of such a patent, or it may be applicable to only some of them. And a patent will not be invalidated throughout, by the fact that one or more of its claims, less than all of them, must be invalidated on this ground, any more than where such invalidity arises out of any other reason.

The nineteenth defence, when true, will certainly be a full one to any action based on alleged infringements which were committed after the repeal of the patent. Whether it will be a defence to any infringement committed before that time, will depend upon whether the patent is repealed *ab initio*, or only *in futuro*.

¹ Revised Statutes, Section 4916.

² Sections 221 and 249 of this book.

The twentieth defence will be available where the defendant can prove that the invention was patented with the knowledge and consent of the inventor in some foreign country before it was patented in the United States, and that such foreign patent expired before the United States patent purported to terminate. This defence, if successful, will not affect the validity of the patent. It will merely limit its duration to less than seventeen years.¹

The twenty-first defence, if successful, will bar the action, but it will not affect the patent. Any oral or written notice of infringement, if given to the defendant without stopping his infringement, will oust the defence as to subsequent infringements.²

The last six of the twenty-seven defences are all without relevancy to the validity of the patent. Either of them may be partly or wholly successful, according to the circumstances of each action, regardless of the success or want of success which may attend the other twenty-one.

§ 442. Such of these defences as can be established from the face of the declaration, or of the letters patent upon which the suit is based, or can be based upon a fact of which the court will take judicial notice, may be made by demurrer; but if so made and overruled, such a defence cannot afterward be made in a plea, without leave of the court.³

The ancient rules of common law pleading would require a special plea for either of the twenty-seven defences which are enumerated in Section 440, save only the defence of non-infringement, and sometimes that of want of title.⁴ But a loose and unscientific relaxation of that part of those rules crept at one time into practical pleadings, both in England and America. The abuse was reformed in England in the fourth year of William the Fourth;⁵ but in the United States it has continued, except so far as it has been

¹ Section 163 of this book.

² *New York Pharmaceutical Association v. Tilden*, 14 Fed. Rep. 740, 1882; *Allen v. Deacon*, 21 Fed. Rep. 122, 1884.

³ *Brickill v. Hartford*, 57 Fed. Rep. 218, 1893.

⁴ *Stephen on Pleading*, 160.

⁵ *Stephen on Pleading*, 158.

limited or enlarged by legislation in particular States. But there was never any principle which guided this departure from the ancient law, and therefore no foundation for any science of the subject. Where an authoritative precedent can be found for a particular relaxation, that particular relaxation must be regarded. In the absence of such a precedent, the safe and proper course is to conform to the ancient common law rules, unless the pleader is willing to risk his defence upon the theory that State statutes relevant to pleadings are binding on Federal courts when trying patent actions of trespass on the case. The text writer believes that they are not binding under such circumstances, because actions of trespass on the case were first prescribed by Congress for patent suits in 1790,¹ and because the law has never since been changed in that particular, and because, therefore, there seems to be no good cause for holding that such an action under the Revised Statutes is a different proceeding from what it was under the earliest of the statutes at large.²

§ 443. The patent statute provides that five of the twenty-seven defences may be made under the general issue, accompanied with a certain statutory notice of special matter.³ Those are the defences which, in Section 440 of this book, are numbered three, five, six, eight, and eleven, respectively. In the statute they are mentioned in a different order; and indeed the fifth and sixth are there grouped together, and the third is there separated into two parts. The reasons for changing the classification in those particulars, are probably obvious to the reader. The fifth and sixth defences are entirely distinct from each other; while the third is sustained by evidence of anticipating matter, whether that matter is a prior patent or printed publication as contemplated by one division of the statute, or is a prior knowledge or use as contemplated by another. Either of these five

¹ Statutes at Large, Ch. 7, Sec. 4, p. 111. Rep. 349, 1890.

² Myers v. Cunningham, 44 Fed.

³ Revised Statutes, Section 4920.

defences may also be made under a special plea, instead of under the general issue accompanied by notice, if the defendant so determines.¹ But if any defendant uses both these forms of pleading for any one defence, the court will on motion call upon him to select the one which he prefers, and to abandon the other.²

§ 444. Notices of special matter must be in writing, and must be served on the plaintiff or his attorney at least thirty days before the trial of the case.³ No such notice requires any order of court as a prerequisite thereto; and depositions taken before the service of such a notice are as admissible under it as if taken afterward.⁴ It is not the purpose of the statute to oblige the defendant to give notice of anticipating matter before taking testimony, and thus to enable the plaintiff to tamper with the witnesses. Its only purpose is to give the plaintiff thirty days before the trial in which to secure evidence to contradict the testimony of the defendant's witnesses, in case the latter is untrue.

Notices of want of novelty must state the names of the prior patentees, and the dates of their patents, where prior patents are relied upon; and where prior knowledge or use is relied upon, such a notice must state the names and residences of the persons alleged to have had the prior knowledge of the thing patented, and where and by whom it was used.⁵ Where prior printed publications are relied upon as negating the novelty of the patented invention, the statute does not say how such publications are to be identified in such notices. But the Supreme Court has decided that they must be pointed out with sufficient definiteness to relieve the plaintiff from making an unnecessarily laborious search therefor.⁶ In the case just cited, a notice was held to be insufficient, which stated that the patented

¹ *Evans v. Eaton*, 3 Wheaton, 454, 1818; *Grant v. Raymond*, 6 Peters, 218, 1832; *Day v. Car-Spring Co.* 3 Blatch. 181, 1854.

² *Read v. Miller*, 2 Bissell, 16, 1867.

³ Revised Statutes, Section 4920.

⁴ *Teese v. Huntingdon*, 23 Howard, 2, 1859.

⁵ Revised Statutes, Section 4920.

⁶ *Silsby v. Foote*, 14 Howard, 218, 1852.

thing was described in a certain book therein mentioned, but did not state in what part of that book it was so described. Notices of prior knowledge or use are sufficiently specific, when they specify the city in which that knowledge or use existed or occurred, and give the names of persons who had that knowledge, or who engaged in that use, and state in what city those persons reside.¹ That is to say: the word "where" and the word "residence," as those words are used in the statute, refer to cities, villages, or towns, as the case may be, and do not refer to particular houses, factories or farms.

The names of witnesses as such, need not be mentioned in a notice, yet it is often necessary to use as witnesses, persons who are named in the notice as having been engaged in the prior use to be proved, or as having known of the anticipating process or thing. Accordingly where a notice alleges that A. B. used an anticipating machine in a certain city, and that C. D. had knowledge of that prior use, those facts may both be proved by E. F. without mentioning his name in the notice.² But if A. B. is the only available person by whom to prove his prior use, or if his testimony on that point is to be taken together with that of others, his name must still be mentioned in the notice: mentioned not as a witness to be called to prove a fact, but as the person who transacted that fact.

Notices need not state the particular time when an anticipating printed publication was published, nor when an anticipating process or thing was known or used;³ but they must state the dates of all alleged anticipating patents.⁴ If a notice does unnecessarily state a particular time, that statement will be regarded as harmless surplusage, and a variance therefrom in the evidence, will not render the latter inadmissible.⁵

¹ *Wise v. Allis*, 9 Wallace, 737, 1869.

² *Planing-Machine Co. v. Keith*, 101 U. S. 492, 1879; *Many v. Jagger*, 1 Blatch. 376, 1843.

³ *Phillips v. Page*, 24 Howard. 164, 1860.

⁴ Revised Statutes, Section 4920.

⁵ *Phillips v. Page*. 24 Howard, 164, 1860.

§ 445. Where any defence to a patent action can be based upon a fact of which the court will take judicial notice without evidence, that defence may be made under the general issue without any special pleading.¹

§ 446. The first and second defences are those which come within the rule of the last section relevant to judicial notice. The first defence is applicable mainly or only when a "principle" has been patented, as for example by the eighth claim of Morse,² or by the anæsthesia patent of Morton and Jackson.³ The applicability of judicial notice to that defence is perhaps invariable. But where a patent is assailed for want of invention on account of prior facts which must be proved by evidence in order to be acted upon by courts, there appears to be no warrant for saying that the second defence need not be pleaded.⁴ Justice requires that the plaintiff be notified beforehand of such a defence, as truly as of the defence of want of novelty; for it may equally be based on facts outside of the patent, and outside of the knowledge of the inventor and of the plaintiff.

§ 447. The third defence may be based upon a special plea, instead of on the general issue accompanied by notice, and when that practice is adopted, that plea is the only notice which the plaintiff can claim.⁵ Federal courts of equity, without any statute prescribing that course, have always followed the law relevant to notices of want of novelty; and have uniformly rejected evidence on that point, unless the defendant, in his answer, gave the plaintiff the same kind and degree of information thereof, that the statute calls upon a defendant, who pleads the general issue at law, to give in his notice.⁶ Courts of law will probably

¹ *May v. Juneau County*, 137 U. S. 408, 1890.

² *O'Reilly v. Morse*, 15 Howard, 112, 1853.

³ *Morton v. Infirmery*, 5 Blatch. 116, 1862.

⁴ *Brickill v. Hartford*, 57 Fed.

Rep. 217, 1893; *Britton v. White Mfg. Co.* 61 Fed. Rep. 95, 1894.

⁵ *Evans v. Eaton*, 3 Wheaton 504, 1818.

⁶ *Agawam Co. v. Jordan*, 7 Wallace, 583, 1868.

follow the salutary example, and will call upon defendants who elect to plead specially, to make their special pleas as full in this respect, as the statute requires notices to be when the general issue is adopted. So, also, it has been held that special pleas, when used instead of notices, must be filed at least thirty days before the term of trial, or the plaintiff will be entitled to a continuance.¹ This holding was so reasonable that it can be supported on the ground that every court has power to make reasonable rules to regulate the time of filing pleas.² A special plea which has been stricken out by order of court, cannot operate as a notice, and thus furnish the foundation of a defence which requires a notice in the absence of a special plea.³ And a plea or notice of want of novelty must state that the anticipating fact occurred before the invention claimed by the patent was made; for it is not enough to state that the anticipating fact occurred before the date of the patent.⁴

§ 448. The fourth defence is not among those which can be made under the general issue accompanied by notice. There is probably no case in which it has been successfully made in equity, without being set up in the answer; or at law, without being set up in a special plea. In the absence of such precedents, it would be unsafe for a pleader to attempt such an innovation on the rules of the common law.

§ 449. The fifth and sixth defences always require evidence outside of the patent, and outside of the doctrines of judicial notice. They may be made under the general issue accompanied by the statutory notice,⁵ or under a special plea, but there is no reason to suppose that they can lawfully be made under the general issue alone.

§ 450. The seventh defence is not based on any express statute. Its foundation is the general spirit of the patent

¹ Phillips v. Comstock, 4 McLean, 525, 1849.

1849.

⁴ Brickill v. Hartford, 57 Fed.

³ Packet Co. v. Sickles, 19 Wallace, 611, 1873.

Rep. 219, 1893.

⁸ Foote v. Silsby, 1 Blatch. 415,

⁵ Revised Statutes, Section 4920.

laws; and it has been expounded in a number of cases, beginning in the case of *Railway Co. v. Sayles*.¹ Evidence to support it must always be drawn from outside of the patent, and must be regularly introduced into the case. This defence is therefore to be made by a special plea, when it is made at all.

§ 451. The eighth defence may be made either by the general issue accompanied by notice,² or by a special plea. It applies to cases where another than the patentee preceded him in the first conception of the patented thing, but did not precede him in adapting it to actual use. If that other stopped with that conception, the validity of the patent is not affected thereby, but if he used reasonable diligence in adapting and perfecting the invention so conceived, no subsequent inventor can have a valid patent, surreptitiously or unjustly obtained by him for the same invention. Such a patent is surreptitiously obtained, where the patentee appropriates the idea from the first conceiver, and, exceeding him in speed, reduces the invention to proper form, and secures the patent, while the first conceiver is diligently laboring to adapt the invention to use. Such a patent is unjustly obtained, if it is issued to a subsequent inventor, without notice to the first conceiver, when a caveat of the first conceiver is on file in the Patent Office.³ Where this defence is pleaded, all its elements must be incorporated in the plea. The allegation of unjust or surreptitious obtaining of the patent, must be accompanied by an allegation that the first conceiver was at the time using reasonable diligence in adapting and perfecting the invention.⁴

§ 452. The ninth and tenth defences are based on the fact that patents can lawfully be granted to no one but the

¹ *Railway Co. v. Sayles*, 97 U. S. 563, 1878; *Consolidated Electric Light Co. v. McKeesport Light Co.*, 40 Fed. Rep. 26, 1889; *Beach v. Box Machine Co.* 63 Fed. Rep. 604, 1894; *Michigan Central Railroad Co. v. Car-Heating Co.* 67 Fed.

Rep. 126, 1895.

² Revised Statutes, Section 4920.

³ *Phelps v. Brown*, 4 Blatch. 362, 1859.

⁴ *Agawam Co. v. Jordan*, 7 Wallace, 583, 1868.

inventors of the things covered thereby, or to those who represent them as assigns or legal representatives.¹ Neither of these defences can ever receive any support from the face of the patent, or from any fact of which any court can take judicial notice. Both depend upon evidence *aliunde*, and either must be interposed in a special plea, for the statute does not include either among those defences which may be made under the general issue accompanied by notice.²

§ 453. The eleventh defence may be set up under the general issue accompanied by notice,³ or in a special plea. It is a defence which is oftener put in by pleaders who are at a loss how to defend, than it is by those who assail patents intelligently. It has seldom or never been made with success, because patents are seldom or never obnoxious to the objection which it involves. Even where a patent does contain too much or too little, this defence does not apply, unless the fault was intended, and was intended to deceive the public.⁴

§ 454. The twelfth defence is somewhat similar to the first member of the eleventh; but unlike that, it cannot be based on the general issue accompanied by notice; and it does not require the element of intention to deceive. It is based upon that provision of the statute which makes a full, clear, concise, and exact description of the invention a prerequisite to the jurisdiction of the Commissioner to grant a patent.⁵ If a patent falls below the statutory requirement in that respect, that patent is void.⁶ Whether a given patent does so fall is a question of evidence and not of construction.⁷ Therefore this defence cannot be made by demurrer.⁸

¹ Sections 50 and 51 of this book.

² *Butler v. Bainbridge*, 29 Fed. Rep. 143, 1886.

³ Revised Statutes, Section 4920.

⁴ *Hotchkiss v. Oliver*, 5 Denio (N. Y.), 314, 1848; *Celluloid Mfg. Co. v. Russell*, 37 Fed. Rep. 679, 1889.

⁵ Revised Statutes, Section 4888.

⁶ *O'Reilly v. Morse*, 15 Howard, 62, 1853; *Pacific Cable Ry. Co. v. Butte City Ry. Co.* 58 Fed. Rep. 422, 1893.

⁷ *Loom Co. v. Higgins*, 105 U. S. 580, 1881.

⁸ *Chase v. Fillebrown*, 58 Fed. Rep. 376, 1893.

This defence must be interposed in a special plea; for neither the statute nor any precedent contemplates its being based on the general issue, either with or without notice; and still less does any rule of law provide for its being made on the trial of an action without being pleaded at all.

§ 455. The thirteenth defence is based on the statute which requires that, before any inventor shall receive a patent for his invention, he shall particularly point out, and distinctly claim, the part, improvement or combination which he claims as his invention.¹ It is a defence of decided merit, aimed by the policy of the law at nebulous claims. The courts have not heretofore gone quite so far in upholding this defence as the statute would perhaps justify. Probably the strongest judicial language heretofore used on the subject is that of the Supreme Court in the case of *Carlton v. Bokee*.² In that case Justice BRADLEY, in delivering the opinion, said 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." This defence may be made by demurrer;³ because the question of the validity of a patent, as against it, is a question of construction of the document, to decide which, a judge will seldom require aid from other evidence than the letters patent themselves. But a special plea is probably the best means of interposing this defence; though there is less meritorious necessity for special pleading to support it than there is to support any other defence which assails the validity of a patent.

§ 456. The fourteenth defence is based upon the statute which provides that where a new invention and an old one are both claimed in a patent, the patentee may sustain an action on the former, but not unless he disclaims the latter without unreasonable delay.⁴ That the old invention was

¹ Revised Statutes, Section 4888.

² *Carlton v. Bokee*, 17 Wallace, 472, 1873.

³ *Brickill v. Hartford*, 49 Fed. Rep. 373, 1892.

⁴ Revised Statutes, Section 4922.

old, and that the delay to disclaim it was unreasonable, are matters of fact depending upon evidence. There is therefore no reason to suppose that this defence can be made in any action at law, without a special plea to give it entrance.

§ 457. The fifteenth defence goes to the jurisdiction of the Commissioner to reissue the patent in suit. In the chapter on reissues the defence is discussed with some fullness.¹ Whatever doubt may exist relevant to its scope, it is clear that the questions which are involved in its applicability to a particular case are mainly questions of fact, depending upon evidence *in pais*, and that a special plea is therefore the proper means of bringing it to the attention of the court.

§ 458. The sixteenth defence originated in the year 1882,² and though not based on the letter of any statute, it has been many times enforced. The first element in its foundation is a point of comparative construction of the original and the reissue patent. But inasmuch as a plaintiff, suing on a reissue, need not introduce the original in evidence, even that element depends upon proof by the defendant of the contents of the original. The second element is a variable quantity, for the particular length of time between the date of an original and the application for a reissue patent, which will be fatal to a broadened reissue, depends upon the circumstances of each case, and those circumstances can be made known to the court through evidence alone. These considerations point to the propriety of disregarding this defence, in an action at law, unless it is set up in a special plea, and the plaintiff thus notified of what he must meet on the trial.

§ 459. The seventeenth defence depends upon proof of the original patent, and requires at least that amount of evidence to support it. In cases where the question of sameness or difference of invention is a complicated one, courts may require the benefit of evidence on that subject

¹ Section 221 of this book.

² *Miller v. Brass Co.* 104 U. S. 350, 1882.

to aid them in deciding the point. In order to give both sides an opportunity to produce such evidence, a special plea seems necessary; but it has been decided that a general denial of the declaration is enough.¹

§ 460. The eighteenth defence can be made by a demurrer in a case which is based on the prior patent, as well as on its alleged double;² but in other cases it requires a special plea, because it is a defence in confession and avoidance of the declaration.

§ 461. The nineteenth defence will of course require evidence of the record of the court which repealed the patent. But as that record cannot be contradicted by any evidence, and as no repeal could have been had without the knowledge of the plaintiff or his privies, there seems to be no meritorious reason why a special plea should be insisted upon to sustain this defence. But in the absence of a precedent, that will be the safest pleading for the defendant to file.

§ 462. The twentieth defence demands a special plea, because the evidence to prove it must come from outside of the patent, and when produced, it must generally be supported by expert testimony that the foreign patent produced is really one for the same invention as the United States patent in suit. Indeed, the defence may fail even then, for it cannot stand against proof that the foreign patent was surreptitiously taken out by another than the United States patentee, and without his knowledge or consent. It would be highly unjust to allow a plaintiff to be surprised on the trial of an action at law with proof of a foreign patent for his invention granted to another, after his invention was made, but before the date of his patent. Such a piece of evidence, if unexplained, would limit the duration of the United States patent, and thus perhaps defeat the suit.³ But if the plaintiff could have time to

¹ Oregon Imp. Co v. Excelsior 581, 1894
Coal Co. 132 U. S. 215, 1889.

³ Revised Statutes, Section 4887.

² Russell v. Kern, 64 Fed. Rep.

prove that it was granted without the knowledge or consent of the inventor or patentee, it would have no unfavorable effect upon his rights. It is clear, therefore, that no such issue ought to be sprung upon a plaintiff when before the court. A special plea is requisite to give him notice of a fact apparently so unfavorable, but which may really be harmless when explained.

§ 463. The twenty-first defence can be made under the general issue, for it must be negatived in the declaration.¹

§ 464. The twenty-second defence can be made under the general issue, where the defendant merely proposes to argue that the plaintiff's evidence does not make out any title, or makes out no such title as enables him to sue in an action at law. But where the defendant attacks the plaintiff's title on the basis of a paramount assignment to another, he ought to plead the defence specially, for otherwise the plaintiff might be surprised on the trial with evidence which, with a little time for preparation, he could perhaps explain away, or perhaps overthrow.

§ 465. The twenty-third and twenty-fourth defences both required to be pleaded specially according to the pleading rules of the ancient common law.² But under the relaxation which obtained in England, late in the last century, they could, in ordinary cases, have been proved under the general issue.³ That relaxation does not, however, deserve to be extended by any process of reasoning by analogy; and it is possible that the courts will hold that it does not apply to patent litigation in the United States.

§ 466. The twenty-fifth defence is one to which the plea of the general issue is, and always was, appropriate, for it is a defence which consists simply in a denial of the alleged infringement.⁴ And even where a proper defence of non-infringement involves evidence of the state of the art, the general issue is a sufficient plea under which to make such

¹ *Dunlap v. Schofield*, 152 U. S. 244, 1894.

² *Stephen on Pleading*, 158.

³ 1 *Chitty on Pleading*, 491.

⁴ *Stephen on Pleading*, 160.

a defence, because no notice to the plaintiff is necessary to render such evidence admissible.¹

§ 467. The twenty-sixth defence is as proper in an action at law as it is in an action in equity.² Estoppels in patent cases are like those in other cases, in that they are divisible into three classes: Estoppels by matter of record; by matter of deed; and by matter *in pais*. The principles of estoppel constitute a systematic department of the law, to the delineation and development of which a number of text-writers have devoted careful and thorough consideration. No extensive discussion of the subject is therefore to be expected in this book. Something has already been written about estoppel *in pais*, in connection with the subject of implied licenses.³ And it may be mentioned here, that a defendant is not estopped from denying the validity of a patent, by the fact that he formerly thought and represented it to be valid,⁴ or the fact that he once made an application himself, for a patent on the same invention.⁵ And something more may be added in this place, about estoppels by matter of record, and by matter of deed, for the patent precedents contain a few cases in which those doctrines have been applied to controversies touching letters patent for inventions. But the investigator will often need to resort to the standard text-books on estoppel, when seeking for the law applicable to such matters, as they may hereafter arise in patent litigation; for the instances in which the doctrines of estoppel have heretofore been applied to patent cases are comparatively few. Those doctrines may, however, be deduced from other kinds of causes, and then applied in patent litigation with all their inherent forces.⁶

¹ Dunbar v. Myers, 94 U. S. 198, 1876; Eachus v. Broomall, 115 U. S. 434, 1885; Grier v. Wilt, 120 U. S. 429, 1886.

² Dickerson v. Colgrove, 100 U. S. 584, 1879; City of Concord v. Norton, 16 Fed. Rep. 477, 1883.

³ Section 313 of this book.

⁴ De La Vergne Mach. Co. v. Featherstone, 49 Fed. Rep. 919, 1892.

⁵ Page v. Buckley, 67 Fed. Rep. 142, 1895.

⁶ Duboise v. Railroad Co. 5 Fisher, 208, 1871.

§ 468. Estoppel by matter of record arises out of the doctrine of *res judicata*; and indeed that sort of estoppel generally and properly passes under the name of that doctrine. It is a requirement of public policy and of private peace, that each particular litigation shall duly come to an end, and that when once ended, it shall not be revived. The law therefore properly requires that things adjudicated shall not again be drawn in question between the same parties, or between any persons whose connection with the adjudication is such that they ought not to be permitted to gainsay its result.¹ But things are not adjudicated in this sense till they are adjudicated finally. Interlocutory decrees, therefore, furnish no foundation for a plea of *res judicata*,² except where such an interlocutory decree is followed by a final decree soon enough for the latter to be invoked.³ And it is only in respect of questions actually litigated and decided in a prior case, that the judgment is conclusive in another action,⁴

A final decree is pleadable, in a subsequent action, notwithstanding the defendant may have new defences to interpose: defences, which he did not deem it necessary to make to the former suit, or did not learn of in time to set them up in the former litigation.⁵ And final decrees or judgments are not only binding on the parties to the actions from which they resulted, but they are also binding upon all persons who purchase interests in the subject-matter of litigation after such decrees or judgments are entered;⁶

¹ Heysinger v. Rouss, 40 Fed. Rep. 584, 1889.

² Rumford Chemical Works v. Hecker, 2 Bann. & Ard. 359, 1876; Roemer v. Neumann, 26 Fed. Rep. 332, 1886; Morss v. Knapp, 37 Fed. Rep. 353, 1889; Harmon v. Struthers, 48 Fed. Rep. 260, 1891.

³ Bradley Mfg. Co. v. Eagle Mfg. Co. 57 Fed. Rep. 985, 1893.

⁴ Bruise v. Peck, 54 Fed. Rep. 822, 1893; Mack v. Levy, 60 Fed.

Rep. 751, 1894.

⁵ Duboise v. Railroad Co. 5 Fisher, 210, 1871; Gloucester Isinglass Co. v. LePage, 30 Fed. Rep. 371, 1887; Bradley Mfg. Co. v. Eagle Mfg. Co. 57 Fed. Rep. 989, 1893; Mack v. Levy, 60 Fed. Rep. 752, 1894.

⁶ Consolidated Fruit Jar Co. v. Whitney, 2 Bann. & Ard. 33, 1875; Pennington v. Hunt, 20 Fed. Rep. 195, 1884.

and upon all persons who assumed the control and expense of the former litigation, even though not parties thereto.¹ So, also, judgments by default, decrees *pro confesso* and consent decrees are pleadable as *res judicata*, if they are final in their nature, with the same effect as are judgments or decrees which were rendered after a long-contested litigation.² But in order to be binding on either party to a new action, a former judgment or decree must be binding on both.³ No former adjudication is pleadable in favor of either party to a suit unless it would have been pleadable against him, if it had been rendered the other way.⁴ But a decree may be pleadable against a complainant, only on a single point in a subsequent case, though it would have been pleadable against the defendant on all the points in that case, if it had been rendered the other way; because to be rendered the other way, all those points would have to be decided for the complainant, whereas only one of those points might have to be decided against the complainant, in order to necessitate a decree for the defendant.⁵ On the other hand, a decree may be pleadable for the complainant, only on the subject of the validity of his patent, and not upon the question of its infringement by the defendant.⁶

§ 469. Estoppel by matter of deed may also arise in patent affairs. Where, for example, an assignor or grantor of a patent right, afterwards infringes the right which he

¹ United States Felting Co. v. Asbestos Felting Co. 4 Fed. Rep. 816, 1880; American Bell Telephone Co. v. National Telephone Co. 27 Fed. Rep. 665, 1886; Eagle Mfg. Co. v. Miller, 41 Fed. Rep. 357, 1890; Eagle Mfg. Co. v. Bradley Mfg. Co. 50 Fed. Rep. 193, 1891; Bradley Mfg. Co. v. Eagle Mfg. Co. 57 Fed. Rep. 985, 1893.

² Bradford v. Bradford, 5 Connecticut, 131, 1823; Davis v. Murphy, 2 Rich. (S. C.), 560, 1846; United States Packing Co. v. Tripp,

31 Fed. Rep. 350, 1887.

³ Mack v. Levy. 60 Fed. Rep. 752, 1894.

⁴ Ingersoll v. Jewett, 16 Blatch. 378, 1879; Dale v. Roosevelt, 1 Paige (N. Y.), 35, 1828; Paynes v. Coles, 1 Mumford (Va.), 394, 1810; Greene v. City of Lynn, 55 Fed. Rep. 522, 1893.

⁵ Steam Gauge & Lantern Co. v. Meyrose 27 Fed. Rep. 213, 1886.

⁶ Bradley Mfg. Co. v. Eagle Mfg. Co. 57 Fed. Rep. 988, 1893.

conveyed, he is estopped by his conveyance, from denying the plaintiff's title,¹ or the validity of the patent, when sued for its infringement,² even where the invalidity is due to an unlawful reissue obtained after the assignment.³ But such an assignor or grantor is not estopped, by his conveyance, from showing how narrowly the patent must be construed.⁴

§ 470. The defence of estoppel requires a special plea to introduce it into a litigation. Thus, for example, if a former judgment or decree is not pleaded as an estoppel by a defendant, he refers the merits of the controversy anew to the court. The former adjudication may be used as an argument, but it cannot be relied upon as a bar, unless it is set up in a special plea.⁵

§ 471. The twenty-seventh defence may be made by demurrer,⁶ but if not so interposed it must always be specially pleaded by the defendant, or it will be disregarded by the court.⁷ No defendant can avail himself of any statute of limitation, upon the general issue.⁸

§ 472. Section 55 of the Patent Act of 1870 related to remedies for infringements of patents, and its final clause provided that: "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."⁹ That enactment continued to be in full force until the passage of the Revised Statutes, June 22, 1874. It was, however, omitted from that compilation, and by operation of

¹ *Woodward v. Lasting Mach. Co.* 60 Fed. Rep. 284, 1894.

² *Consolidated Middlings Purifier Co. v. Guilder*, 9 Fed. Rep. 156, 1881; *Adee v. Thomas*, 41 Fed. Rep. 345, 1890; *Corbin Lock Co. v. Yale & Towne Mfg. Co.* 58 Fed. Rep. 565, 1893; *Martin & Hill Cash Carrier Co. v. Martin*, 67 Fed. Rep. 787, 1895.

³ *Burdsall v. Curran*, 31 Fed. Rep. 819, 1887.

⁴ *Babcock v. Clarkson*, 63 Fed. Rep.

607, 1894; *Western Telephone Construction Co. v. Stromberg*, 66 Fed. Rep. 551, 1895; *Martin Cash Carrier Co. v. Martin*, 67 Fed. Rep. 787, 1895.

⁵ 1 Chitty on Pleading, 509.

⁶ *Brickill v. Hartford*, 49 Fed. Rep. 373, 1882.

⁷ 1 Chitty on Pleading, 498.

⁸ *Neale v. Walker*, 1 Cranch's Circuit Court Reports, 57, 1802.

⁹ 16 Statutes at Large, Ch. 230, Sec. 55, p. 206.

Section 5596 was thereby repealed as to all rights of action thereafter to accrue; but by virtue of Section 5599 it was left in full force as to all rights of action in existence at the date of the repeal.¹ No further national legislation has been had relevant to the subject up to the time of the publication of this book. This national statute of limitation has no application to any infringement committed since June 22, 1874. It applies fully to all infringements committed between that day and July 8, 1870, the day whereon it was enacted. To what extent it applies to infringements of unextended patents committed before the latter date, and how it applies to infringements of the original terms of extended patents, are intricate questions which are discussed in Sections 473, 474 and 475 of the former editions of this book, but which are now obsolete.

§ 476. State statutes of limitation can never apply to any right of action under a patent, if that particular right is subject to the running of a national statute of limitation.² This point of law follows from the fact that the States have no right to control the operation of the patent laws;³ and from the fact that Congress never adopted State laws for the government of Federal courts in any case where the constitution, treaties or statutes of the United States specially attend to the subject.⁴

§ 477. State statutes of limitation on torts unaccompanied by force, apply to such rights of action for infringements of patents, as are not subject to any national statute of limitation.⁵

§ 478. Replications and subsequent pleadings are seldom required in patent cases, because most of the pleas applicable to such cases are pleas in bar by way of traverse, and

¹ *Hayden v. Oriental Mills*, 22 Fed. Rep. 103, 1884; *May v. County of Buchanan*, 29 Fed. Rep. 470, 1886; *May v. County of Logan*, 30 Fed. Rep. 256, 1887.

² *Sayles v. Oregon Central Railroad Co.* 4 Bann. & Ard. 429, 1879; *Hayden v. Oriental Mills*, 22 Fed. Rep. 103, 1884; *May v. County of*

Logan, 30 Fed. Rep. 256, 1887.

³ *M'Culloch v. Maryland*, 4 Wheaton, 436, 1819.

⁴ Revised Statutes, Sec. 721; Sec. 34 of the Judiciary Act of 1789; 1 Statutes at Large, Ch. 20, p. 92.

⁵ *Campbell v. Haverhill*, 155 U. S. 613, 1895.

not by way of confession and avoidance.¹ The principal exceptions are the plea of a license, the plea of a release, and the plea of a statute of limitation. If the plaintiff purposes to deny the existence of a license or release, as the case may be, his replication should be by way of traverse to the plea, and should conclude to the country, and thus tender issue. So, also, if the plaintiff can show that the license or release covered only a part of the infringement covered by the declaration, the general replication by way of traverse will be sufficient.² If the plaintiff cannot deny the existence of a full paper, but purposes to show that it was obtained by duress or by fraud, or that it has been effectually revoked, his replication will state the facts by way of confession and avoidance of the plea, and will conclude with a verification. It will then be the duty of the defendant to file a rejoinder to the replication. If he can deny the duress, or the fraud, or the revocation, as the case may be, his rejoinder will be by way of traverse, and will conclude by tendering issue. If, however, he cannot deny the truth of the replication, but can avoid its effect by showing that the plaintiff freely ratified the license or release after the alleged duress terminated, or the alleged fraud became known to him, or that he annulled the revocation after making it, then the defendant's rejoinder will be by way of confession and avoidance, and will conclude with a verification, and will render necessary a sur-rejoinder from the plaintiff, denying the truth of the rejoinder, and putting himself upon the country.

§ 479. When pleaded to an action based on an infringement committed before June 22, 1874, the national statute of limitation will require a replication by way of traverse, if the plaintiff intends to show that the action was brought during the term for which the patent was granted or extended, or within six years after the expiration thereof. If he cannot show that, it will be useless for him to prosecute his action further.

¹ *Brickill v. Hartford*, 57 Fed. Rep. 219, 1893.

² 1 *Chitty on Pleading*, 596.

§ 480. A State statute of limitation, when pleaded to an action based on an infringement of a patent, if it is not successfully met by a demurrer, will require a replication by way of confession and avoidance, based on some cause which, according to the laws of the particular State in which the suit is pending, is sufficient to take the case out of the statute. If there is no such cause, the plaintiff must abandon his action, or he may stand upon his demurrer, and having suffered judgment, go to the Circuit Court of Appeals on a writ of error. If such a replication is filed, the defendant must file a rejoinder by way of traverse, and tender issue by putting himself upon the country.

§ 481. A similiter must be filed or added by or on behalf of the other party, whenever either the plaintiff or defendant properly tenders issue. As the party to whom issue is well tendered, has no option but to accept it, the similiter may be added for him. It is a mere matter of form, but it is a form which should always be attended to in common-law pleading. Its omission has sometimes constituted a fatal defect.¹

§ 482. A demurrer may be interposed by either party in an action at law, to any pleading of his opponent, except another demurrer.² When a demurrer is interposed, the court will examine all the pleadings in the case, and will generally decide against the party who first filed a substantially defective one.³ The principal exception to this rule is, that where the declaration is the pleading demurred to, the demurrer will not be sustained if it is too large; that is, if it is pointed at an entire declaration, some independent part of which is good in law.⁴ This exception does not apply to demurrers to pleas,⁵ or replications,⁶ or rejoinders,⁷ for it is in the nature of those pleadings to be entire, and if bad in part, to be bad for the whole.

¹ Earle v. Hall, 22 Pickering (Mass.), 102, 1839.

² 1 Chitty on Pleading, 661, 666.

³ 1 Chitty on Pleading, 668.

⁴ 1 Chitty on Pleading, 665.

⁵ 1 Chitty on Pleading, 546.

⁶ 1 Chitty on Pleading, 644.

⁷ 1 Chitty on Pleading, 651.

§ 483. Demurrable declarations occur in patent cases when the patent appears to be void on its face, or by reason of some fact within judicial notice; or when the plaintiff's pleader omits some of the allegations which are necessary parts of such a pleading; or when he makes those allegations in improper form; or where he makes the statement of infringement cover a space of time, part or all of which is remote enough to be barred by some applicable statute of limitation. It will rarely occur that the whole of an infringement declared upon can plausibly be claimed to be barred by a statute of limitation; but it may not be unknown for declarations to allege that the infringement sued on began at a point of time more than six years before the beginning of the action, and was continued till after that limit was passed. If, in such a case, the defendant would interpose a six-year State statute of limitation to that part of the infringement which occurred more than six years before the bringing of the suit, he may do so by a special demurrer aimed at the questionable part of the right of action. If, in such a case, he demurs generally to the whole declaration, his demurrer will be overruled, because it will appear on the argument that an independent divisible part of the right of action sued upon is unbarred by the statute.¹

§ 484. Demurrable pleas occur in patent cases whenever the facts stated therein constitute no defence to the action; or when they are in improper form; or when a statute of limitation is pleaded to the whole of a right of action, only a part of which is old enough to be barred thereby, for a plea which is bad in part, is bad altogether.²

§ 486. A joinder in demurrer is the proper response to such a pleading in a patent action, as well as any other. If a plaintiff attempts to demur to a demurrer, or refuses to join issue of law upon it, he thereby discontinues his action; and if a defendant does so he discontinues his defence.³

¹ 1 Chitty on Pleading, 665.

² 1 Chitty on Pleading, 546.

³ Gould's Pleadings, Chap. IX, Sec. 33; 1 Chitty on Pleadings, 169.

But the actual filing in writing of a joinder in demurrer is generally waived, and the demurrer brought on for argument without that formality.

When a demurrer to an entire declaration is sustained, or a ground which cannot be cured by amendment, the plaintiff may file an exception, and take the case to the Circuit Court of Appeals for a review of the decision upon the demurrer; and he must do so, or abandon his action. But where a demurrer to a declaration is overruled, the defendant may either file an exception and take the case to the Circuit Court of Appeals for review, or may obtain leave of court to file a plea to the declaration. If he takes the latter course, he cannot set up in that plea any defence which was set up in the overruled demurrer. And if his other defences fail on the trial, and he afterwards takes the case to the Circuit Court of Appeals, he cannot get a review of the decision of the Circuit Court overruling his demurrer to the declaration. For this reason, it is not wise to trust any vital defence to the carriage of a demurrer, except where the defendant has no other vital defence, or except where he is certain that his demurrer will not be overruled.

Where a demurrer to a plea is sustained, on a ground which cannot be cured by amendment, the defendant may file an exception, and take the case to the Circuit Court of Appeals for a review of the decision upon the demurrer; or he may go to trial upon any other plea which he may have filed, and which has not been demurred to, or has repelled a demurrer. If he takes the latter course, and is beaten on the trial, and afterwards takes the case to the Circuit Court of Appeals, he ought in that tribunal, to get a review of the decision of the Circuit Court sustaining the demurrer to his plea; for he could not prevent the filing of that demurrer, and without such a review can get no appeal from the decision of the Circuit Court sustaining it. But where a demurrer to a plea is overruled, the plaintiff must stand by that demurrer, and take the case to the Circuit Court of Appeals upon that issue alone, or if he goes to trial without doing so, he will thereby waive his demurrer;

and if he is unsuccessful on the trial, and thereafter takes the case to the Circuit Court of Appeals, he cannot secure in that court a review of the decision of the court below, overruling his demurrer to the plea.

§ 487. The trial of an action at law for infringement of a patent may be by a jury, or by a judge, or by a referee. The first of these sorts of trial is the only proper one, except in cases where both parties agree to substitute one of the others. Cases of the kind may be tried by the judge, where the parties file with the clerk a stipulation in writing waiving a jury;¹ and trial by a referee appointed by the court, with the consent of both parties, is a mode of trial fully warranted by law.²

§ 488. Trial by jury must, in the absence of contrary consent by the parties, be by a jury of twelve men. Unanimity is necessary to a verdict of a jury in a Federal court, even in California or Nevada; though the statutes of those States provide that in their courts, a legal verdict may be found when three-fourths of the members of a jury agree. The laws of those States on that point are not covered by Section 721 of the Revised Statutes, and so made rules of decision in Federal courts; because the Federal Constitution otherwise provides. That provision is found in its seventh amendment, and in the following language: "In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved." It is true that unanimity was not necessary to the verdicts of juries in England till after the reign of Edward the First,³ and that it was never required in Scotland.⁴ But the kind of "trial by jury," known in England and in the United States when the seventh amendment was proposed by Congress,⁵ and when it was ratified by three-fourths of the

¹ Revised Statutes, Section 649

² *Heckers v. Fowler*, 2 Wallace, 123, 1864.

³ Bracton, Liber IV. Chap. 19; Fleta, Liber IV. Chap. 9; Britton, Liber II. Chap. 21.

⁴ Barrington on the Statutes, Chap. 29, p. 20; 17 & 18 Victoria, Chap. 59; 22 & 23 Victoria, Chap. 7; 31 & 32 Victoria, Chap. 100, Sec. 48.

⁵ September 25, 1789.

States,¹ is doubtless the kind of trial guaranteed by that amendment. Therefore no law providing for any other kind of trial by jury can be enforced in a United States court.

§ 489. The practice in actions at law in the Federal courts is not uniform throughout the United States. There are no general rules governing the Circuit Courts when sitting as law courts, though there is such a system prescribed for them when sitting in equity. On the law side, each Circuit Court is governed, in matters of practice, by the laws of the State in which it is established, so far as those laws are applicable;² and on points where no law exists, it is governed by rules or customs of its own making or observance. No Act of Congress is necessary to enable United States courts to make and enforce its own rules of practice. It is only necessary that such rules be not repugnant to the laws of the United States.³

§ 490. The rules of evidence which are used in the trial of patent causes are the ordinary rules of the common law, as modified by the statutes of the particular States in which such trials occur,⁴ and as adapted to the circumstances of patent litigation by the decisions of the United States courts.

§ 491. Evidence to support his declaration must of course be introduced by a plaintiff in a patent suit before the defendant can be called upon to prove any defence. Where the complainant or the defendant is a corporation, and that fact is not admitted in the defendant's plea, it must be proved by the plaintiff; and it may be proved by a certified copy of its charter or articles of incorporation. Aside from that preliminary matter, the first item of the plaintiff's evidence consists of the letters patent sued upon, or of a written or printed copy of the same, authenticated by the seal and certified by the Commissioner or the Acting Commissioner of

¹ November 3, 1791.

² Revised Statutes, Section 914.

³ *Heckers v. Fowler*, 2 Wallace, 123, 1864.

⁴ *Vance v. Campbell*, 1 Black, 427, 1861; *Hausknecht v. Claypool*, 1 Black, 431, 1861; *Wright v. Bales*, 2 Black, 535, 1862.

the Patent Office.¹ Either the letters patent, or such a copy thereof, is *prima facie* evidence of the validity of the letters patent, unless it appears on its face not to be such a form of document as the statute prescribes.² But the printed memorandum, which is usually made at the head of the specification of a patent, and which states the date of the filing of the application for that patent, is not even *prima facie* evidence of that date.³ That point, if it is material in a particular case, must be proved by a certified copy of the application itself.

§ 492. Reissue letters patent are also *prima facie* evidence of their own validity, on all of the three points which are involved in that question. They are so in respect of the fifteenth defence; because the fact that the Commissioner assumed jurisdiction, by treating the original letters patent as a proper subject for a reissue, is at least *prima facie* evidence that he had jurisdiction.⁴ They are so in respect of the sixteenth defence; because the presumption is that the Commissioner knew the law, and, knowing it, would not grant a broadened reissue after a long lapse of time from the date of the original.⁵ They are so in respect of the seventeenth defence; because the presumption is that the Commissioner would not violate the law, by granting a reissue for a different invention from any which the original letters patent shows was intended to have been claimed therein.

§ 494. It is an undoubted presumption of law that letters patent, which appear on their face to be in full force, are so in fact. Such a document is therefore *prima facie* evidence that it neither has been repealed by a decree of court, nor has expired because of the expiration of some foreign

¹ Revised Statutes, Section 892.

² Hunt Bros.' Fruit Packing Co. v. Cassidy, 53 Fed. Rep. 259, 1892; Singer Mfg. Co. v. Brill, 54 Fed. Rep. 383, 1892; Holloway v. Dow, 54 Fed. Rep. 514, 1893; Harper & Reynolds Co. v. Wilgus, 56 Fed. Rep. 588, 1893; Chase v. Fillebrown,

58 Fed. Rep. 376, 1893.

³ International Terra-cotta Co. v. Maurer, 44 Fed. Rep. 620, 1890.

⁴ Brooks v. Bicknell, 3 McLean, 258, 1843.

⁵ Clark v. Wooster, 119 U. S. 326, 1886.

patent for the same invention. It follows that neither the nineteenth nor twentieth defence needs to be anticipated by a plaintiff when introducing his *prima facie* evidence.

§ 495. After introducing the letters patent in evidence, unless the plaintiff is himself the patentee, his next step is to prove his title to the right, upon the infringement of which the action is based. Where the letters patent were originally granted to an assignee of the inventor, they are *prima facie* evidence of title in that assignee.¹ But where the plaintiff obtained his title after the letters patent were granted, he must prove himself to have been the assignee of the patent, or at least a grantee under it as to the territory wherein the alleged infringement occurred, when that infringement occurred. He may do either of these, by introducing in evidence the original assignments or grants which constitute his chain of title, after having proved them according to the rules of the common law; and by proving that chain not to have been cut or curtailed. But a certified copy of the patent office record of such an assignment or grant is not admissible as primary evidence of the original document.² To prove an original assignment or grant, according to the rules of the common law, where there was a subscribing witness, the first step is to produce him, and take his testimony to the genuineness of his signature; or if he cannot be produced, the first step consists in proving, if possible, what has become of him, and if that is impossible, in proving that fact. When this step has been taken, and also where there was no subscribing witness to the document to be proved, it can be proved by testimony of the genuineness of the signature of him who executed it, as assignor or grantor, as the case may be. Where an original assignment or grant, which is essential to the plaintiff's title, cannot be produced, its character may be proved according to the rules of the law of evidence relevant to such cases; and that proof will be practically

¹ Whitcomb v. Coal Co. 47 Fed. Rep. 655, 1891.

² Mayor of New York v. Ameri-

can Cable Ry. Co. 60 Fed. Rep. 1016, 1894; Paine v. Trask, 56 Fed. Rep. 233, 1893.

facilitated by the aid of a certified copy of the Patent Office record of the document.

§ 496. It is not necessary for any plaintiff to prove in his *prima facie* evidence that the defendant has no license or release with which to defend.¹ But it is required of him to prove that he never made nor sold any specimen of the invention without marking it "patented," together with the day and year the patent was granted; or that the defendant was duly notified that his doings constituted an infringement of the patent, and, after such notice, continued to infringe.²

§ 497. Proof of the making, selling, or using, by the defendant, of a specimen or specimens of a process or thing which the plaintiff claims is covered by his patent, constitutes the next step to be taken in proving a *prima facie* case. This point is often covered by a stipulation of the parties. Defendants are generally wise when they make such stipulations, because any attempts to conceal the nature of their doings are likely to prejudice the welfare of their defences. But in cases where the defendants have no refuge but concealment, the point of proof may be one of difficulty, for courts of law have no power to order inspections of a defendant's works;³ though the defendant may be called as a witness, and compelled to describe what he has done;⁴ and a discovery of the defendant's doings may be obtained by a bill in equity filed in aid of an action at law.⁵ Where a defendant cannot be relied upon to testify fairly and fully, the plaintiff must secure other evidence; for it is necessary to a verdict in an action at law for an infringement of a patent, that both the nature and extent of that infringement be shown to the jury by satisfactory proof. Evidence of the nature of a defendant's doings is the first element of evidence of infringement; and evidence of their extent is an

¹ Fisher v. Hayes, 6 Fed. Rep. 79, 1857.
1881.

² Dunlap v. Schofield, 152 U. S. 169, 1883; Delamater v. Reinhardt, 244, 1894; Traver v. Brown, 62 Fed. 43 Fed. Rep. 76, 1890.

Rep. 933, 1894.
³ Parker v. Bigler, 1 Fisher, 287, 23 Fed. Rep. 85, 1885.

⁴ Roberts v. Walley, 14 Fed. Rep. 169, 1883; Delamater v. Reinhardt, 43 Fed. Rep. 76, 1890.
⁵ Colgate v. Compagnie Francaise,

indispensable part of the necessary evidence of damages.¹

§ 498. Evidence of infringement is completed with evidence of the defendant's doings, if what he did was obviously and unquestionably identical with what is covered by the patent in suit,² or if he is estopped from denying identity between those doings and that patent.³ And even where differences are apparent, the complainant, if he chooses, may rest when he has introduced evidence or a stipulation stating the character of the acts done by the defendant. In that case the court will interpret the words of the patent in the sense in which they are ordinarily employed, and, with the knowledge of the invention thus acquired, will determine whether the acts done by the defendant amount to infringement.⁴ But judges do not always possess the requisite knowledge of the meaning of the terms of art or science used in letters patent, and are not always able to accurately weigh similarities and differences in mechanics, chemistry, electricity, or other physics, without receiving special information thereon. Therefore it is always proper and generally necessary to introduce expert testimony to show that the differences are all immaterial, and to show that the defendant's doings actually did constitute an infringement of the plaintiff's patent. Experts in patent cases are mainly experts in mechanics, chemistry, or electricity; and a man who has extensive theoretical and practical knowledge of either of those sciences, is a mechanical, chemical, or electrical expert, as the case may be; and a man may be an expert in any other science who possesses the same qualifications in it. The opinions of such experts are admissible upon the points of fact to which they are relevant; but in

¹ *National Car Brake Shoe Co. v. Mfg. Co.* 19 Fed. Rep. 519, 1884.

² *Jennings v. Kibbe*, 10 Fed. Rep. 669, 1882; *Barrett v. Hall*, 1 Mason, 471, 1818; *Hayes v. Bickelhaupt*, 23 Fed. Rep. 184, 1885; *Freese v. Swartchild*, 35 Fed. Rep. 141, 1888; *Sugar*

Mfg. Co. v. Yaryan Mfg. Co. 43 Fed. Rep. 148, 1890.

³ *Time Telegraph Co. v. Himmer*, 19 Fed. Rep. 322, 1884.

⁴ *American Linoleum Co. v. Nairn Linoleum Co.* 44 Fed. Rep. 756, 1890.

order to have much weight, they must be accompanied by statements of good reasons upon which they are based.¹

In deciding between contradictory expert testimony, juries should consider the respective reasons, ability, knowledge, and fairness of the experts.² To judge according to their number or their fame would be unsafe. The wealthier litigants are generally those who employ the more numerous and the more expensive expert witnesses; but it is not always the wealthier litigant who is right in a controversy, nor always the more famous expert who is right in his opinion. The carefully digested views of a young and studious scientist, may often be more nearly true than the more hastily formed opinion of a more experienced man.

§ 499. No expert can know whether a particular thing, done or made by a defendant, is the same as any thing covered by a particular patent, until he ascertains what that patent covers. But the latter question is one of construction for the court, and not a question of evidence, to be sworn to by an expert, and decided by the jury. In the regular course of proceedings in trials at law, as well as in hearings in equity, the construction of the patent is not announced by the judge till after the evidence is taken. This practice makes it proper to put hypothetical questions to expert witnesses. The hypothesis in such a question is one which embodies that construction of the patent upon which the examining counsel thinks it both safe and sufficient to rely. If, when charging the jury, the judge gives a

¹ United States Annunciator Co. v. Sanderson, 3 Blatch. 184, 1854; Livingston v. Jones, 1 Fisher, 521, 1859; Conover v. Rapp, 4 Fisher, 57, 1859; Norton v. Jensen, 49 Fed. Rep. 864, 1892; Briggs v. Central Ice Co. 54 Fed Rep. 379, 1892.

² Johnson v. Root, 1 Fisher, 351, 1858; Many v. Sizer, 1 Fisher, 17, 1849; Hudson v. Draper, 4 Fisher, 256, 1870; Page v. Ferry, 1 Fisher, 298, 1857; Carter v. Baker, 1 Saw-

yer, 512, 1871; Spaulding v. Tucker, Deady, 649, 1869; Cahoon v. Ring, 1 Cliff. 592, 1861; Cox v. Griggs, 1 Bissell, 362, 1861; Conover v. Roach, 4 Fisher, 12, 1857; Whipple v. Mfg. Co. 4 Fisher, 29, 1858; Conover v. Rapp, 4 Fisher, 57, 1859; Waterbury Brass Co v. New York Brass Co. 3 Fisher, 43, 1858; Bierce v. Stocking, 11 Gray (Mass.), 174, 1858.

different construction from that embodied in the hypothetical question, then the answer to that question will be seen to be immaterial, and the jury will do right to disregard it. Examining counsel ought therefore to be very certain that his hypothetical construction is the true one ; or otherwise, to put as many hypothetical questions as there are probable favorable constructions. Doing the latter he may have a favorable answer upon which to argue to the jury, if he secures from the judge a construction which corresponds with either of his hypothetical questions. A statement of a witness that a particular thing does or does not infringe a particular patent, is inadmissible in evidence, because that statement includes a construction of the patent, and construction of patents is the duty of courts, and not of experts.¹

§ 500. Though not permitted to testify to the construction of a patent,² experts are sometimes called upon to testify to facts which positively control that construction.³ Where the state of the art is the subject of inconsistent evidence, and where the construction of the patent depends on what is the fact in that regard, the judge will not charge the jury that the patent means thus and so, but will tell them that if they find the state of the art to be so and so, then the patent is entitled to such and such a construction.⁴ In cases of this kind it may occur that the jury, in deciding upon the state of the art, must receive information from experts relevant to the mechanical nature of prior things,⁵ as well as information from other sources relevant to the prior existence of those things. All questions of identity of things are questions for the jury in an action at law,⁶ and are therefore proper to be testified about by experts. Where

¹ *Marsh v. Stove Co.* 51 Fed. Rep. 203, 1892; *Holmes v. Truman*, 67 Fed. Rep. 545, 1895.

² *Waterbury Brass Co. v. New York Brass Co* 3 Fisher, 54, 1858.

³ *Marsh v. Stove Co.* 51 Fed. Rep. 203, 1892.

⁴ *Burdell v. Denig*, 92 U. S. 722, 1875.

⁵ *McKay & Copeland Mach. Co. v. Clafin*, 58 Fed. Rep. 354, 1893.

⁶ *Tyler v. Boston*, 7 Wallace, 327, 1868.

a patent covers such of the things described, as perform a particular function, it is the business of the jury to decide, and therefore proper for an expert to testify, which those things are.¹

§ 501. The cross-examination of experts, cannot extend to inquiries into the characteristics of things not relevant to the case, put to them for the purpose of testing their knowledge or their fairness ; because if the answers appeared to be undeniably correct, they would be wholly immaterial, and if thought to be erroneous they could be shown to be so, only by the testimony of others, who might themselves be the mistaken ones. To allow such a question, would thus operate to introduce an immaterial issue of fact into a case, and to draw the attention of the jury away from the issues of the pleadings.²

§ 502. The last part of a plaintiff's *prima facie* evidence, consists in proof of the amount of his damages, sometimes supplemented by evidence tending to show that a judgment ought to be entered for an amount greater than the actual damages sustained by him.³ The matter is mentioned in this connection for the sake of symmetry ; but it is so large that it constitutes the subject of a separate chapter of this book. To that chapter, recourse may be had for detailed information upon the subject.

§ 503. The next part of a trial is the introduction of evidence by the defendant to sustain his defences. The possible defences in patent cases are twenty-seven in number. In prior sections in this chapter, they are consecutively numbered for purposes of easy reference, and are treated in respect of the pleadings which they respectively require, and the results which they respectively produce in patent actions at law. It is now convenient to set forth, in the same order, some of the leading points of the law of evidence applicable to each.

¹ *Silsby v. Foote*, 14 Howard, 218, 51, 1814.
1852.

³ Revised Statutes, Section 4919.

² *Odlorne v. Winkley*, 2 Gallison,

§ 504. The first defence will sometimes require evidence to show that the terms of art or science which are used in the patent, have such a meaning that the court is bound to construe the patent to be one for a principle, or for something other than a patentable process, or a machine, manufacture, composition of matter, or design. But where a patent plainly claims only the peculiar function of a described machine, the first defence can be maintained without any evidence outside of the patent; and the first defence may be made without any evidence outside of the patent, where the patent claims only a mechanical transaction, which may be performed by hand, or by any of several different mechanisms or machines.¹

§ 505. The second defence may sometimes be supported by facts of which the court will take judicial notice.² But evidence to show the state of the art, is often required to show want of invention. A patent granted for an implement of agriculture, consisting of a hoe-handle with a hoe on one end and a rake on the other, would be void for want of invention, even if both new and useful.³ The court would take judicial notice of the prior existence of handles having hoes attached thereto, and of other like handles having rakes fastened to one end; and on the basis of that judicial notice, would pronounce such a patent to be wholly invalid. A patent for a particular alleged combination in a rare and complicated machine, may also be open to precisely the same sort of objection; while the facts upon which it rests in the particular case, may be wholly unknown to people generally, and wholly unknown to judges who hear patent causes; though well understood by certain classes of mechanics. In the latter case, it is necessary to introduce evidence of those facts in order to show want of invention. Such evidence may consist of proof of the prior existence of the parts of the alleged combination, and proof of the

¹ Section 3a of this book.

111 U. S. 606, 1883.

² *Brown v. Piper*, 91 U. S. 37, 1875; *Slawson v. Railroad Co.* 107 U. S. 649, 1882; *Phillips v. Detroit*,

³ *Reckendorfer v. Faber*, 92 U. S. 347, 1875.

fact that their union in the machine constitutes not a real combination, but an aggregation only.

And the prior art must generally be proved in order to support the second defence; and that proof will generally consist of one or more prior patents or printed publications. The method of introducing them in evidence, is explained in the next two sections where substantial identity between the invention of the patent in suit and the invention disclosed in a prior patent or printed publication, is presupposed. But where a prior patent or printed publication is set up to negative invention, rather than to negative novelty, identity may be absent. In such a case, the question is whether the difference or differences between the subject claimed in the patent in suit and the prior art, amount to invention; and it is generally necessary for a defendant to introduce expert testimony on that point.¹

§ 506. The third defence, and the facts which support it, are explained at large in the third chapter of this book. In this connection, it is only necessary to explain the kinds of evidence by which those facts may be proved, and to state the special rules which govern the weight of such evidence.

Where novelty is duly sought to be negatived by prior United States patents, duly certified copies of those patents are admissible;² and it is a general practice among patent lawyers to waive the certificate, where a printed copy from the Patent Office is presented by opposing counsel. The certified copies of letters patent, which are admissible in evidence, include not only such individual copies as are furnished to private persons on payment of the proper fees; but also the certified bound volumes of copies which are gratuitously distributed by the Commissioner of Patents to all the State and Territorial capitols, and to all the United States District Court clerk's offices, except those which are located at the capitals of the States and Territories.³

¹ *Waterman v. Shipman*, 55 Fed. Rep. 987, 1893.

² Revised Statutes, Section 892.

³ Revised Statutes, Section 490.

Where prior foreign patents are duly pleaded to negative novelty, they may be proved *prima facie*, by duly certified copies of those copies thereof, which are kept in the United States Patent Office.¹ If plenary proof of foreign letters patent is required, it can be made by producing a copy thereof, duly certified by that officer of the foreign government which issued the patent, who corresponds to the Commissioner of Patents in the United States.² Where an error creeps into a certified copy of any letters patent, it may be corrected by another and more carefully compared certified copy from the same office.³ Letters patent, to be admissible, must agree in name and date with the statements in the pleadings, in proof of which they are offered.⁴

§ 507. Prior printed publications must be proved by the introduction of a specimen of the printed thing, which is relied upon, and by satisfactory evidence that it was published before the date of the patent in suit. Parol testimony of the contents of such printed matter is generally inadmissible.⁵ The testimony of a person, that the printed thing produced was published before the date of the invention in suit, if believed by the jury, would be sufficient evidence on that point. What evidence short of that in convincing force, would answer the purpose in hand, has not been judicially settled. Printed publications are not generally evidence of the truth of the statements which they contain.⁶ But where a book or public periodical appears to have been published in a specified year, or on a specified day, and where it contains matter which furnishes collateral evidence of the genuineness of the date, and where it is free from the suspicion of having been changed after it was put forth, it will be received in evidence, without direct testimony that it was published when it purports

¹ Revised Statutes, Section 893.

² *Schoerken v. Swift & Courtney & Beecher Co.* 7 Fed. Rep. 469, 1881.

³ *Brooks v. Jenkins*, 3 McLean, 432, 1844.

⁴ *Bellas v. Hays*, 5 Sergeant & Rawle (Penn.) 427, 1819.

⁵ *McMahon v. Tyng*, 14 Allen (Mass.), 167, 1867.

⁶ *Seymour v. McCormick*, 19 Howard, 106, 1856.

to have been.¹ But a certificate of the Commissioner of Patents, that a particular book was in the library of the Patent Office as early as a particular date, is not evidence of that fact.²

§ 508. Prior knowledge or use of a thing patented, may be proved by the testimony of the person or persons who had such prior knowledge, or who know of such prior use. Such testimony includes three points: the existence, the character, and the date of the thing previously known or used. Where a witness relies wholly on his memory for all three of these points, his testimony, though admissible, is not strong. It is generally impossible to remember with certainty the particular construction of a thing of which no specimen is known to remain in existence; and most memories are nearly unreliable on bare questions of dates. It is therefore desirable to fortify testimony of prior knowledge or use by producing the anticipating thing, or a specimen thereof, and by connecting the history of that thing with events about which there is no room for doubt. Where the anticipating thing cannot be produced, the testimony which supports its prior existence, may still prevail, if the construction of the article was so simple, and so well understood, as to be unlikely to be forgotten, and especially if a number of credible witnesses agree in regard to its character and its date.

§ 509. Parol evidence of an anticipating thing, is likely to be met by other parol evidence, tending to show that such a thing never existed at the place alleged; or that it was substantially different from the patented invention sought to be anticipated; or that it did not exist at the alleged place till after the date of the patented invention. Testimony of the first sort is negative in its character, and therefore not so weighty as the affirmative evidence which it contradicts.³ But it does not need to be so weighty, in

¹ Britton v. White Mfg. Co. 61 Fed. Rep. 95, 1894.

Rep. 773, 1894.

Fed. Rep. 95, 1894.

² Union Sugar Refinery v. Mat-

³ Travers v. Cordage Co. 64 Fed.

thlessen, 2 Fisher, 600, 1865.

order to overthrow the latter, for a mere preponderance of evidence will not sustain the defence of want of novelty. That defence, in order to prevail must be proved beyond a reasonable doubt.¹ Testimony of an anticipating thing may also be met by evidence that the witness purchased a license under the patent; but such answering evidence is generally entitled to very little weight,² because the witness may not have understood that the facts of which he knew, constituted a legal defence to the patent, or he may have preferred to pay for a license, rather than to undergo the annoyance and incur the expense which is generally incident to actions for infringement.

§ 510. When anticipating matter is undeniably proved to have existed before the date of the patent in suit, want of novelty is *prima facie* proved;³ because the printed memorandum of the date of the application for the patent, which is put at the head of the specification, is not evidence of that date.⁴ But the plaintiff may meet the defendant's evidence of anticipating matter by proof that he, or his assignor, made the invention at a still earlier date. He may sometimes do this by means of a certified copy of the specification and drawings of his original application; and he may sometimes do so *prima facie*, by means of a like copy of the original petition upon which the letters patent were granted; but not by parol evidence relevant to the time when the petition, specification or drawing was filed.⁵ If his application was not early enough for the purpose, the plaintiff may prove the real date of his invention by proving the date of either of those facts, which, in the chapter on novelty, were shown to constitute the birth of an invention thereafter patented.⁶ If that fact

¹ Section 76 of this book.

² *Evans v. Eaton*, 3 Wheaton, 454, 1818.

³ *Havemeyer v. Rampbell*, 21 Fed. Rep. 404, 1884.

⁴ *International Terra-Cotta Co. v. Maurer*, 44 Fed. Rep. 619, 1890.

⁵ *Wayne v. Winter*, 6 McLean, 344, 1855.

⁶ Section 70 of this book.

was a tangible thing, its establishment requires the production and proof of that thing, or requires proof of its loss or destruction, and the best obtainable evidence of what its character was.¹

After the plaintiff has introduced evidence that he, or his assignor, made the invention at a still earlier date than that proved for the anticipating matter; the defendant cannot introduce evidence to carry the date of the anticipating matter back of the new date thus proved by the plaintiff; but the defendant may introduce evidence to disprove, if he can, the plaintiff's new date of invention.²

§ 511. The fourth defence requires evidence that the patented invention will not perform any function which is ascribed to it in the letters patent,³ or proof that its function is not a useful one, within the meaning of the law on that subject.⁴

The first of these sorts of proof may consist of testimony of a person who is skilful in the art to which the invention pertains, and who has endeavored, in good faith, to make the patented thing work, and has been unable to do so. In plain cases, it may also consist of the testimony of such a person, who has not actually experimented with a specimen of the patented thing, but who is able to demonstrate theoretically that it is impossible for such a specimen to operate. And in all cases the evidence must show a total incapacity in the invention to do anything claimed for it, because neither imperfect operation, nor a total failure to perform part of the claimed functions, will sustain a defence of want of utility.⁵ And either practical or theoretical evidence of want of utility in the sense now under consideration may be overthrown by the testimony of a person who has

¹ Richardson v. Hicks, 1 McArthur's Patent Cases, 336, 1854.

² St. Paul Plow Works v. Starling, 140 U. S. 198, 1891.

³ Rowe v. Blanchard, 18 Wiscon-

sin, 462, 1864.

⁴ Sections 82 to 84 of this book.

⁵ Seymour v. Marsh, 6 Fisher, 115, 1872.

succeeded in causing the patented process or thing to produce a result ascribed to it in the patent.

The second of these sorts of proof may consist of evidence that the function of the patented thing is one which people generally profess to condemn as dangerous or immoral. Conventional and not absolute ethics is the criterion of judgment on this point.

§ 512. The fifth defence may be supported by any competent evidence which shows that the inventor relinquished all expectation to secure a patent, and formed an expectation that the invention would always be free to the public.¹ Such evidence may be either direct or circumstantial, but a mere preponderance of evidence cannot sustain this defence of actual abandonment, because it is one of those which, in order to prevail, must be proved beyond a reasonable doubt.²

§ 513. The sixth defence requires proof that the patented thing was in public use or on sale in this country, at a date more than two years prior to that upon which the application was made for the patent.³ And this defence is explained in detail elsewhere in this book.⁴

§ 514. The seventh defence requires the introduction of the original application papers, or certified copies thereof; and in all except very plain cases it requires the testimony of experts to explain the outward embodiment of the terms contained in the original letters patent, and in the original application respectively.⁵

§ 515. The eighth defence calls for evidence that another than the patentee conceived the invention before he did; and that the other used reasonable diligence in adapting and perfecting the same; and that the patentee knew of that prior conception, and obtained the patent surreptitiously; or, if he did not know of the prior conception, that

¹ Babcock v. Degener, 1 McArthur's Patent Cases, 616, 1859.

² McCormick v. Seymour, 2 Blatch 256, 1851.

³ Andrews v. Hovey, 123 U. S.

267; 124 U. S. 694, 1887.

⁴ Sections 93-99.

⁵ Bischoff v. Wethered, 9 Wallace, 812, 1869.

he obtained the patent unjustly, by obtaining it without notice to the prior conceiver, though the latter had a caveat on file in the Patent Office at the time.¹

§ 516. The ninth defence requires proof that another than the patentee was joint inventor with him of the thing covered by the patent. Testimony on this point must be strong in order to prevail, because the tendency of courts and juries is to assign such evidence to the category of mechanical assistance in construction, or to that of suggested substitution of equivalents.²

§ 517. The tenth defence is more likely to be successful in the proof than the ninth; because it may not only be based on the counterpart of the circumstances which underlie the latter, but also on other circumstances, where those do not exist. It has sometimes happened that an inventor, having sold an undivided half interest in his invention, has joined with his vendee in applying as joint inventor for a patent therefor. Such errors have been known to result from ignorance of the law; and such an error has been said to have occurred in one case on account of a desire to give an important patent the benefit of the name of a more distinguished scientist than he who was the real producer of the subject of the claim. But in any case, it is certain that very clear and unequivocal evidence is necessary to support this defence.³

§ 518. The eleventh defence calls for proof that the letters patent contains less than the whole truth relevant to the invention, or that it contains more than is necessary to produce the desired result, and that the fault arose from intention to deceive the public. But positive and direct evidence is not required on the latter point. It is suffi-

¹ Revised Statutes, Sec. 4920; *Agawam Co. v. Jordan*, 7 Wallace, 587, 1868; *Phelps v. Brown*, 4 Blatch. 362, 1859.

² *Agawam Co. v. Jordan*, 7 Wallace, 587, 1868; *Pitts v. Hall*, 2 Blatch. 229, 1851; *Locke v. Lane Co.* 35 Fed. Rep. 293, 1888.

³ *Gottfried v. Brewing Co.* 5 Bann. & Ard. 4, 1879; *Butler v. Bainbridge*, 29 Fed. Rep. 142, 1886; *Consolidated Apparatus Co. v. Woerle*, 29 Fed. Rep. 449, 1887; *Schlicht & Field Co. v. Sewing Machine Co.* 36 Fed. Rep. 585, 1888.

ciently shown by proof of any circumstances which satisfy the jury that such intention existed.¹

§ 519. The twelfth defence can be supported by no evidence except that of persons skilled in the art to which the invention pertains, or with which it is most nearly connected. A patent for a chemical composition or process cannot be overthrown, on the ground of an insufficient description, by the testimony of a mechanical expert; nor can a patent for an improvement of a loom be overthrown on that ground, by the testimony of a machinist skilled only in printing-presses. If a description is sufficiently full, clear, concise, and exact to be effectually understood by any person skilled in that kind of machinery, or other subject of a patent, it is sufficiently so to meet this defence.²

§ 520. The thirteenth defence may sometimes succeed without any evidence outside of the letters patent themselves. It will, however, always be prudent to fortify the defence by the testimony of an expert who can show that the outward embodiment of the terms of the claim, is uncertain in character or in extent.

§ 521. The fourteenth defence requires several items of evidence for its support. It requires proof that one or more of the claims of the patent are void for want of embodying a subject-matter of a patent,³ or for want of invention, or for want of novelty;⁴ and that the patentee has long known the facts which make it invalid in that behalf. No disclaimer is ever necessary, in the absence of all of the first three of these circumstances; and no delay to file one is unreasonable in the absence of the fourth. Indeed, proof of a necessity for a disclaimer, and of long-existing knowledge of the facts out of which that necessity arose, will not always sustain this defence; because delay to file a disclaimer is not unreasonable, so long as there is any reason-

¹ Gray v. James, 1 Peters' Circuit Court Reports, 394, 1817; Dyson v. Danforth, 4 Fisher, 133, 1865.

² Loom Co. v. Higgins, 105 U. S.

580, 1881.

³ O'Reilly v. Morse, 15 Howard, 121, 1853.

⁴ Revised Statutes, Section 4922.

able doubt whether the known facts constitute a necessity for such a document¹.

§ 522. The fifteenth defence can seldom be supported by evidence that the original patent was neither inoperative nor invalid by reason of a defective or insufficient specification; because inoperativeness, from one of these causes, exists whenever the patent does not secure and cover all the inventions which it indicated, suggested, or described, and which might lawfully have been claimed in it;² and because, when not granted on account of such inoperativeness, reissues are generally granted on account of invalidity which arose by reason of a defective or insufficient specification, or by reason of a too extensive claim.³ This defence therefore generally requires to be sustained by evidence showing that; whatever inoperativeness or invalidity on account of defective or insufficient specification, or on account of too extensive claims, is to be found in the original patent; the error arose otherwise than by inadvertence, accident, or mistake. The absence of all three of these mishaps from the history of the preparation of any original specification, may be proved by evidence which shows that the statements or claims alleged to have been omitted in one or another of these ways, were in fact omitted with deliberation or with care, or were omitted because they had to be, in order to secure the original patent,⁴ or were disclaimed in order to secure an extension thereof.⁵ Evidence to show either of the last two of these circumstances, if it exists at all, may generally be found among the correspondence on file in the Patent Office, and may be introduced in the form of certified copies of the letters which contain it.⁶

§ 523. The sixteenth defence can be supported by the

¹ *Silsby v. Foots*, 20 Howard, 290, 1857; *Matthews v. Flower*, 25 Fed. Rep. 834, 1885.

² *Wilson v. Coon*, 18 Blatch. 532, 1880.

³ Revised Statutes, Section 4916.

⁴ *James v. Campbell*, 104 U. S.

356, 1881; *Yale Lock Co. v. Berkshire Bank*, 135 U. S. 379, 1890; *Dobson v. Lees*, 137 U. S. 265, 1890.

⁵ *Leggett v. Avery*, 101 U. S. 256, 1879.

⁶ Revised Statutes, Section 892.

introduction of the original patent, if when it is compared with the reissue, the latter appears to claim something which the original did not, and appears to have been applied for a long time after the original was granted. How long this space of time must be, in order to sustain this defence, depends largely upon the particular circumstances of particular cases. Different spaces of time which have been held to be sufficient for the purpose, are collated in the chapter on reissues,¹ and the burden is on the plaintiff to excuse delay for more than two years.²

§ 524. The seventeenth defence always requires to be supported by the introduction of the original patent;³ and generally requires expert testimony showing that the outward embodiment of something claimed in the reissue, is substantially different from anything described in the original patent and apparently intended to be claimed therein. The judge will not reject such expert testimony, unless the case is so clear that he would have decided the question on a demurrer, if it had been presented to him by that pleading.

§ 525. The eighteenth defence requires the introduction in evidence of the prior patent, granted on the application of the same inventor; but it will seldom require expert testimony, because, in order to prevail at all, this defence requires the claim of the prior patent to be so clearly co-extensive with the claim of the patent in suit, that its co-extensiveness is apparent upon the faces of the two patents. But expert testimony may be necessary to show such substantial identity of claims, where one or both of the claims may be formulated in phraseology, which cannot be understood without expert explanation.

§ 526. The nineteenth defence would require to be supported by the introduction of an officially attested copy of the record of the court repealing the patent,⁴ or if that record

¹ Section 227 of this book.

² *Wollensak v. Reiher*, 115 U. S. 101, 1884; *Hoskin v. Fisher*, 125 U. S. 222, 1887.

³ *Seymour v. Osborne*, 11 Wallace, 516, 1870.

⁴ Revised Statutes, Section 905.

is proved to have been destroyed by fire,¹ or rendered illegible by wear or time,² and not restored by the court to which it pertains,³ it may be proved by a witness who examined and copied it when it was still unharmed.⁴ But parol evidence will not be admitted of a record of which only a part is lost. The part which still exists, must be produced or proved by an officially attested copy.⁵

§ 527. The twentieth defence calls for the introduction in evidence, of a properly certified copy of the foreign patent which is relied upon to curtail the term of the patent in suit; and if the parties offer no testimony to aid the court in determining whether the foreign patent, so proved, is for the same invention as the United States patent upon which the action is based, then the court will determine that point from an inspection of the two documents.⁶ But if expert evidence on that subject is offered, it will doubtless be received.⁷ And a foreign patent is evidence of its own duration; and will be held not to have been extended, in the absence of evidence that it has been.⁸

§ 528. The twenty-first defence is supported by proof that the plaintiff has made or sold one or more specimens of the patented article without marking it "patented," together with the day and year whereon the patent was granted.⁹ When such evidence is introduced, the burden is shifted to the plaintiff, to show that before suit was brought the defendant was duly notified that he was infringing the patent, and that he continued to infringe after such notice.¹⁰

§ 529. The twenty-second defence may sometimes be sustained by means of pointing out faults in the plaintiff's

¹ *United States v. Delespine's Heirs*, 12 Peters, 654, 1838.

² *Little v. Downing*, 37 New Hampshire, 355, 1858.

³ Revised Statutes, Sections 899 and 900.

⁴ 1 Wharton on Evidence, 135.

⁵ *Nims v. Johnson*, 7 California, 110, 1857.

⁶ *De Florez v. Reynolds*, 17

Blatch, 439, 1880.

⁷ *Bischoff v. Wethered*, 9 Wallace, 812, 1869.

⁸ *Edison Electric Light Co. v. Electric Supply Co.* 60 Fed. Rep. 404, 1890.

⁹ Revised Statutes, Section 4900.

¹⁰ *Goodyear v. Allyn*, 6 Blatch, 36, 1868.

proof of title. Where that proof is apparently complete, it can be attacked by the introduction of assignments or grants in writing, which intervene between some of the links of the plaintiff's chain of title in such a way as to destroy or impair its continuity. The numerous points of law relevant to title are explained in the eleventh chapter of this book. It is enough to say in this connection that no title will be recognized in a court of law, unless it is evidenced by instruments in writing.¹

§ 530. The twenty-third defence may be sustained by evidence of a written or a parol license, or of an express or an implied license. And a license may be a defence to an infringement suit, even where the license fee is in arrears.² Licenses form the subject of the twelfth chapter of this book and to that chapter recourse may be had for further information in regard to the proper evidence to support this defence.

§ 531. The twenty-fourth defence may be sustained by proof of a total or partial release, given after the infringement was committed and before the action was commenced, or it may be sustained *pro tanto*, by a partial release given even after the action was begun.³ A paper cannot be a release, if executed before the infringement to which it refers was committed, because no man can relinquish what he does not possess.

Whether a release, given only to a joint infringer with the defendant, can be invoked by the defendant himself, is a question to which no categorical answer can at present be given. It depends upon the question whether contribution can be enforced between infringers, and that point has never been settled by the courts. Nothing more useful can therefore be said in this connection than to state the principles upon which the two questions seem to depend.

The doctrine that there can be no contribution between tort-feasors, does not generally apply to cases where the

¹ Revised Statutes, Section 4898.

² *Burdell v. Denig*, 92 U. S. 721,

³ *Keyes v. Mining Co.* 158 U. S. 1875.

150, 1895.

wrong-doers suppose their doings to be lawful.¹ This is sometimes true of infringers of patents. When they infringe, they are perhaps ignorant of the patents which they violate; or if they know of the patents, they are apt to give themselves the benefit of every suggested ground for doubt, and thus suppose that their doings do not constitute an infringement. Such wrong-doing is *mala prohibita*, rather than *mala in se*. Therefore, it seems to be generally, if not universally true, that where one of several joint infringers is sued alone, and suffers and pays a judgment for the joint infringement, he may compel his co-infringers to contribute their due portion of that payment by means of an action to enforce its refunding. That being so, it will follow that a release to one joint infringer will operate to release all his co-infringers from the claim of the patentee. Where contribution can be enforced between tort-feasors, a full release to one must release all; for if it did not do so, it would not fully release that one. The releasee would not be fully protected by his release, unless his co-infringers would also be protected by it, because otherwise the releasee would still be liable to an action for contribution brought against him by a joint tort-feasor who had been compelled to respond in damages for the joint infringement. The true rule, therefore, appears to be that a plain release given to either of several joint infringers may be successfully invoked in a court of law, not only by the nominal releasee, but also by either or all of his co-infringers.

§ 532. The twenty-fifth defence may be successful without any evidence, because the burden of proof is upon a plaintiff to show an infringement,² and because a plaintiff may fail to sustain that burden. Accordingly, in one leading law case the defendant was the prevailing party on the circuit, and in the Supreme Court, though the plow which he made was nearly identical with that covered by the

¹ *Bailey v. Bussing*, 28 Connecticut, 461, 1859.

453, 1844; *Royer v. Mfg. Co.* 20 Fed. Rep. 853, 1884.

² *Brooks v. Jenkins*, 3 McLean,

plaintiff's patent, and though the defendant introduced no evidence on the subject of infringement, nor indeed on any other.¹ So, also, in a leading case in equity, the defendant, though beaten on the circuit, successfully interposed the defence of non-infringement in the Supreme Court, without any evidence on that side of the issue, and against the contrary testimony of several experts.² But these were somewhat clear cases of non-infringement, and it would be injudicious to rely upon such a defence without evidence to support it, in any case wherein the question of infringement is really debatable in the light of the law. Where a thing made or used or sold by the defendant is proved or is stipulated, and where a competent expert testifies that it is substantially the same as that which appears to be covered by the patent in suit, it is generally advisable, and sometimes necessary, for the defendant to introduce evidence tending to show non-infringement, if he means to rely upon that defence.³ Evidence of this sort may consist of the testimony of experts who are acquainted with the letters patent in suit, and with the doings of the defendant, and are of opinion that those doings are substantially different from everything which appears to be secured by the letters patent, and can give an intelligent reason for that opinion. But such testimony must describe the defendant's doings, to enable the court to judge the correctness of its comparisons.⁴ This testimony, like all other testimony of experts on questions of infringement, is necessarily based on hypothetical constructions of the patents in suit, and is therefore to be disregarded, if the judge finds those hypothetical constructions to be substantially erroneous.

Whether the fact that the defendant conformed his doings to a junior patent is admissible as tending to show non-infringement of the patent in suit, is a question which the

¹ *Prouty v. Ruggles*, 16 Peters, 336, 1842.

² *Railway Co. v. Sayles*, 97 U. S. 554, 1878.

³ *Bennet v. Fowler*, 8 Wallace, 447, 1869.

⁴ *Goldie v. Iron Co.* 64 Fed. Rep. 240, 1894.

Supreme Court once decided in the affirmative,¹ and afterward in the negative.² The reason of the matter is with the later decision, because a thing may be a patentable improvement on a prior thing, at the same time that it is a clear infringement of a patent for that thing.³ But junior patents are introduced in evidence in many cases without objection from plaintiffs, and are considered by courts as explanatory of defendant's doings, where those doings are shown to conform to junior patents.

§ 533. The twenty-sixth defence requires to be proved as pleaded. Where it depends upon estoppel *in pais*, it may be proved by parol, or by the production of documents, according as the ground of the estoppel consists of things done, or words spoken, or consists of words which were committed to writing. Where the defence depends upon estoppel by deed, the document must be produced or otherwise proved according to the rules of evidence applicable to such cases; and where it depends upon estoppel by record, or *res judicata*, the record must be proved in accordance with the laws governing such evidence.

§ 534. The twenty-seventh defence seldom requires any evidence to sustain it, because the Federal courts take judicial notice of the statutes of limitation;⁴ and because the plaintiff's pleadings and proofs, when taken together, will generally show when the infringement sued upon was committed. But if the plaintiff's presentation of the case leaves the latter point uncertain to such an extent as to affect the question of the operation of a statute of limitation, the burden is then cast upon the defendant to prove that part or all of the infringement is old enough to be barred by the statute which he pleaded.⁵

¹ *Corning v. Burden*, 15 Howard, 252, 1853.

² *Blanchard v. Putnam*, 8 Wallace, 420, 1869; *Norton v. Eagle Can Co.* 59 Fed. Rep. 138, 1893.

³ *Westinghouse v. Power Brake*

Co. 68 Fed. Rep. 1006, 1895.

⁴ *Pennington v. Gibson*, 16 Howard, 79, 1853; *Cheever v. Wilson*, 9 Wallace, 121, 1869.

⁵ *Russell v. Barney*, 6 McLean, 577, 1855.

§ 535. Testimony in actions at law for infringements of patents may always be taken orally in open court; and it may be taken by depositions in writing where the witness lives more than one hundred miles from the place of trial, or when he is bound on a voyage at sea, or is about to go out of the United States and out of the judicial district in which the case is to be tried, or to a greater distance than one hundred miles from the place of trial, before the time of trial, or when he is ancient and infirm. The sorts of magistrates before whom such a deposition may be taken are judges of any United States court; judges of any supreme, superior, or county court, or court of common pleas in any of the United States; commissioners of United States circuit courts; clerks of United States circuit or district courts; mayors or chief magistrates of cities; and notaries public. If any such magistrate is counsel or attorney for either party, or interested in the event of the cause, he is disqualified from acting. Before such a deposition is taken, reasonable notice thereof must be given in writing by the party intending to take it, or his attorney of record, to the opposite party, or his attorney of record, as either may be nearest, and that notice must state the name of the witness, and the time and place of taking the deposition.¹ The formalities to be observed in taking and transmitting such depositions are prescribed in Sections 864 and 865 of the Revised Statutes; and they must be strictly complied with, in order to make such depositions admissible as against proper objections. Indeed, no such deposition is admissible in any event, unless it appears to the satisfaction of the court that the witness is dead, or gone out of the United States, or to a greater distance than one hundred miles from the place where the court is sitting, or that, by reason of age, sickness, bodily infirmity, or imprisonment, he is unable to travel and appear at court.² Where the witness testified in his deposition to the then existence of the fact which authorized its taking, that fact is presumed

¹ Revised Statutes, Section 863.

² Revised Statutes, Section 865.

to exist at the time the deposition is offered in evidence, and in the absence of contrary proof, the deposition itself will satisfy the court that it is entitled to be admitted.¹ Depositions may also be taken in patent cases in the mode prescribed by the laws of the respective States.²

Most objections to depositions, in order to be efficacious, must be made before the depositions are received in evidence; for when introduced with the acquiescence of the opposite party, they cannot afterward be excluded on the ground that they were not taken in accordance with the rules prescribed therefor.³ But where evidence is pertinent to either of several possible defences, one or more of which were pleaded, and one or more of which were not pleaded by the defendant; the fact that the evidence was not objected to when taken or admitted, does not make it admissible in support of any defence which was not pleaded.⁴

§ 536. The judge may direct the jury to return a verdict for the defendant, where it is entirely clear that the plaintiff cannot recover, but not otherwise.⁵ Such a direction may therefore be given, where want of novelty or want of invention is clearly shown by a prior patent,⁶ but not where that question is doubtful.⁷ And such a direction may be given where the question of infringement depends entirely upon the construction of the patent; and where that construction does not depend upon any doubtful question of the prior art.⁸ But where the question of infringement depends upon the construction of the patent, and that construction depends upon a doubtful question in the prior art, the latter question should be left to the jury; and the

¹ *Whitford v. Clark County*, 119 U. S. 524, 1886.

² 27 Statutes at Large, Chap. 14, p. 7.

³ *Evans v. Hettich*, 7 Wheaton, 453, 1822.

⁴ *Zane v. Softe*, 5 Bann. & Ard. 284, 1880.

⁵ *Klein v. Russell*, 19 Wall. 463,

1873; *Keyes v. Grant*, 118 U. S. 25, 1886.

⁶ *Market St. Ry. Co. v. Rowley*, 155 U. S. 625, 1895.

⁷ *San Francisco Bridge Co v. Keating*, 68 Fed. Rep. 353, 1895.

⁸ *DeLoria v. Whitney*, 63 Fed. Rep. 611, 1894; *Cramer v. Fry*, 68 Fed. Rep. 201, 1895.

dependent question of infringement should also be left to the jury to decide.¹ A motion that the judge direct the jury to return a verdict for the defendant needs not to specify the reason on which it is based; but that reason will naturally be stated in the argument which is made to support the motion.²

§ 537. Instructions to juries set forth the construction of patents³ and embody all the law that is applicable to the material facts in evidence, but need embody no other.⁴ In ascertaining that law, the judges resort to the statutes of the United States, and to the decisions of the United States Supreme Court; and where further information is required, they examine or call to mind the decisions of the Circuit Courts of Appeals, and of the Circuit Courts of the United States. But judges are not bound to conform their instructions to any statements of law contained in any opinion of any court, unless that statement was strictly applicable to the case then before the court which made it.⁵ The Supreme Court has sometimes decided cases, after full argument, quite contrary to its own previous *obiter dicta*; and the circuit court decisions contain a number of passing remarks which cannot be harmonized with the positive decisions of the supreme tribunal, nor be incorporated into any systematic and consistent science. The statements of the best text-writers are more likely to be followed by the federal courts than are the previous *dicta* of the judges of those courts, because the best legal authors steep their minds in all the subjects which they treat, and hold those subjects in solution there while writing their books, so as to avoid inconsistencies and attain harmony; while the *dicta* of judges are separately written down, without full opportunity for

¹ Royer v. Belting Co. 135 U. S. 325, 1890.

² May v. Juneau County, 137 U. S. 410, 1890.

³ Holmes v. Truman, 67 Fed. Rep. 545, 1895.

⁴ Haines v. McLaughlin, 135 U. S. 598, 1890.

⁵ Day v. Rubber Co. 20 Howard, 216, 1857; Day v. Stellman, 1 Fisher, 487, 1859.

comparison with adjudicated precedents, or harmonization with established principles.

Instructions to juries may express the opinions of the judges upon the questions of fact to be decided,¹ but an instruction should not enforce those opinions upon the jury for its guidance,² and should not include the reading of a charge which has been given to a jury in another case.³ While the judge is bound not to tell the jury how to decide any issue of fact, the judge will tell them what issues of fact they are to decide, and those are the issues in the pleadings, and not some other issue which the judge may think is the one upon which the merits of the case really depend.⁴

In the State courts of most of the States, counsel have a right to require all instructions to be given in writing; but the judges of the Federal courts are not controlled in the manner of charging juries by State regulations, and therefore instructions in patent cases may be given in writing, or may be given orally, at the option of the court.⁵

§ 538. The verdict in a patent action will be for the plaintiff, if every defence except non-infringement fails, and if that fails as to any one claim of the letters patent.⁶ So also, the plaintiff is entitled to a verdict, where every defence fails except the sixteenth, seventeenth, and eighteenth, and where those defences lack application to one or more of the claims shown to have been violated.⁷ So also, if the twenty-second, twenty-third, or twenty-fourth defence is the only successful one, and if that is successful only as to part of the alleged infringement, the plaintiff will be entitled to

¹ *Haines v. McLaughlin*, 135 U. S. 593, 1890; *Coupe v. Royer*, 155 U. S. 579, 1895.

² *Turrill v. Railroad Co.* 1 Wall. 491, 1863.

³ *Arey v. DeLorlea*, 55 Fed. Rep. 323, 1893.

⁴ *Grant v. Raymond*, 6 Peters, 244, 1832.

⁵ *Lincoln v. Power*, 151 U. S. 442, 1894.

⁶ *Waterbury Brass Co. v. New York Brass Co.* 3 Fisher, 43, 1858.

⁷ *Gage v. Herring*, 107 U. S. 640, 1882; *Gould v. Spicer*, 15 Fed. Rep. 344, 1882; *Cote v. Moffitt*, 15 Fed. Rep. 345, 1883.

a verdict as to the residue; and the same thing may be true of the twenty-sixth or of the twenty-seventh defence.

§ 539. A new trial may be obtained by the defeated party, if the jury disregarded the instructions of the judge;¹ or failed to correctly apply them to the issues of the case;² but not where the only error complained of is an alleged wrong decision of such an issue, unless it was decidedly against the weight of evidence.³

Excessive assessment of damages, even where it is undeniably so, does not always entitle the defendant to a new trial. Such an error may be cured by the plaintiff remitting such a sum as the judge thinks constitutes the excess, in all cases where he thinks that the error of the jury arose from inadvertence; but where the circumstances of the case clearly indicate that the error arose from prejudice, or from reckless disregard of duty on the part of the jury, a new trial will be granted.⁴ But no excessive verdict can be corrected by the Circuit Court of Appeals, unless the trial judge made some error which entitles the defeated party to a new trial.⁵

Errors made by judges may also entitle a party to a new trial, but no such error will have that effect unless it was excepted to at the time it was committed; nor where it consisted in erroneous admission of evidence, which the subsequent course of the trial rendered nugatory.⁶ So, also, where the error of the judge consisted in erroneous instructions relevant to damages, the plaintiff may avoid a new

¹ *Tucker v. Spalding*, 13 Wallace, 453, 1881.

² *Johnson v. Root*, 2 Cliff. 108, 1862.

³ *Alden v. Dewey*, 1 Story, 336, 1840; *Stimpson v. Railroads*, 1 Wallace, Jr. 164, 1847; *Allen v. Blunt*, 2 Woodbury & Minot, 121, 1846; *Aiken v. Bemis*, 3 Woodbury & Minot, 348, 1847; *Wilson v. Janes*, 3 Blatch. 227, 1854; *Bray v. Harts-*

horn, 1 Cliff. 538, 1860; *Roberts v. Schuyler*, 12 Blatch. 448, 1875.

⁴ *Stafford v. Hair-Cloth Co.* 2 Cliff. 83, 1862; *Johnson v. Root*, 2 Cliff. 108, 1862; *Russell v. Place*, 9 Blatch. 175, 1871.

⁵ *Hogg v. Emerson*, 11 Howard, 607, 1850.

⁶ *Allen v. Blunt*, 2 Woodbury & Minot, 121, 1846.

trial by consenting that the verdict be reduced to nominal damages and costs.¹

Newly discovered evidence may also furnish a good ground for granting a new trial; but not where that evidence might, with due diligence, have been obtained before the former trial,² nor where it is merely cumulative.³ But evidence is not merely cumulative, where it refers to facts not before agitated, though it may refer to defences which, in the former trial, were based on other facts.⁴ A party moving for a new trial upon the ground of alleged newly discovered evidence, must succeed or fail on the strength or weakness of the case as it is disclosed in his affidavits, and in the answering affidavits of the other party; for the moving party is not permitted to rebut the latter; nor will he be entitled to a new trial, if the opposing affidavits make out a strong case against him.⁵ When a new trial is granted on the ground of newly discovered evidence, the terms usually are that the costs of the former trial must first be paid by the applicant.⁶

§ 540. Trials by a judge without a jury require to be so managed that the issues of law and the issues of fact are kept entirely distinct; for his decisions on the former are reviewable by the Circuit Court of Appeals, while his finding of fact has the same operation as the verdict of a jury.⁷ If the finding of the judge be a general one, it is conclusive on all issues of fact, and is also conclusive on all questions of law, except those which arise upon the pleadings, and those which the bill of exceptions specifically presents as having been ruled upon and excepted to in the progress of the trial.⁸ If the finding of the judge be a special one, it

¹ *Cowing v. Rumsey*, 8 Blatch. 491, 1833.
36, 1870.

² *Washburn v. Gould*, 3 Story, 122, 1844.

³ *Ames v. Howard*, 1 Sumner, 482, 1833.

⁴ *Aiken v. Bemis*, 3 Woodbury & Minot, 358, 1847.

⁵ *Ames v. Howard*, 1 Sumner,

⁶ *Aiken v. Bemis*, 3 Woodbury & Minot, 358, 1847.

⁷ Revised Statutes, Section 649; *St. Paul Plow Works v. Starling*, 140 U. S. 197, 1891.

⁸ *Insurance Co. v. Sea*, 21 Wallace, 160, 1874.

will still be conclusive on the facts found ; but the sufficiency of those facts to support the judgment will be open to review in the Circuit Court of Appeals.¹ Where the judge simply finds for the defendant, and enters a judgment accordingly, that judgment can be taken to the Circuit Court of Appeals for review only in the regular common law method of a bill of exceptions and a writ of error, and only on pure questions of law.² Where the judge finds as a fact that the patent is void for want of novelty, or that the defendant has not infringed it, and thereupon enters a judgment for the latter, it is undeniable that the fact so found is sufficient to support that judgment. In arriving at his opinion, the judge may have misunderstood or misapplied the tests of novelty, or of infringement, but still his finding is conclusive ; because the Circuit Court of Appeals is authorized to examine nothing but the sufficiency of the facts found.³ But if the judge finds that A. B. invented, made and used a certain described thing in the United States, prior to the invention of the patentee, or that the defendant made, used or sold only a certain described thing during the life of the patent, and therefore renders a judgment for the defendant, that judgment will be reversed by the Circuit Court of Appeals on a writ of error, if that court is of opinion that the thing invented, made and used by A. B. did not negative the novelty of the patent, or is of opinion that the thing made, used or sold by the defendant did really infringe the patent in suit.⁴ These illustrations of the practice in trials by a judge without the aid of a jury show that where special findings of facts are adopted as the method of laying a foundation for a review of the case by the Circuit Court of Appeals, the finding ought to relate to the fundamental facts of the case, and not merely the conclusions of fact which are deducible therefrom.

¹ Revised Statutes, Section 700.

² Revised Statutes, Sections 649 and 700.

³ *Jennisons v. Leonard*, 21 Wal-

lace, 307, 1874.

⁴ *French v. Edwards*, 21 Wallace, 147, 1874; *Insurance Co. v. Sea*, 21

Wallace, 160, 1874.

§ 541. Trial by referee may be instituted by an entry of the clerk of the court, made at the request of the parties, simply indicating that the case is to be referred to the person or persons named as referee; or it may be ordained by a stipulation in writing, signed by the parties or their attorneys, and filed in the case. When that is done, a rule may be issued, or an order of court may be entered, referring the case to the referee indicated by the parties, and directing him to hear and determine all the issues thereof. It thereupon becomes the duty of the referee to hear the parties, and then to decide the controversy and make a report to the court. The report may be special, setting forth the details of the evidence upon which it is based, or it may be general, giving only the conclusions to which that evidence carried the mind of the referee. To that report either party may except in writing, and upon the hearing of those exceptions, the court may adopt or reject the report and enter judgment accordingly, or it may recommit the report to the referee with further directions.¹

Such is substantially the outline of the trial by referee, which is delineated in the decision just cited. Inasmuch as that form of trial is not provided for by any United States statute, its details are regulated by the laws of the particular State in which such a trial is had.² Recourse must therefore be had to those laws for sundry points of information relevant to the methods of taking testimony before referees; the time when referees' reports must be made; the weight attached to such reports on issues of fact; and the proper practice by means of which to secure the judgment of the court upon reviewable points.

§ 542. Judgments follow verdicts of juries, findings of judges, or reports of referees; unless those verdicts are set aside, those findings reconsidered and modified, or those reports rejected or recommitted. It is not the practice of the United States Circuit Courts to require a rule for a

¹ *Heckers v. Fowler*, 2 Wallace, 132, 1864.

² Revised Statutes, Sections 721 and 914.

judgment to be entered in any case. Judgments are entered by the clerk of the court under a special or general authority from the judge, and where so entered are binding as the act of the court.¹ The circumstances which justify courts in entering judgments in patent cases, for any sum above the amount of the verdict, finding, or report, but not exceeding three times the amount thereof, are explained in the chapter on damages. That the court has the same power in this particular, in cases where the damages are ascertained by the finding of the judge, or by the report of a referee, that it has in cases where they are ascertained by the verdict of a jury, is a point which has not been judicially decided, but is one which can hardly be doubted.

§ 543. Costs are recoverable by all plaintiffs who secure judgments for infringements of patents ;² except where it appears on the trial that one or more of the claims of the letters patent are void for lack of being the subject of a patent, or for want of invention, or for want of novelty, and does not appear that the proper disclaimer was filed in the Patent Office before the commencement of the action ;³ and except where part of the patents sued upon are not recovered upon ;⁴ and except where only a small part of the infringement alleged by the plaintiff is found by the verdict.⁵

There is no United States statute which provides that defendants shall recover costs in any patent case. The common law of England allowed no costs to either party in any action at law ;⁶ and the statutes of Gloucester,⁷ which

¹ *Heckers v. Fowler*, 2 Wallace, 132, 1864.

² Revised Statutes, Section 4919; *Merchant v. Lewis*, 1 Bond, 172, 1857.

³ Revised Statutes, Sections 973, 4917, and 4922.

⁴ *Adams v. Howard*, 19 Fed. Rep. 319, 1884; *Albany Steam Trap Co. v. Felthousen*, 20 Fed. Rep. 640, 1884; *Mann's Car Co. v. Monarch*

Car Co. 34 Fed. Rep. 130, 1888; *Ligowski Clay Pigeon Co. v. Clay Bird Co.* 34 Fed. Rep. 328, 1888; *National Machine Co. v. Brown*, 86 Fed. Rep. 322, 1888; *Schmid v. Mfg. Co.* 37 Fed. Rep. 348, 1889.

⁵ *Marks Chair Co. v. Wilson*, 43 Fed. Rep. 304, 1890.

⁶ *Day v. Woodworth*, 13 Howard, 372, 1851.

⁷ 6 Edward I. Chapter I. 1278.

supplied that defect as to plaintiffs, did not supply it as to defendants. The statute of 23 Henry VIII., Chapter 15, enacted, however, that where, in actions on the case, the plaintiff is nonsuited after the appearance of the defendant; or where the verdict happens to pass, by lawful trial, against the plaintiff, the defendant shall have judgment to recover his costs against the plaintiff, and shall have such process and execution for the recovery of the same, as the plaintiff might have had against the defendant, in case the judgment had been given for the plaintiff. This statute of Henry VIII. having been enacted before the founding of the English colonies in America, and being suited to the condition of society in the United States, is in force in the United States courts to the same extent that it would be if it were one of the rules of the common law.¹

§ 544. All the items of costs which are taxable in the United States courts are specified in the United States statutes.² The province of a taxing officer is therefore limited to comparing suggested items with the particulars of those statutes, and to taxing those, and only those, which he finds enumerated therein.³ And no expenses, other than taxable costs, can be lawfully inserted in any cost bill.⁴ On most points, the statutes relevant to fees are so clear that they require no explanation; but in some particulars they needed and have received judicial construction. Several such cases may be conveniently explained in a few of the sections which immediately follow.

§ 545. One attorney's docket fee is taxable in each case against the defeated party.⁵ There is no warrant for taxing the unsuccessful party with a separate docket fee for each

¹ *Hathaway v. Roach*, 2 Woodbury & Minot, 69, 1846; *Bunker v. Stevens*, 26 Fed. Rep. 249, 1885.

² Revised Statutes, 823, 983; *The Baltimore*, 8 Wallace, 392, 1869; *Lyell v. Miller*, 6 McLean, 422, 1855; *Wooster v. Handy*, 23 Fed. Rep. 60, 1885.

³ *Dedekam v. Vose*, 3 Blatch. 153, 1853.

⁴ *Parks v. Booth*, 102 U. S. 106, 1880.

⁵ *Dedekam v. Vose*, 3 Blatch. 153, 1853; *Troy Iron & Nail Factory v. Corning*, 7 Blatch. 17, 1869; *Parker v. Bigler*, 1 Fisher, 285, 1857.

of his adversary's attorneys, nor with a separate docket fee for each term during which a case has been pending in court, nor for taxing any docket fee in favor of any attorney of the defeated party. Neither is there any warrant for taxing an attorney's deposition fee in favor of any attorney of the beaten party, or in favor of more than one attorney of the party which prevails in the action.¹ And taxable attorney's fees are taxed in favor of clients to help them pay their attorneys, and not in favor of attorneys as extra compensation.²

§ 546. The fees of the clerk of the court are in general taxable against the defeated party ; but several of the items to which he is entitled are not so taxable, but are to be paid by the party for which he rendered the services to which they refer. Among those items, are copies of the record ordered by a party for his own use.³ As the greater must include the less, this rule must apply also to copies of pleadings, depositions or other papers which form parts of the records of cases. The extent to which clerks may make records, and charge defeated parties therefor, depends upon the rules of each particular court. In some districts, those rules appear to be made with a view to giving the clerks as much scope in this respect as can be supported by any argument ; while in other courts, the practice is to charge parties with no more recording than the reasonable requirement of each case seems to demand.

§ 547. The fees of a commissioner or other magistrate, who takes a deposition in a case, are generally taxable against the defeated party,⁴ but if the deposition is not offered in evidence at the trial, those fees cannot be so taxed.⁵ And reasoning by analogy from the taxation of attorneys' deposition fees, it should follow that magistrates' fees are not taxable on depositions which are offered in evidence, but are not admitted.⁶

¹ Revised Statutes, Section 824.

² Celluloid Mfg. Co. v. Chandler, 27 Fed. Rep. 9, 1886

³ Caldwell v. Jackson, 7 Cranch, 277, 1812.

⁴ Fry v. Yeaton, 1 Cranch's Circuit Court Reports, 550, 1809.

⁵ Hathaway v. Roach, 2 Woodbury & Minot, 75, 1846.

⁶ Revised Statutes, Section 824.

§ 548. Witness fees are generally taxable against the defeated party, whether the testimony was given orally in court or by deposition before a magistrate.¹ But they are not so taxable when the testimony is taken by deposition and the deposition is not offered,² or if offered, is not admitted in evidence.³ Nor will a defeated party be taxed with the fees of more than three witnesses to one fact, unless the prevailing party satisfies the court by affidavit, that the additional witnesses were really necessary to adequately support his contention on that point.⁴

Whether any defeated party is taxable with the fees of any witness who testified on request and without a subpoena, is an unsettled question. It has been held in the affirmative by Judge WOODRUFF⁵ and Judge HALL,⁶ and in the negative by Justice McLEAN,⁷ Judge SAWYER,⁸ and Judge LEAVITT.⁹ The ablest arguments on the two sides of the issue are those of Judge WOODRUFF and Judge SAWYER; and there is probably nothing to be said on the subject that is not said in one or the other of the five cases cited. If it is necessary, in order to make witness fees taxable, that the witness should be served with a subpoena, it is not necessary that he should be so served by any officer. Service by a private person is sufficient.¹⁰

Witness fees are taxable in favor of a defendant, though his witnesses are not examined, because the action is not prosecuted; and where witnesses attend more than once at the same term, because of a stipulated postponement of the trial; their fees are to be taxed as for continuous attendance during the interim, and not as for repeated journeys

¹ Revised Statutes, Section 848.

Blatch. 510, 1869.

² *Hathaway v. Roach*, 2 Woodbury & Minot, 63, 1846.

⁷ *Dreskill v. Parish*, 5 McLean, 213, 1851

³ Section 547 of this book.

⁸ *Spalding v. Tucker*, 4 Fisher, 637, 1871.

⁴ *Bussard v. Catalino*, 2 Cranch's Circuit Court Reports, 421, 1823.

⁹ *Woodruff v. Barney*, 2 Fisher, 244, 1862.

⁵ *Dennis v. Eddy*, 12 Blatch. 196, 1874.

¹⁰ *Power v. Semmes*, 1 Cranch's

⁶ *Cummings v. Plaster Co.* 6

Circuit Court Reports, 247, 1805.

from their homes.¹ Witnesses from a distance are entitled to fees for Sunday, where they are detained over that day.²

§ 549. The taxation of costs may properly be made at the time the judgment is entered, and that is the course which best secures the rights of the parties. But a blank may be left in the judgment for that purpose, and may be filled by a taxation made *nunc pro tunc*, after the judgment has been affirmed by the Circuit Court of Appeals.³ Where the former practice is followed, the legality of the taxation may probably be reviewed by the Circuit Court of Appeals, if the case is taken to that forum by the defendant, to secure a reversal of a judgment against him for substantial damages as well as costs, and if the court affirms or modifies the judgment as to the damages.⁴ But where only nominal damages and costs are adjudged against a defendant, he cannot take the case to the Circuit Court of Appeals for the purpose of securing a reversal of the judgment or a diminution of the costs.⁵ Where a judgment for costs is entered against a plaintiff on the basis of a verdict for the defendant, the plaintiff may go to the Circuit Court of Appeals on a writ of error. If he secures a reversal of the judgment for errors on the trial, there will be no occasion for the court to consider the correctness of the taxation of costs. If, on the other hand, the court finds no error upon which to ground a reversal, it will seek for no error in the taxation.⁶

The clerks of the Circuit Courts are the primary taxing officers of those tribunals; but they perform that duty under the general or particular direction of the judges. The taxation of costs is ordinarily made by the clerk on his

¹ *Hathaway v. Roach*, 2 Woodbury & Minot, 63, 1846.

² *Schott v. Benson*, 1 Blatch. 564, 1850.

³ *Sizer v. Many*, 16 Howard, 98, 1853.

⁴ *Parks v. Booth*, 102 U. S. 106,

1880.

⁵ *Elastic Fabric Co. v. Smith*, 100 U. S. 110, 1879; *Paper-Bag Cases*, 105 U. S. 772, 1881.

⁶ *Canter v. Insurance Companies*, 3 Peters, 318, 1830.

own motion, or at the request of the prevailing party, and without notice to the defeated party. If the latter is dissatisfied with the result, the court will hear his motion for a retaxation. If such a motion is accompanied with an explanation showing colorable ground for a claim of error in the taxation, the court will order the clerk to retax the costs, upon the mover giving the opposite party due notice of the time and place thereof, and paying the costs occasioned thereby.¹ Then, if either party is dissatisfied with the result of the retaxation, he may appeal to the court; but as a foundation for the hearing of such an appeal, he must secure from the clerk an itemized bill of the charges to which he objects;² and as a foundation for success on that hearing, must show that part or all of those items are unwarranted by the statute, or are untaxable because they refer to evidence which was immaterial to the case, and improperly taken therein.³ All of these proceedings must take place at the term in which the judgment is entered;⁴ except in cases where blanks for costs are left in judgments, pending writs of error from the Supreme Court.

§ 550. A writ of error properly taken out from the office of the clerk of the Circuit Court of Appeals,⁵ will carry any action at law, for an infringement of a patent to that court for review, regardless of the amount of damages of controversy;⁶ and whether the case was tried by a jury, by a referee, or by a judge alone.⁷ But no writ of error can carry any question of fact to the Circuit Court of Appeals.⁸

The sole function of such a writ is to secure from that tribunal a review of the questions of law involved in a case,

¹ *Collins v. Hathaway*, *Olcott's Reports*, 182, 1845.

² *Dedekam v. Vose*, 3 *Blatch*.153, 1853.

³ *Ecaubert v. Appleton*, 67 *Fed. Rep.* 926, 1895.

⁴ *Blagrove v. Ringgold*, 2 *Cranch's Circuit Court Reports*, 407, 1823.

⁵ *West v. Barns*, 2 *Dallas*, 401, 1791.

⁶ *Revised Statutes*, Section 699; 26 *Statutes at Large*, Chap. 517, Sec. 6.

⁷ *York & Cumberland Railroad Co. v. Myers*, 18 *Howard*, 246, 1855; *Heckers v. Fowler*, 2 *Wallace*, 123, 1864.

⁸ *Heckers v. Fowler*, 2 *Wallace*, 123, 1864.

or, where the finding below was made by a judge, and was special, to secure a review of the question whether the facts so found are sufficient to support the judgment based thereon.¹

Any action at law for infringement of a patent which has been pending, and has been decided in the Supreme Court of the District of Columbia, may be taken by a writ of error to the Court of Appeals of the District of Columbia,² and if the validity of the patent is involved, the case may likewise be taken from that court to the Supreme Court of the United States.³ But actions at law for infringements of patents cannot be taken from any Circuit Court of Appeals to the Supreme Court by a writ of error; though any Circuit Court of Appeals may certify to the Supreme Court any question of law upon which it desires the instruction of that court for its proper decision; and the Supreme Court may send a certiorari to any Circuit Court of Appeals, requiring any case for infringement of a patent to be sent to the Supreme Court for its review and determination.⁴

§ 551. Bills of exception, allowed and signed, or sealed by the judge, constitute the only mode by which the questions of law that arise on the trial of a case, can be prepared for transmission to the Supreme Court in pursuance of a writ of error.⁵ But a paper which is incorporated in the record, and which has all the substantial characteristics of a bill of exceptions, will be treated as such, even though it is not so entitled.⁶ Such a document should state no more of the case than is necessary to present the questions which are reviewable in the Circuit Court of Appeals, and which the plaintiff in error seeks to have reviewed there.⁷ If those questions relate only to the pleadings, the

¹ Revised Statutes, Section 700.

² 27 Statutes at Large, Chap. 74, Sec. 7, p. 435.

³ 27 Statutes at Large, Chap. 74, Sec. 8, p. 436.

⁴ 26 Statutes at Large, Chap. 517, Sec. 6.

⁵ *Insurance Co. v. Lanier*, 95 U. S. 171, 1877.

⁶ *Herbert v. Butler*, 97 U. S. 319, 1877.

Hausknecht v. Claypool, 1 Black. 431, 1861.

pleadings only should be inserted in the bill of exceptions. Where those questions relate only to the competency of a witness, the bill of exceptions need only show that the witness was offered, and was accepted or rejected, as the case may be, and that such admission or rejection was duly excepted to, and, in case of a rejection of a witness to want of novelty, that due notice of the fact, to be proved by him, was served on the opposite party;¹ and where particular answers of a competent witness were excluded by the court below, the bill of exceptions must contain those answers, and must show that they were material to the issues; and where particular questions were excluded, and therefore not answered, the bill of exceptions must show what facts the party offered to prove by means of those questions, and that such facts were material to the case.² And where a particular question was objected to, but was admitted and was answered, the bill of exceptions must show what the answer was, in order to enable the Circuit Court of Appeals to pass upon the propriety of the evidence.³

§ 552. Where the questions which are sought to be brought before the Circuit Court of Appeals, relate only to the instructions which the court below gave, or refused to give to the jury, the bill of exceptions should set forth the issues of the pleadings, and the substance of the charge or refusal to charge, as the case may be, together with whatever part of the evidence is necessary to enable the Circuit Court of Appeals to decide upon the propriety, or impropriety, of the action of the court below. The issues of the pleadings should be stated in the bill of exceptions, for otherwise the appellate tribunal cannot know whether the charge or refusal to charge, which was excepted to, was material to the case; and because the Circuit Court of Appeals will not sit to try moot issues of law, nor to estab-

¹ Philadelphia & Trenton Railroad Co. v. Stimpson, 14 Peters, 448, 1840; Blanchard v. Putnam, 8 Wallace, 420, 1869.

² Railroad Co. v. Smith, 21 Wallace, 255, 1874.

³ Lovell v. Davis, 101 U. S. 542, 1879.

lish legal propositions in cases wherein those propositions are not involved.¹ The substance of the charge, rather than the charge *in extenso*, should be stated in the bill, because the Circuit Court of Appeals cannot afford to be occupied in listening to minute criticisms and observations upon expressions incidentally introduced into a charge for purposes of argument or illustration, and which, if they were the direct point in judgment, might need qualification, but which do not show, that upon the whole the relevant law was not justly expounded to the jury.² But the whole substance of the charge should be stated where nothing but charged matter is excepted to; because if part is omitted, the Circuit Court of Appeals cannot know that the omitted portion did not cure the faults of the parts inserted. So also, where the matter which is excepted to is a refusal to charge; not only the refused instruction, but also the whole substance of the given charge, should be inserted in the bill of exceptions; for otherwise the Circuit Court of Appeals cannot be informed whether the refused instruction was not substantially contained in the charge which was actually given; and because judges are never bound to instruct juries in the form requested, provided they substantially embody the whole of the relevant law in the charges which they give.³ Where nothing but charged matter is excepted to, the bill of exceptions should not contain any part of the evidence; because the only question before the Circuit Court of Appeals in such a case is the correctness of the charge.⁴ But where a refusal to charge is excepted to, the bill must contain the evidence to which the refused instruction relates, or must contain a statement of facts pertinent to that point, and a statement that evidence was introduced tending to prove those facts; because

¹ Jones v. Buckell, 104 U. S. 554, 1881.

² Evans v. Eaton, 7 Wharton, 356, 1822.

³ Indianapolis & St. Louis Rail-

road Co. v. Horst, 93 U. S. 295, 1876.

⁴ Pennock v. Dialogue, 2 Peters, 1, 1829.

no court is bound to give any charge which does not relate to the evidence, no matter how sound the proposed instruction may be, as a proposition of law.

§ 553. Specific exceptions must be made to instructions, in order to entitle the objector to a review of those instructions in the Circuit Court of Appeals. Where a requested instruction is refused, and the refusal is excepted to, that refusal will be sustained by the Circuit Court of Appeals, if the requested instruction was unsound in any particular.¹ Counsel ought therefore to carefully separate their propositions of law from each other when framing their requests for instructions, lest one erroneous proposition deprive them of the benefit of several sound ones.

§ 554. Exceptions to charges, or to refusals to charge, must be made and noted while the jury is at the bar.² But bills of exception may be drawn up, and signed or sealed by the judge at any time before the expiration of the term, unless the judge enforces some rule of his court which prescribes a shorter time for the preparation and presentation of such documents for his approval. And, if not otherwise too late, such bills may be prepared and signed after a writ of error has been sued out from the Circuit Court of Appeals to transfer the case to that tribunal.³

¹ *Indianapolis & St. Louis Railroad Co. v. Horst*, 93 U. S. 295, 1876.

160, 1853.

³ *Hunnicut v. Peyton*, 102 U. S. 353, 1880.

² *Phelps v. Mayer*, 15 Howard,

CHAPTER XIX.

DAMAGES.

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| 555. The generic measure of damages. | 563. Measure of damages in the absence of an established royalty. |
| 556. Established royalties as specific measures of damages. | 564. Damages for unlicensed making, without unlicensed selling or using. |
| 557. Tests applied to royalties on behalf of defendants. | 565. Evidence of damages. |
| 558. Tests applied to royalties on behalf of plaintiffs. | 566. Indirect consequential damages. |
| 559. Money paid for infringement already committed, is no measure of damages in another case. | 567. Exemplary damages. |
| 560. Royalties reserved on sales of patents. | 568. Increased damages. |
| 561. Royalties for licenses to make and use, and royalties for licenses to make and sell. | 569. Actual damages not affected by infringement being unintended. |
| 562. Proportion of licensed to unlicensed practice of an invention. | 570. Counsel fees and other expenses. |
| | 571. Interest on damages. |
| | 571 <i>a</i> . Damages in design cases. |

§ 555. THE pecuniary injury which a plaintiff incurs by reason of a defendant's infringement of his patent, is the generic measure of the damages which that plaintiff is entitled to recover on account of that infringement.¹ Such an injury is often called the plaintiff's loss,² and sometimes it is strictly that, but often it is a loss only in the sense that it is a failure to acquire a just and deserved gain.³ Whether the injury caused to a plaintiff by an infringement

¹ *Coupe v. Royer*, 155 U. S. 582, 1895; *Goodyear v. Bishop*, 2 Fisher 158, 1861; *Graham v. Mfg. Co.* 24 Fed. Rep. 643, 1881; *Brickill v. Baltimore*, 60 Fed. Rep. 98, 1894.

² *Suffolk Co. v. Hayden*, 3 Wal-

lace, 315, 1865; *Cowing v. Rumsey*, 8 Blatch. 36, 1870; *McComb v. Brodie*, 1 Woods, 161, 1871; *La Baw v. Hawkins*, 2 Bann. & Ard. 563, 1877.

³ *Hobbie v. Smith*, 27 Fed. Rep. 662, 1886.

was a loss in one or the other of these senses, its magnitude must always be ascertained, in order to ascertain the amount of the damages which he is entitled to recover. The amount of the profits which the defendant derived from his infringement, has no direct relevancy to the question of the plaintiff's damages; because these profits are sometimes much larger than the plaintiff's pecuniary injury;¹ and where they are smaller, that fact is no defence to the plaintiff's right to recover full damages for the pecuniary injury which the infringement caused him to incur.² But where a patentee has elected to recover the infringers profits, instead of his own damages, in an action in equity; he cannot recover, for the same infringement, his damages in an action at law.³

To ascertain the extent of the pecuniary injury which a particular infringement caused a particular plaintiff, it is necessary to ascertain the difference between his pecuniary condition after that infringement, and what that condition would have been if that infringement had not occurred.⁴ That difference depends upon the way in which the plaintiff availed himself of the exclusive right infringed, at the time the infringement took place. If he so availed himself, by granting licenses to others to do the things which the defendant did without a license, then that difference consists in his not having received the royalty which such a license would have brought him.⁵ If he so availed himself, by keeping his patent right a close monopoly and granting licenses to no one, then that difference consists of the

¹ *Seymour v. McCormick*, 16 Howard, 480, 1853; *New York v. Ransom*, 23 Howard, 487, 1859; *Packet Co. v. Sickles*, 19 Wallace, 611, 1873.

² *Emerson v. Simm*, 6 Fisher, 281, 1873; *Dental Vulcanite Co. v. Van Antwerp*, 2 Bann. & Ard, 255, 1876.

³ *Child v. Iron Works*, 19 Fed. Rep. 258, 1884.

⁴ *Yale Lock Co. v. Sargent*, 117 U. S. 552, 1885.

⁵ *Seymour v. McCormick*, 16 Howard, 480, 1853; *New York v. Ransom*, 23 Howard, 487, 1859; *Philip v. Nock*, 17 Wallace, 462, 1873; *Clark v. Wooster*, 119 U. S. 326, 1886; *Tilghman v. Proctor*, 125 U. S. 143, 1887; *Graham v. Mfg. Co.* 24 Fed. Rep. 643, 1881; *Timken v. Olin*, 41 Fed. Rep. 171, 1890.

money he would have realized from such a close monopoly if the defendant had not infringed, but which that infringement prevented him from receiving.¹ Therefore there are several methods of assessing damages for infringements of patents. The primary method consists in using the plaintiff's established royalty as the measure of those damages;² and the second consists in ascertaining those damages by ascertaining what the defendant's interference with the plaintiff's close monopoly prevented the latter from deriving therefrom.³ It is convenient to consider these two criteria of damages separately, and in the order in which they have been stated.

§ 556. Royalties, as measures of damages, are sometimes objected to by defendants, and sometimes by plaintiffs. When invoked by a plaintiff, a royalty is liable to one class of tests, applied on behalf of the defendant; and when invoked by a defendant to limit the plaintiff's recovery, it is liable to another class of tests, applied on behalf of the plaintiff.

§ 557. A defendant may successfully object to a given royalty, as a measure of the plaintiff's damages, unless it was uniform, and was actually paid or secured before the defendant's infringement was committed, by a sufficient number of persons to show that people who have occasion to purchase a license under the patent, can afford to pay that royalty.⁴ The sale of a single license is not sufficient to establish a royalty;⁵ because one purchaser may give a larger sum for a license than he or any other can afford to pay; whereas such a business error is not likely to be made by a considerable number of persons when buying licenses

¹ *Philip v. Nock*, 17 Wallace, 462, 1873; *Yale Lock Co. v. Sargent*, 117 U. S. 552, 1885; *McComb v. Brodie*, 1 Woods, 153, 1871; *Covert v. Sargent*, 38 Fed. Rep. 238, 1889.

² *Brickill v. Baltimore*, 60 Fed. Rep. 98, 1894.

³ *Zane v. Peck*, 13 Fed. Rep. 475, 1882.

⁴ *Rude v. Westcott*, 130 U. S. 152, 1889; *Adams v. Stamping Co.* 28 Fed. Rep. 366, 1886; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 Fed. Rep. 262, 1892.

⁵ *Judson v. Bradford*, 3. Bann & Ard. 549, 1878; *Vulcanite Paving Co. v. Pavement Co.* 36 Fed. Rep. 378, 1888.

under the same patent. The unanimous opinion of twelve average men is thought, to be the most reliable criterion of guilt or innocence; but no reasonable person would hold that view of the opinion of any one of the twelve. In like manner, the unanimous acquiescence of a considerable number of men in a particular royalty, is evidence of its substantial justice, while the acquiescence of one only of the same men would have no convincing force.

The amount of the royalty relied upon must have been actually paid or secured by the licensees in order to make it a measure of damages against other infringers. Were the rule otherwise, there would be no safeguard against collusion between patentees and licensees for the purpose of imposing on infringers and other third parties. It follows that the mere production of a quantity of licenses, purporting to have been granted at a certain rate, cannot establish a royalty at that rate. Somebody must make oath that the ostensible price of the licenses was their true price, before they can have that effect. The oath and not the license being the best evidence of the royalty, the royalty may be proved by the oath without the production of the license, even where the license is in writing.¹

A royalty, in order to be binding on a defendant who was a stranger to the licenses which established it, must be a uniform royalty.² This rule does not imply that a patentee may not change the rate of his royalty as often as he can get a sufficient number of licensees to acquiesce in such a change;³ but it does exclude from consideration all such licenses as were given at variant rates, for no better reason than variant ability on the part of the licensees to negotiate for a license or to resist a suit for infringement.⁴

So, also, a particular royalty may be successfully objected to by a defendant, if it was not established till after the

¹ *Wooster v. Simonson*, 20 Fed. Rep. 316, 1884; *Timken v. Olin*, 41 Fed. Rep. 170, 1890.

² *Westcott v. Rude*, 19 Fed. Rep. 833, 1884.

³ *Asmus v. Freeman*, 34 Fed. Rep. 902, 1888.

⁴ *Black v. Munson*, 14 Blatch. 268, 1877; *United Nickel Co. v. Railroad Co.* 36 Fed. Rep. 190, 1888.

infringement sued upon was committed.¹ And it is probable that a defendant may avoid the application of a particular royalty by showing that a different rate was established in the particular city, county or State wherein he unlawfully availed himself of the patentee's invention.

§ 558. A plaintiff may successfully object to a particular royalty as a measure of his damages, where that royalty was established, and was intended to be established, within a particular territory only, or where it was changed or abandoned before the infringement in suit was committed. These two points rest upon obvious reasons. A patentee may wish to hold a close monopoly on his invention in Maine, while willing to grant licenses in Florida; or he may rightfully demand a much larger royalty in Minnesota than that which he is willing to accept in Texas or in Oregon. In such a case, it is clear that his Oregon royalty is not to be forced upon him for infringement committed in Minnesota; and that his business in Maine is not to be ruined by infringers who have nothing worse to fear at the end of the suit than the payment of a royalty like that established in Florida. So, also, it has often happened, and may happen again, that an inventor is forced by poverty, or other misfortune, to accept inadequate royalties during the earlier years of his exclusive right. In such a case, it is clear that he ought to be permitted to increase the rate whenever he can get licensees to consent thereto, or to abandon his royalty altogether and hold a close monopoly on his invention, as far as he can do so consistently with licenses outstanding.

§ 559. Money paid for infringement already committed does not establish nor tend to establish a royalty.² A price

¹ *Emigh v. Railroad Co.* 6 Fed. Rep 284, 1881.

² *Rude v. Westcott*, 130 U. S. 152, 1889; *Cornely v. Marckwald*, 131 U. S. 159, 1889; *Black v. Munson*, 14 Blatch. 268, 1877; *Greenleaf v. Mfg. Co.* 17 Blatch. 253, 1879; *Mathews v. Spangenberg*, 14 Fed. Rep. 350, 1882; *National Car Brake Shoe*

Co. v Mfg. Co. 19 Fed. Rep 517, 1884; *Westcott v. Rude*, 19 Fed. Rep. 832, 1884; *Gottfried v. Brewing Co.* 22 Fed. Rep. 433, 1884; *Cornely v. Marckwald*, 32 Fed. Rep. 292 1885; *United Nickel Co v Railroad Co.* 36 Fed. Rep. 190. 1888; *Keyes v. Refining Co.* 43 Fed. Rep. 478. 1890.

paid to compromise a pending action, or an existing right of action, may sometimes be larger and sometimes be smaller than a proper royalty would be. It may be larger where the infringer is a person who is disinclined to litigation, or where he has some reason to fear a judgment for triple damages, or where the compromise releases him not only from damages, but also from all rights of action for infringer's profits. It may be smaller where the infringer is presumably insolvent, or where the amount involved is too small to justify the expense incident to its collection by an action at law.

§ 560. A royalty which is reserved as the whole or a part of the purchase price of a patent, is not a proper one to measure damages as against an infringer.¹ It may be too large, or it may be too small for that purpose. It will be too large when the patent is of such a nature that the buyer can afford to pay more for a close monopoly, than for a license to compete with other licensees.² It will be too small, where it is for the interest of the owners of the patent to subdivide the right to practice the invention. In the latter class of cases, the buyer, in order to get paid for introducing the invention and retailing the licenses, must sell them at a higher rate than that which he pays to the patentee.

§ 561. A royalty provided for in licenses to make and use, is no measure of damages for an infringement which consisted of making and selling the patented thing; nor is a royalty which was established by licenses to make and sell specimens of the invention covered by a patent, any criterion of the injury which may have been inflicted on the pecuniary interests of the owner by unlawfully making and using such specimens.³ These rules rest upon undeniable reasons. The value of some patents resides almost entirely in the exclusive right to make and sell, while that of others

¹ *La Baw v. Hawkins*, 2 Bann. & Ard. 564, 1877.

147, 1886.

² *Colgate v. Mfg. Co.* 28 Fed. Rep. 147, 1886.

³ *Colgate v. Mfg. Co.* 28 Fed. Rep.

consists almost wholly in the exclusive right to make and use the inventions which they respectively cover.

§ 562. In measuring damages with a royalty, due regard must be had to proportion. Where an infringement was smaller in extent or shorter in duration than the corresponding doings which were authorized by the licenses which established the royalty, it is but just that the damages should be assessed at a correspondingly smaller sum, unless there are special facts in the case which render the particular extent of the infringement immaterial to the plaintiff.¹ In like manner, damages will amount to a sum correspondingly larger than the royalty which constitutes their criterion, when the infringement in suit was larger or was longer than the doings authorized by the licenses which established the royalty. So, also, where only part of the inventions covered by a particular patent are unlawfully appropriated by an infringer, he is liable for only an equitable proportion of the royalty which has been established for all of those inventions jointly;² and where a royalty has been established for the joint employment of all of the inventions covered by several patents, damages for the infringement of part of those patents may be equitably assessed by dividing that royalty into portions proportionate to the value of the several inventions covered by those patents.³ But the plaintiff must furnish data in his evidence, upon which to make this division.⁴

§ 563. Where no established royalty is applicable as a measure of the damages caused by a particular infringement, those damages may sometimes be ascertained by the second method; that is, by finding what the plaintiff would

¹ *Birdsall v. Coolidge*, 93 U. S. 70, 1876; *Judson v. Bradford*, 3 Ban. & Ard. 549, 1878; *Wooster v. Simonson*, 16 Fed. Rep. 680, 1883; *Westcott v. Rude*, 19 Fed. Rep. 834, 1884; *Bates v. Railroad Co.* 32 Fed. Rep. 628, 1887.

² *Willimantic Thread Co. v. Clark*

Thread Co. 27 Fed. Rep. 865, 1886; *Asmus v. Freeman*, 34 Fed. Rep. 903, 1888.

³ *Porter Needle Co. v. Needle Co.* 23 Fed. Rep. 829, 1885.

⁴ *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 Fed. Rep. 262, 1892.

have derived from his monopoly if the defendant had not interfered, but which he failed to realize because of that interference with his rights. Where the owner of a patent is able to supply the whole demand for the thing it covers or produces, and where the whole demand would go to him if not diverted by some infringer, the hurtful competition of a particular infringer may reduce the amount of the patentee's sales, or may necessitate a reduction of his prices, or may operate in both these injurious ways. In such a case, the sum of the profits which the patentee would have derived from the sales made by the infringer, if the patentee had made those sales, and the sum of the reduction of prices which the infringer's competition compelled the patentee to make upon his own sales, will constitute the amount of the patentee's damages.¹ Or the patentee's damages may consist of one of these elements without the other, where the other is absent or cannot be proved.² Proof of the first of these elements includes evidence to show what profits the patentee would have derived from the infringer's sales, if he himself had made them without interference from the infringer;³ and evidence to show that he could have supplied the articles which the infringer sold;⁴ and evidence to show that the persons who purchased those articles from the infringer would have bought them from him, if no infringer had interfered.⁵ But the last of these points may be sufficiently established without being demonstrated; because demonstration would generally be impossible, and because

¹ *Fitch v. Bragg*, 16 Fed. Rep. 247, 1883; *Hobble v. Smith*, 27 Fed. Rep. 662, 1886; *Creamer v. Bowers*, 35 Fed. Rep. 207, 1888.

² *Yale Lock Co. v. Sargent*, 117 U. S. 552, 1885; *Boesch v. Graff*, 133 U. S. 705, 1891; *Seabury v. Am Ende*, 152 U. S. 569, 1894; *Am Ende v. Seabury*, 43 Fed. Rep. 673, 1890.

³ *Cornely v. Marckwald*, 131 U. S. 161, 1889.

⁴ *Crosby Valve Co. v. Safety Valve*

Co. 141 U. S. 452, 1891.

⁵ *Dobson v. Dornan*, 118 U. S. 18, 1885; *Goodyear v. Bishop*, 2 Fisher 161, 1861; *Magic Ruffle Co. v. Douglas*, 2 Fisher, 340, 1863; *Sargent v. Mfg. Co.* 17 Blatch. 247, 1879; *Hall v. Stern*, 20 Fed. Rep. 788, 1884; *Roemer v. Simon*, 31 Fed. Rep. 41, 1887; *Bell v. Stamping Co.* 32 Fed. Rep. 551, 1887; *Tatum v. Gregory*, 51 Fed. Rep. 447, 1892.

every reasonable doubt relevant thereto is to be resolved in favor of the plaintiff.¹ Proof of the second element includes evidence to show that it was the defendant's infringement that caused, or at least helped to cause, the reduction of prices which the patentee was compelled to make,² and evidence of the extent of the reduction so caused;³ but it does not include evidence that the patentee would have been asked to supply the particular demand which was supplied by the defendant, if the defendant had not supplied it.

Where damages cannot be assessed on the basis of a royalty, nor on that of lost sales, nor on that of reduced prices; the proper method of assessing them is to ascertain what would have been a reasonable royalty for the infringer to have paid.⁴ In determining this point, where the infringement consisted in making and selling, or in selling after a purchase, the profits of the defendant may be considered;⁵ and where the infringement consisted in using, the cost and the utility of the patented process or thing, as compared with other processes or things known at the time of the infringement, and capable of doing similar work, may be the leading guides.⁶ But those profits or advantages do not alone show what a reasonable royalty would have been, because it would not be reasonable for a royalty to be as large as the entire benefit derived from the business by a licensee. Therefore an instruction to a jury, that the plaintiff was entitled to recover whatever value the defendant had received from his use of the plaintiff's invention, was an error.⁷

¹ *Creamer v. Bowers*, 35 Fed. Rep. 208, 1883.

² *Ingersoll v. Musgrove*, 3 Bann. & Ard 304, 1878; *Holmes v. Truman*, 67 Fed. Rep. 545, 1895

³ *Cornely v. Marckwald*, 131 U. S. 161, 1889; *Boesch v. Graff*, 133 U. S. 703, 1890.

⁴ *Ross v. Montana Ry. Co.* 45 Fed. Rep. 431, 1890; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 Fed. Rep. 262, 1892; *Hunt Bros. Fruit*

Packing Co. v. Cassidy, 64 Fed. Rep. 586, 1894.

⁵ *Hunt Bros. Fruit Packing Co.* 64 Fed. Rep. 587, 1894.

⁶ *Suffolk Co. v. Hayden*, 3 Wall. 315, 1865; *Ross v. Montana Ry. Co.* 45 Fed. Rep. 431, 1890; *Lee v. Pillsbury*, 49 Fed. Rep. 748, 1892; *Brickill v. Baltimore*, 60 Fed. Rep. 98, 1894.

⁷ *Coupe v. Royer*, 155 U. S. 581, 1895.

§ 564. Damages for infringement by making, without unlawfully selling or using, specimens of a patented thing will be nominal only,¹ unless there is an established royalty for such making, or unless such making is followed by using or selling in a foreign country, or is followed by using or selling in this country after the expiration of the patent. Where an infringer made specimens of a thing covered by a patent, and afterward sold or used them in a foreign country, the measure of damages is whatever royalty has been established for a license to manufacture such specimens for such a purpose.² Where no royalty of the kind has been established, there is generally no way of assessing damages in such a case other than to determine what a reasonable royalty would have been. Damages can seldom be assessed in such a case on any theory that the infringer's doings interfered with the patentee's sales; because it will generally be impossible to prove that the foreign demand would otherwise have come to the patentee. These considerations seem also to apply to cases where the infringement consisted of making specimens of a patented thing shortly before the expiration of the patent, with a view to using or selling them shortly after that event. Such a scheme of proceeding is undoubtedly injurious to a patentee, for if persons wait till after the expiration of a patent before making the articles it covers, they will not be able to use or sell those articles till some time still later; and during the interval the patentee may nearly or quite maintain his former command of the market.

§ 565. The evidence of damages must be reasonably definite,³ in order to justify a jury in finding a verdict for more than a nominal amount. Conjecture will not perform the office of proof, nor can imagination take the place of calculation in this behalf.⁴ But this rule is not to be used to

¹ *Whittemore v. Cutter*, 1 Gallison, 483, 1813; *Carter v. Baker*, 4 Fisher, 419, 1871.

1881.

² *Ketchum Harvester Co. v. Johnson Harvester Co.* 8 Fed. Rep. 586,

³ *Creamer v. Bowers*, 35 Fed. Rep. 208, 1888.

⁴ *New York v. Ransom*, 23 Howard, 487, 1859.

defeat the ends of justice. It may happen that a plaintiff can prove the measure of his damages with precision, while unable to prove the real extent of the defendant's infringement. In such a case, the defendant usually can remove the uncertainty, because he is likely to know or be able to ascertain what and how much he has done. If by omitting to supply the information, a defendant could avert a verdict for proper damages, he could easily defeat a meritorious cause. But the law will not allow itself to be thus circumvented. On the contrary, it is the rule that where a plaintiff introduces evidence to show that the damages were large, and to show the amount of those damages as accurately as the nature of the case permits him to do, and where the defendant offers no evidence upon the subject, it becomes the function of the jury to estimate those damages as best they can, on the basis of the plaintiff's evidence.¹ In making such an estimate, a jury ought to resolve every point of uncertainty against the defendant, for he had it in his power to give them accurate data upon which to compute.²

§ 566. Remote consequential damages cannot be embodied in a verdict for an infringement of a patent.³ The instances in which such damages have been claimed are but few, but they are likely to become more numerous hereafter. It is therefore proper to mention such injuries as will probably be held to fall within such a category.

Pecuniary injury may result to a patentee from a particular infringement, in that it caused him to lose sales on unpatented articles usually sold with the patented thing in question; or in that it so unexpectedly reduced the business of the patentee as to make it necessary for him to sell unpatented property at less than its real value, or to borrow money at more than a proper rate of interest, in order to meet his pecuniary engagements; or in that it encouraged

¹ *Stephens v. Felt*, 2 Blatch. 38, 1846. *Mfg. Co.* 19 Fed. Rep. 520, 1884.

³ *Carter v. Baker*, 4 Fisher, 421.

² *National Car Brake Shoe Co. v.* 1871.

other persons to infringe, from whom, by reason of insolvency or other obstacle, no recovery can be obtained; or in that such infringement caused the patentee so much trouble and anxiety that he incurred loss from inability to attend to other business. But pecuniary injury of either of these kinds would be such an indirect consequential matter as not to furnish any part of a proper basis for recoverable damages.

§ 567. Exemplary damages cannot lawfully be given by a jury for any infringement of a patent.¹ The meaning of this rule is that juries are to base verdicts on plaintiff's injuries, and not on defendant's ill-deserts. Their function is to award compensation to the injured, not punishment to the injurer. The power to inflict punitive damages is committed by the statute to the judge. He may exercise that power by entering a judgment for any sum above the amount of the verdict, not exceeding three times that amount, together with costs,² or by declining to increase the damages beyond the amount found by the verdict; and in either case his judgment will not be overruled by the Circuit Court of Appeals, unless the evidence clearly demands it.³ The costs are to be added to the increased verdict, and the judgment cannot be entered for a sum three times greater than the aggregate of the verdict and the costs; and if, for any reason, no costs are awarded to the plaintiff, that fact neither ousts the power of the court to enter a judgment for a sum larger than the verdict, nor constitutes a reason for exercising that power where no other reason exists.⁴ But that power will be exercised where the defendant's infringement was deliberate and intentional, even though it may have been committed under an erroneous opinion of

¹ *Wilbur v. Beecher*, 2 Blatch. 143, 1850; *Hall v. Wiles*, 2 Blatch. 200, 1851; *Parker v. Hulme*, 1 Fisher, 56, 1849; *Haselden v. Ogden*, 3 Fisher, 378, 1868; *Russell v. Place*, 5 Fisher, 134, 1871.

² Revised Statutes, Section 4919;

Seymour v. McCormick, 16 Howard, 489, 1853.

³ *Topliff v. Topliff*, 145 U. S. 174, 1892.

⁴ *Guyon v. Serrell*, 1 Blatch. 246, 1847.

the plaintiff's rights;¹ or where the defendant acted in bad faith, or has been stubbornly litigious, or has caused unnecessary trouble and expense to the plaintiff;² but not merely because the defendant's defence was so extensive as to require great expenditure to overcome it.³

§ 568. Increased damages may properly be awarded by a court, where it is necessary to award them in order to prevent a defendant infringer from profiting from his own wrong, whether that wrong was intentional or was unwitting. The power conferred by the statute is general. It is not confined to awarding punitive damages, but is to be exercised "according to the circumstances of the case."⁴ Among the circumstances of patent cases is the fact that the profits which defendants derive from their infringements are often much larger than the actual damages which those infringements cause plaintiffs to sustain. If, in such a case, the defendant is forced to pay no more than the actual damages, it is clear that he will have derived advantage from his own wrong. It would be an imperfect system of law that would thus put a premium upon its own violation. Prior to 1882 it was understood that means of preventing such a result resided in an option, which it was said every patentee had, of suing at law for his damages, or in equity for the infringer's profits.⁵ But in that year that doctrine was set aside by the Supreme Court, and the jurisdiction of equity was denied to a large class of cases which would be entitled to such a jurisdiction under such a rule.⁶ In a case where no injunction happens to be proper, and wherein

¹ *Russell v. Place*, 9 Blatch. 175, 1871; *Peck v. Frame*, 9 Blatch. 194, 1871.

² *Day v. Woodworth*, 13 Howard, 372, 1851; *Teese v. Huntingdon*, 23 Howard, 2, 1859.

³ *Welling v. La Bau*, 35 Fed. Rep. 303, 1888.

⁴ Revised Statutes, Section 4919.

⁵ *Tucker v. Spalding*, 13 Wal-

lace, 453, 1871; *Birdsall v. Coolidge*, 93 U. S. 68, 1876; *Perry v. Corning*, 6 Blatch. 134, 1868; *Howes v. Nute*, 4 Cliff. 174, 1870; *Cowing v. Rumsey*, 8 Blatch. 36, 1870; *Smith v. Baker's Administrators*, 1 Bann. & Ard. 117, 1874.

⁶ *Root v. Railway Co.* 105 U. S. 189, 1881.

the defendant's profits are larger than the plaintiff's damages, there is now no certain means of preventing the defendant from deriving advantage from his own wrong, other than that which resides in the power of the court to enter a judgment for a larger sum than the actual damages found in the verdict. That being the only certain means of making infringement unprofitable to infringers, it may well be freely used for that purpose by the Federal courts.¹ Exemplary or increased damages are not forfeitures, and liability to be compelled to pay such damages, does not give an infringer any right to withhold his testimony, as tending to criminate himself.²

§ 569. A verdict for actual damages cannot be averted by evidence that the defendant was ignorant of the existence of the patent at the time he infringed.³ All infringers have constructive notice of all patents, because all letters patent are recorded in the Patent Office. There is no more hardship involved in the rule that infringers are bound to take notice of patents, than there is in the rule that buyers of land are bound to take notice of the real estate records, or in the rule that all citizens are bound to take notice of the laws of their country. The amount of pecuniary injury which an infringement causes a patentee, is not affected by the fact that the infringer did not know of the existence of the patent which he infringed; and where one man has obtained possession, through his own mistake, of the fruits of the property of another, it is better that he be compelled to relinquish them, than that the true owner be prevented from enjoying the proceeds of his own estate.

§ 570. Neither counsel fees nor any other expenses incident to litigation, can be included in a verdict for actual

¹ See Sections 419 and 420 of this book.

² *Masseth v. Johnston*, 59 Fed. Rep. 613, 1894.

³ *Emerson v. Simm*, 6 Fisher, 281, 1873; *Timken v. Olin*, 41 Fed. Rep. 170, 1890.

damages in a patent case.¹ There is no more reason for allowing a successful plaintiff to recover such items than there is for giving a similar recovery to a successful defendant. Certain expended fees may be recovered as costs by either; but no expenditures or costs can be recovered as damages.

§ 571. Interest should be allowed on royalties, from the time those royalties ought to have been paid, in all cases where a royalty is the measure of the plaintiff's damages.² In such a case the damages are liquidated at such time as the royalty would have been due, if the defendant had elected to purchase instead of to infringe the right to use the invention in suit. No interest is due on damages measured otherwise than by a royalty, because such damages are unliquidated until they are ascertained by an action,³ except where the method of measurement is as definite and conclusive as it is in the case of a royalty.⁴

§ 571*a*. Damages for infringement of a design patent are fixed by a special statute, at the minimum amount of two hundred and fifty dollars, and at a maximum amount enough larger than that to equal the total profit made by the infringer upon the infringing article or articles made or sold by him.⁵ The statute does not clearly state whether the two hundred and fifty dollars is recoverable from an infringer for each of his infringements, or is recoverable only once for all of his infringements of a particular design patent; but the courts have uniformly administered it as having the latter signification. In order to recover under

¹ *Day v. Woodworth*, 13 Howard, 373, 1851; *Teese v. Huntingdon*, 23 Howard, 8, 1859; *Phillip v. Nock*, 17 Wallace, 462, 1873; *Whittemore v. Cutter*, 1 Gallison, 429, 1813; *Stimpson v. The Rail Roads*, 1 Wallace, Circuit Court Reports, 164, 1847; *Holbrook v. Small*, 3 Bann. & Ard. 626, 1878.

² *McCormick v. Seymour*, 3 Blatch.

222, 1854; *Goodyear v. Bishop*, 2 Fisher, 162, 1861; *Locomotive Safety Truck Co. v. Pennsylvania Railroad Co.* 2 Fed. Rep. 682, 1880.

³ *Gilpin v. Consequa*, 3 Washington, 194, 1813.

⁴ *Creamer v. Bowers*, 35 Fed. Rep. 207, 1888.

⁵ 24 Statutes at Large, Ch. 105, p. 387.

this statute, the plaintiff must show that the defendant knew of the plaintiff's design, and knew of the plaintiff's patent, or at least knew of facts which put him upon his inquiry for that patent ;¹ and that he knew that the design was applied to the infringing article, without the license of the owner of the patent.² The last point of knowledge will be presumed against the maker ; but as against a dealer whose infringement consisted in selling, or exposing for sale, articles manufactured by another, it must be proved.³ The entire profits which resulted to the infringer from the infringing articles are recoverable under this statute as damages, and not merely such part of those profits as was due to the use of the patented design ; and the statute is constitutional, although it provides for recoveries which are in the nature of penalties, and provides that those recoveries may be obtained upon a bill in equity for an injunction, as well as by an action at law.⁴ Where the complainant in a bill in equity, waives any recovery of more than two hundred and fifty dollars; a decree will be entered for that amount, without an inquiry into the particular extent of the defendant's infringement.⁵ But where there is no such waiver, the case will be referred to a master to ascertain whether and how much the defendant's profits exceeded two hundred and fifty dollars.⁶

¹ *Smith v. Stewart*, 55 Fed. Rep. 484, 1893.

² *Anderson v. Pittsburgh Lumber Co.* 47 Fed. Rep. 68, 1891.

³ *Anderson v. Saint*, 46 Fed. Rep. 765, 1891.

⁴ *Untermeyer v. Freund*, 58 Fed. Rep. 211, 1893.

⁵ *Pirkl v. Smith*, 42 Fed. Rep. 410, 1890.

⁶ *Ripley v. Elson Glass Co.* 49 Fed. Rep. 927, 1892.

CHAPTER XX.

ACTIONS IN EQUITY.

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| 572. Jurisdiction of equity in patent causes. | 600. The third defence. |
| 573. Jurisdiction of equity to assess and decree damages. | 601. The fourth defence. |
| 574. The complainant. | 602. The fifth and sixth defences. |
| 575. The defendant. | 603. The seventh defence. |
| 576. Original bills. | 604. The eighth defence. |
| 577. The title of the court. | 605. The ninth and tenth defences. |
| 578. The introductory part. | 606. The eleventh defence. |
| 579. The stating part. | 607. The twelfth defence. |
| 580. The prayer for relief. | 608. The thirteenth defence. |
| 581. The interrogating part. | 609. The fourteenth defence. |
| 582. The prayer for process. | 610. The fifteenth defence. |
| 583. The signature. | 611. The sixteenth defence. |
| 584. The oath. | 612. The seventeenth defence. |
| 585. Bills to perpetuate testimony. | 613. The eighteenth defence. |
| 586. Amendments to bills, when allowed. | 614. The nineteenth defence. |
| 587. Amendments to bills, when necessary. | 615. The twentieth defence. |
| 588. Demurrers, pleas and answers. | 616. The twenty-first defence. |
| 589. Pleas in equity. | 617. The twenty-second defence. |
| 590. Arguments upon pleas, and replications to pleas. | 618. The twenty-third defence. |
| 591. Defences in equity cases. | 619. The twenty-fourth defence. |
| 592. Non-jurisdiction of equity. | 620. The twenty-fifth defence. |
| 593. The same subject continued. | 621. The twenty-sixth defence. |
| 594. Non-jurisdiction in equity, how set up as a defence. | 622. The twenty-seventh defence. |
| 595. Prior adjudication at law is not necessary to jurisdiction in equity. | 623. Replications. |
| 596. Laches. | 624. Subordinate bills in aid of original bills. |
| 597. Laches, how set up. | 625. Supplemental bills. |
| 598. The first of the twenty-seven defences. | 626. Bills in the nature of supplemental bills. |
| 599. The second defence. | 627. Bills of revivor. |
| | 628. Bills in the nature of bills of revivor |
| | 629. Bills of revivor and supplement. |
| | 630. Leave of court to file supplemental bills, and bills in the nature of supplemental bills. |

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| <p>631. Demurrers, pleas and answers to supplemental bills and to bills in the nature of supplemental bills.</p> <p>632. Hearings.</p> <p>633. Interlocutory hearings.</p> <p>634. Questions of law arising on hearings.</p> <p>635. Questions of fact arising on hearings.</p> <p>636. Evidence in support of the bill.</p> <p>637. Evidence in support of defenses.</p> <p>638. Testimony.</p> <p>639. Depositions.</p> <p>640. Depositions, taken in other cases.</p> <p>641. Documentary evidence.</p> <p>642. Trial by jury in equity cases.</p> <p>643. Hearings by masters in chancery.</p> <p>644. Interlocutory decrees.</p> <p>644a. Appeals from interlocutory decrees.</p> | <p>645. Petitions for rehearings.</p> <p>646. Rehearings for matter apparent on the record.</p> <p>647. Rehearings on account of newly discovered evidence.</p> <p>648. Supplemental bills in the nature of bills of review.</p> <p>649. Final decrees.</p> <p>650. Bills of review.</p> <p>651. Bills of review to correct errors apparent on the pleadings or final decree.</p> <p>652. Bills of review to introduce evidence discovered after the entry of the final decree.</p> <p>653. Bills in the nature of bills of review.</p> <p>654. Appeals</p> <p>655. Hearings on appeals.</p> <p>656. Decisions on appeals.</p> <p>657. Certificates of division of opinion.</p> |
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§ 572. JURISDICTION in equity, in patent litigation, is conferred upon the same courts that are authorized to exercise jurisdiction at law in that branch of jurisprudence.¹ The two kinds of jurisdiction are kept as distinct in those courts as if they were conferred upon different tribunals. Equitable relief cannot be had in any action at law; and legal relief cannot be had in any action in equity, except as incidental to some equitable relief granted, or at least rightfully prayed for, therein. The only function of actions at law in patent cases is to give damages for past infringements of patents. The principal function of actions in equity in such cases is to restrain future infringements of patents by means of the writ of injunction. In every case where an injunction is proper, a court of equity, in order to avoid a multiplicity of actions, will take an account of the profits which the defendant derived from infringing the

¹ Revised Statutes, Sections 629 and 4921; Section 379 of this book.

complainant's patent, and will compel the defendant to pay their amount to the complainant. And equity has jurisdiction, independent of any injunction or right to an injunction, to grant this relief relevant to profits, in all patent cases wherein some impediment prevents a resort to remedies purely legal, or wherein special circumstances render the remedy obtainable by an action at law difficult, inadequate, or incomplete.¹

§ 573. Wherever equity has jurisdiction to decree an account of the defendant's profits, it also has jurisdiction to assess the damages which the complainant sustained on account of the defendant's infringement.² Having ascertained the amount of both, if the profits are found to exceed the damages, the court will enter a decree for their recovery, and will do nothing further about the damages.³ Where the accounting shows no such profits, but does show such damages, the court will enter a decree for the amount of the latter.⁴ Where the accounting shows both profits and damages, and shows the latter to equal or exceed the former, a decree will be entered for the amount of the damages,⁵ or for any sum not exceeding three times that amount.⁶

In assessing damages, equity follows the law,⁷ and is guided by the rules and principles which are set forth in Chapter XIX. of this book. But where damages are measured by a royalty, only the earned portion of the royalty should be assessed; for if the royalty assessed is one which covers the future life of the patent, its recovery would authorize a continuance of the defendant's doings, and thus

¹ *Root v. Railway Co.* 105 U. S. 189, 1881.

² Revised Statutes, Section 4921.

³ *Emigh v. Railroad Co.* 6 Fed. Rep. 283, 1881.

⁴ *Marsh v. Seymour*, 97 U. S. 348, 1877.

⁵ *Ster Salt Caster Co. v. Crossman*, 4 Bann. & Ard. 566, 1879; *Child v. Iron Works*, 19 Fed. Rep.

259, 1884; *Simpson v. Davis*, 22 Fed. Rep. 444, 1884.

⁶ Revised Statutes, Section 4919; *Covert v. Sargent*, 42 Fed. Rep. 298, 1890.

⁷ *Bancroft v. Acton*, 7 Blatch. 506, 1870; *Locomotive Safety Truck Co. v. Pennsylvania Railroad Co.* 2 Fed. Rep. 682, 1880.

defeat an injunction, and perhaps oust the jurisdiction of equity, and so eventuate in a reversal of the decree by the Supreme Court.¹

§ 574. The complainant in an action in equity for an infringement of a patent, may be the holder of the complete title to that patent in the territory where the infringement occurred. Where the legal title resides in one person and the equitable title in another, both should generally join in such an action.² But the holder of the legal title may be dispensed with as co-complainant, where the circumstances of the case are such that a decree against the equitable owner would clearly be pleadable against the holder of the legal title;³ and the holder of an equitable title may be dispensed with, where his interest is confined to a share of the proceeds of the patent.⁴ Where an equitable owner brings an action in equity in the name of the holder of the legal title alone, the defendant may, by means of a motion to the court, compel the equitable owner to become a co-complainant in his own name.⁵ But where a defendant moves to make a stranger to a suit co-complainant therein, on the ground that he has an equitable interest in the matter involved, the motion will be overruled if the person, so sought to be brought in, files in the case a disclaimer of all interest in the subject of the litigation.⁶

§ 575. The defendant in an action in equity for an infringement of a patent, may generally be any person or private corporation connected with that infringement. Questions relevant to the liability of public corporations to such actions, and relevant to the respective liability of joint infringers when sued in equity, and indeed relevant to numerous points in the subject of parties, are explained

¹ *Bragg v. City of Stockton*, 27 Fed. Rep. 509, 1886.

² *Stimpson v. Rogers*, 4 Blatch. 336, 1859.

³ *Littlefield v. Perry*, 21 Wallace, 222, 1874.

⁴ *Rude v. Westcott*, 130 U. S. 152, 1889.

⁵ *Patterson v. Stapler*, 7. Fed. Rep. 210, 1881.

⁶ *Graham v. Mfg. Co.* 11 Fed. Rep. 148, 1880.

and answered in the chapter on courts, parties and causes: the seventeenth chapter in this book.

§ 576. An original bill in an action in equity, for an infringement of a patent, properly consists of six parts: 1. The title of the court. 2. The introduction. 3. The stating part. 4. The prayer for relief. 5. The interrogating part. 6. The prayer for process. Anciently it was the custom to insert in all original bills in equity, three additional parts: the confederacy part, the charging part, and the jurisdiction part. But these are no longer required in United States courts.¹ The confederacy part, if used when only one person has infringed and is sued, is entirely out of place; and even where the bill is filed against joint infringers, such a part is still entirely useless. The charging part is also unnecessary, because the complainant is entitled to amend his bill, if the answer renders it necessary for him to plead specially to any defence it contains.² And such a part is objectionable, because it notifies the defendant of the complainant's reply to the defendant's defence, and thus enables the latter to concert his answer with more craftiness than he otherwise could. And the jurisdiction part is useless, because, if the facts stated in the bill do not give equity jurisdiction, the fault cannot be cured by alleging that they do; and if those facts do lay a foundation for jurisdiction in equity, they will speak for themselves, and will require no label such as was anciently tacked to them in the form of a jurisdiction part. That part of an ancient bill in equity originated in England, when the chancellors were priests and not lawyers, and when they therefore required to be told that the common law could not give the relief prayed for in the bill. Some pleaders still insert one or all of these three ancient parts in a bill in equity, but neither of them can have any beneficial effect upon the cause, and all of them are better omitted than used.

¹ Rules of Practice for the Courts of Equity of the United States, Rule 21.

² Equity Rule 45.

§ 577. The title of the court, at the beginning of a bill, should be in the same form as at the beginning of a declaration.¹ It is technically unscientific to entitle a bill in the name of the case, because until the bill is filed there is no such case pending. But such a title is convenient, in order to show at a glance who are the parties; and convenience may properly outweigh technical nicety. It is therefore exceptional to see a bill that is not entitled in the name of the case.

§ 578. The form of the introductory part is prescribed by the Supreme Court.² It contains a formal address to the judges of the court in which the bill is to be filed, together with the names and the citizenship of the parties.

§ 579. The stating part of a bill in equity, though differing in form from the statement of the cause of action in a declaration at law, agrees with the latter in substance, except in the following particulars: It may be based upon a fear of future infringement, where the fear is shown in the bill to be well founded.³ It may state infringements which were committed before the complainant obtained his title, provided that title, when obtained, covered the right of action for those infringements. It need not aver that any damage was incurred by the complainant, if the action is brought for an injunction only, or for an injunction and an account of the defendant's profits. Where the bill prays for a preliminary injunction, its stating part must set forth one or more of the grounds for that relief, which are explained in the chapter on injunctions.⁴ Where profits are sought to be recovered, it must plainly aver that profits were realized by the defendant on account of the stated infringement.⁵ And where a former decree is invoked

¹ Section 423 of this book.

² Equity Rule 20.

³ *Canton Steel Roofing Co. v. Kanneberg*, 51 Fed. Rep. 599, 1892.

⁴ *Parker v. Brant*, 1 Fisher, 58,

1850; *American Bell Telephone Co. v. Southern Telephone Co.* 34 Fed. Rep. 803, 1888.

⁵ *Wirt v. Hicks*, 46 Fed. Rep. 71, 1891.

against the defendant, it must be stated in the bill, according to the rule of equity pleading in that behalf.¹

§ 580. The prayer for relief should be both special and general.² The special part should ask for a preliminary injunction, and for a permanent injunction, and for an account of the defendant's profits, and for an assessment of the complainant's damages, and for an increase of those damages, and for costs; or for as many of those kinds of relief as the complainant hopes to obtain in the action. The prayer for general relief should be in the ordinary form of prayers of that kind.

§ 581. The form of the interrogating part is prescribed by the Supreme Court.³ That part is designed and adapted to secure from the defendant such admissions or statements as will obviate the necessity for evidence to support those allegations of the bill which relate to his doings.⁴ The interrogatories must be divided from each other, and consecutively numbered, and a note must be put at the foot of the bill specifying which of those numbered interrogatories each defendant is required to answer.⁵ Where the complainant in his bill waives the oath which otherwise the defendant is entitled to make to his answer, or if he requires such an oath to be made only to the answer of certain specified interrogatories; the answer of the defendant, though it is in fact under oath, is not evidence in his favor on any point not covered by such specified interrogatories; unless the case is heard on bill and answer only.⁶

§ 582. The prayer for process must contain the names of all the defendants who are mentioned in the introductory part of the bill,⁷ and if any of them are known to be minors,

¹ Bradley Mfg. Co. v. Eagle Mfg. Co. 57 Fed. Rep. 985, 1893.

² Equity Rule 21.

³ Equity Rule 43.

⁴ Coop v. Physical Institute, 47 Fed. Rep. 899, 1891; 48 Fed. Rep.

239, 1891.

⁵ Equity Rules 41 and 42.

⁶ Equity Rule 41.

⁷ Goebel v. Supply Co. 55 Fed. Rep. 827, 1893.

or otherwise under guardianship, that fact must be stated in the prayer for process.¹

§ 583. The bill must be signed by counsel, and by a solicitor of the court in which it is filed.² But if the attorney of the complainant is not only counsel in Federal courts generally, but also is solicitor in the particular court in which the bill is filed, his signature will suffice in both capacities.

§ 584. An oath of the truth of the bill must be appended to such a document, if it prays for an injunction.³ Such an oath is to be made by the complainant, unless he is in such a situation as to be unable to make it, in which case it may be made by his agent conversant with the facts.⁴ Where the complainant is a corporation, the bill may be verified by any officer of the corporation who knows it to be true; or if no such officer possesses that knowledge, it may be sworn to by any agent or attorney who does.⁵ Where there is a plurality of complainants, the bill may be sufficiently verified by the oath of one of them. If the bill prays for a preliminary injunction, and if its affiant can swear only on information and belief to the defendant's doings, and to their character as infringements, the application should be fortified by affidavits of persons who know what the defendant has done, and by affidavits of experts who can intelligently testify to the character of those doings, as compared with what appears to be covered by the complainant's patent. Where the complainant can positively swear to part of the allegations of his bill, and can swear to the residue only on information and belief, the bill should state the first class of facts positively, and the second class on information and belief alone; and the oath should clearly discriminate between the two classes in that behalf. It is not sufficient for the oath to state that the material averments of the bill

¹ Equity Rule 23.

² Equity Rule 24.

³ *Rogers v. Abbott*, 4 Washington, 514, 1825.

⁴ *Woodworth v. Edwards*, 3 Wood-

bury & Minot, 124, 1847.

⁵ *Bank of Orleans v. Skinner*, 9 Paige (N. Y.), 305, 1841.

⁶ *Goodyear v. Allyn*, 6 Blatch. 33, 1868.

are true ;¹ nor to state that those allegations are true which render an injunction necessary and proper ;² because such a form of oath leaves it uncertain which allegations the affiant had in mind. But positive oaths ought to be based on positive knowledge. It is much to be feared that many persons make affidavits to bills and other papers, without sufficient reflection upon the statements they contain, or upon the nature of an oath, or upon the pains and penalties of perjury. The fault is largely due to the attorneys who write the papers. The better lawyers will guard the conscience of the client at this point, while the inferior ones are sometimes more apt to mislead than to protect it. Affidavits to bills, and indeed all other affidavits to be used in any civil cause, in any circuit or district court of the United States, may be taken before a commissioner of the circuit court for the district ;³ or before any notary public of either of the States or Territories or of the District of Columbia.⁴

§ 585. A bill to perpetuate testimony tending to show a particular patent to be void, may be filed and prosecuted in any United States Circuit Court ;⁵ but a bill brought into court to establish non-infringement of a particular patent by the complainant will not be entertained.⁶ Nor will a bill in equity lie to restrain an action at law brought, or to be brought, for infringement of a patent.⁷

Several bills have been filed, and other proceedings instituted in equity, to restrain patentees from publishing statements favorable to their patents, and unfavorable to alleged infringers thereof, and in other cases to restrain alleged

¹ *Sauvinet v. Poupono*, 14 Louisiana, 87, 1839.

² *Hebert v. Joly*, 5 Louisiana, 50, 1832.

³ Revised Statutes, Section 945.

⁴ 19 Statutes at Large, Ch. 304, p. 206.

⁵ Revised Statutes, Section 866 ;
New York & Baltimore Coffee Pol-

ishing Co. *v.* New York Coffee Polishing Co. 9 Fed. Rep. 578, 1881, 11 Fed. Rep. 813, 1882.

⁶ *Celluloid Mfg. Co. v. Vulcanite Co.* 13 Blatch. 375, 1876; *Strait v. Harrow Co.* 51 Fed. Rep. 819, 1892.

⁷ *Germain v. Wilgus*, 67 Fed. Rep. 601, 1895.

infringers of patents from publishing statements unfavorable to those patents, and favorable to such alleged infringers; and several inharmonious decisions have been made in such cases.¹ But any Federal court that issues an injunction to restrain a person from publishing such a statement, will be exercising, without statutory authority, a power which the constitution prohibits Congress to provide for by statute.² Such a law would plainly abridge the freedom of the press, and if Congress were to make such a law, the Federal courts would have no lawful power to administer it, because it would be clearly unconstitutional; and it is certain that those courts cannot lawfully exercise the double function of making and administering an unconstitutional law. And moreover equity has no jurisdiction to restrain citizens from publishing false statements about other citizens or their rights; because the persons thus injured have adequate remedies at law for their injuries.³

§ 586. Amendments to bills may be made as a matter of course, and without costs, at any time before a copy has been taken out of the clerk's office; and may be made as of course with costs, after a copy has been taken out, and before any plea answer, or demurrer has been filed.⁴ After an answer or plea, or demurrer is put in, and before replication, the complainant may, upon motion without notice, obtain an order from any judge of the court to amend his bill on or before the next succeeding rule day, upon payment of costs, or without payment of costs, as the judge

¹ Chase *v.* Tuttle, 27 Fed. Rep. 110, 1886; Tuttle *v.* Matthews, 28 Fed. Rep. 98, 1886; Kidd *v.* Horry, 28 Fed. Rep. 773, 1886; Baltimore Car-Wheel Co. *v.* Bemis, 29 Fed. Rep. 95, 1886; *Id.* *v.* Engine Co. 31 Fed. Rep. 901, 1887; Curran *v.* Car Co. 32 Fed. Rep. 835, 1887; Emack *v.* Kane, 34 Fed. Rep. 46, 1888; Flint *v.* Smoke Burner Co. 38 Fed. Rep. 546, 1889; Kelley *v.* Ypsilanti Mfg. Co. 44 Fed. Rep. 19, 1890;

Fougeres *v.* Murbarger, 44 Fed. Rep. 292, 1890; International Tooth-Crown Co. *v.* Carmichael, 44 Fed. Rep. 350, 1890; New York Filter Co. *v.* Schwarzwald, 58 Fed. Rep. 577, 1893.

² First Amendment to the Constitution.

³ Francis *v.* Flinn, 118 U. S. 385, 1886.

⁴ Equity Rule 28.

may in his discretion direct.¹ After a replication is filed, and before the hearing of the case, the bill cannot be amended except upon a special order of a judge of the court, upon motion or petition, after due notice to the other party, and upon proof by affidavit that the application is not made for the purpose of vexation or delay, and that the matter of the proposed amendment is material, and could not with reasonable diligence have sooner been introduced into the bill, and upon the plaintiff submitting to such other terms as may be imposed by the judge for speeding the cause.² Amendments applied for at or after the hearing of a case, are not regulated by the Equity Rules, but are allowed or refused, according to the sound discretion of the court.³ But that discretion is governed by precedents, and those precedents indicate that amendments, at or after the hearing, will be allowed only where the bill is found to be defective in proper parties, or in its prayer for relief, or in the omission or misstatement of some fact or circumstance connected with the substance of the case, but not forming the substance itself, or where it is necessary for the complainant to take issue with new matter in the answer.⁴ Where a litigation has been conducted precisely as it would have been if the proper amendment had been made before any plea, answer, or demurrer was filed; the court will allow that amendment to be filed even after the hearing, and thus make the pleadings conform to what the course of the litigation assumed them to be.⁵

§ 587. A bill needs amendment when the defendant's demurrer, plea, or answer points out a material fault therein, or when the complainant otherwise discovers a material error or omission which may be cured, or when the defend-

¹ Equity Rule 29.

² Equity Rule 29.

³ *Neale v. Neals*, 9 Wallace, 9, 1869.

⁴ *Shields v. Barrow*, 17 Howard, 144, 1854.

⁵ *The Tremolo Patent*, 23 Wal-

lace, 527, 1874; *Vattier v. Hinde*, 7 Peters, 273, 1833; *Dupont v. Mussey*, 4 Washington, 128, 1821; *New York Sugar Co. v. Sugar Co.* 20 Fed. Rep. 505, 1884; *New Departure Bell Co. v. Bevin Mfg. Co.* 64 Fed. Rep. 866, 1894.

ant's plea or answer contains statements to which it is necessary to plead by way of confession and avoidance.¹ No reply by way of confession and avoidance can be made in a replication in equity.² Where the plea or answer sets up new matter, to which the complainant wishes to reply by way of traverse, the general replication is the proper pleading to file for that purpose.³

§ 588. Defences may be made to a bill in equity for infringement of a patent, by a demurrer, or by a plea, or by an answer; or by a demurrer to part, and a plea to another part, and an answer to the residue;⁴ or by a demurrer to part, and a plea to the residue; or by a demurrer to a part, and an answer to the residue; or by a plea to a part, and an answer to the residue.⁵

The nature and operation of demurrers and answers in equity practice, are so well understood by the profession, that nothing need be said about them in this book, further than to show the applicability of each of those forms of pleading to the various defences which belong to patent litigation. But defences by plea may bear a longer review, because they have largely gone out of use in the Federal courts and their principles been partly forgotten by the members of the bar, since the Equity Rules authorized nearly every defence to be made in an answer, that formerly required a plea for its interposition.⁶ But those rules do not authorize any defendant to make a particular defence in a plea, and if unsuccessful there, to make it over again in an answer.⁷ Such a plan, if allowed, would enable a defendant whose plea is overruled as stating no defence at law, to argue that question again on the final hearing; and it would enable a defendant, whose plea is proved to be false in fact, to contest that issue again on new testimony taken in pursuance of an answer. Though pleas in bar are

¹ *Wilson v. Stolley*, 4 McLean, 275, 1847.

² Equity Rule 45.

³ Equity Rule 66.

⁴ Equity Rule 32.

⁵ *Story's Equity Pleading*, Section 437.

⁶ Equity Rule 39.

⁷ *Hubbell v. De Land*, 14 Fed. Rep. 475, 1882.

not necessary in equity cases in the Federal courts, except under rare circumstances, they may sometimes be made useful in saving time, labor, costs, and expense. It is, on these accounts, expedient to remind the reader of the general nature and operation of those pleadings, before explaining their special application to actions in equity for infringements of patents.

§ 589. A plea in equity is a sworn ¹ pleading, which alleges that some one fact, not stated in the bill, is true; or that some one statement of fact in the bill, is not true; or that some one fact, which the bill states is not a fact, is a fact nevertheless. A plea of the first kind sets up new matter by way of confession and avoidance, and is properly named an affirmative plea.² This is the only sort of plea in equity which was recognized in the time of Chancellor BACON.³ A plea of the second kind traverses some one statement of fact in the bill, and is therefore properly called a negative plea.⁴ This sort of plea was established by Chancellor TURLLOW, and thereafter became a fully recognized part of equity pleading in England and in the United States.⁵ A plea of the third kind states some fact to be true which the bill seeks to impeach.⁶ It is similar to an affirmative plea in respect that it sets up matter outside of that upon which the bill is based; and it is similar to a negative plea, in that it contradicts some one statement of fact in the bill. It may therefore be properly named a composite plea. Where the single point of fact stated or denied in a plea, depends for its truth or error upon the comparative construction of two documents, the plea is bad and must be overruled; because such a question of construction is a question of law.⁷

¹ Equity Rule 31.

² Daniell's Chancery Practice, Vol. 1, Chap. XV, Section 1.

³ Beame's General Orders of the High Court of Chancery, 26.

⁴ Daniell's Chancery Practice, Vol. 1, Chap. XV, Section 1.

⁵ Story's Equity Pleading, Section 668.

⁶ Daniell's Chancery Practice, Vol. 1, Chap. XV, Section 1.

⁷ Lowrey v. Aluminum Co. 56 Fed. Rep. 495, 1893.

§ 590. After a defendant files a plea to a bill in equity, the complainant should satisfy himself whether it states a good defence to the bill, or to that part of the bill to which it refers, and should ascertain whether it is true in point of fact. If he is sure that he can prove it to be false, he should take issue upon it¹ by filing a replication.² If he has any ground for fear that the plea is true in fact, and any ground for hope that it is bad in law, his true course is to set the plea down for argument;³ which setting down is equivalent to a demurrer to the plea.⁴ If, on the argument, the plea is held to state no fact which constitutes a defence to the bill, or to any part thereof, it will be overruled, and the defendant will be permitted to file an answer setting up whatever other defences he can.⁵ But if the plea is held on the argument to state a good defence to the bill, or to that part of the bill to which it applies, it will be allowed, and thereupon the complainant may ask leave to amend his bill;⁶ or if he cannot truly amend it so as to make it avoid the plea, he must file a replication.⁷ Thereupon, if the plea is proved to be true, the fact thus established will avail the defendant, as far as, in law and equity, it ought to avail him;⁸ and if the plea is proved to be false, the defendant must file an answer to the bill.⁹ Only one defence can be made to a bill in a plea, unless the court, in order to avoid a special inconvenience, gives a special permission to a defendant to make a plurality of defences in that method

¹ Equity Rule 33.

² Daniell's Chancery Practice, Vol. 1, Ch. XV. Section V.

³ Equity Rule 33.

⁴ Davison's Ex'rs v. Johnson, 16 New Jersey Equity, 113, 1863; Korn v. Wiebusch, 33 Fed. Rep. 51, 1887; Burrell v. Hackley, 35 Fed. Rep. 834, 1888.

⁵ Equity Rule 34.

⁶ Edison Electric Light Co. v. Equitable Life Co. 55 Fed. Rep. 481, 1893.

⁷ Story's Equity Pleading, Sec-

tion 697; Daniell's Chancery Practice, Vol. 1, Ch. XV. Section V.

⁸ Pearce v. Rice, 142 U. S. 42, 1891; Horn v. Detroit Co. 150 U. S. 610, 1893; Green v. Bogue, 158 U. S. 500, 1895; Elgin Wind Power Co. v. Nichols, 65 Fed. Rep. 218, 1894; American Graphophone Co. v. Edison Phonograph Works, 72 Off. Gaz. 1350, 1895.

⁹ Dalzell v. Dueber Mfg. Co. 149 U. S. 326, 1893.

of pleading.¹ With that exception, after any plea has been overruled, the defendant, if he has other defences to interpose, must interpose them in an answer.² This outline of the principles of pleas in equity should be kept in mind by the reader while perusing sundry of the sections which follow.

§ 591. The twenty-seven defences which may be made to actions at law for infringements of patents,³ may all be made to actions in equity based on such causes; and the latter actions are also liable to two other defences, to which actions at law are not subject. These are non-jurisdiction of equity, and laches. It is convenient first to explain the facts which may support each of these two defences, and then state the various methods in which each may be interposed, and afterward to review the twenty-seven defences in their order, and to explain wherein any of them differ in their operation in equity, from their operation at law, and to state what forms of pleading are suitable to each, under the varying circumstances of patent litigation.

§ 592. Non-jurisdiction in equity is a defence which will succeed in any infringement case, unless an injunction is granted, or at least rightfully prayed for in that case, or unless some impediment prevents a resort to remedies purely legal, or unless the circumstances of the case render the remedy obtainable by an action at law, difficult, inadequate, or incomplete.⁴ Equity jurisdiction is therefore absent where the patent expired before the bill is filed,⁵ or where the complainant has no ownership in the patent at that time.⁶

¹ Story's Equity Pleading, Section 657; *Wheeler v. McCormick*, 8 Blatch. 267, 1871; *Noyes v. Willard*, 1 Woods, 187, 1871; *Giant Powder Co. v. Nitro Powder Co.* 19 Fed. Rep 510, 1884.

² Equity Rule 34.

³ Section 440 of this book

⁴ *Root v. Railroad Co.* 105 U. S. 189, 1881.

⁵ *Root v. Railroad Co.* 105 U. S. 189, 1881.

⁶ *Waterman v. Mackenzie*, 138 U. S. 257, 1891.

But where a bill is filed before the expiration of the patent upon which it is based, and where it truly states a proper case for an injunction, and contains a proper prayer for that relief, equity has jurisdiction, and should retain it to the end of the suit, even if, on account of the expiration of the patent before a hearing is had,¹ or on account of the sale of the patent by the complainant before a hearing is obtained,² or on account of public policy,³ or on account of the complainant's delay to move,⁴ no injunction is ever granted in the case.

But where a bill untruly states a proper case for an injunction, and contains a prayer for that relief, the jurisdiction of equity will lapse and the bill be dismissed, whenever it is shown to have been untrue in respect of those of its statements upon which the prayer for an injunction is based.⁵ And where a bill states no proper case for an injunction, but contains a prayer for such a writ, the jurisdiction of equity will not attach at all, and the bill be dismissed whenever its character is brought to the attention of the court.⁶ And where a bill is filed so shortly before the expiration of the patent upon which it is based, that no motion for an injunction can be regularly notified to the defendant and heard by the court till after that expiration, the bill will be dismissed whenever the court learns that no injunction can

¹ *Clark v. Wooster*, 119 U. S. 325, 1886; *Beedle v. Bennett*, 122 U. S. 75, 1886; *Gottfried v. Brewing Co.* 13 Fed. Rep. 479, 1882; *Gottfried v. Moerlein*, 14 Fed. Rep. 170, 1882; *Forehand v. Porter*, 15 Fed. Rep. 256, 1883; *Reay v. Raynor*, 19 Fed. Rep. 309, 1884; *Adams v. Howard*, 19 Fed. Rep. 317, 1884; *Dick v. Struthers*, 25 Fed. Rep. 103, 1885; *Adams v. Iron Co.* 26 Fed. Rep. 324, 1886; *Kirk v. DuBois*, 28 Fed. Rep. 460, 1886; *Brooks v. Miller*, 28 Fed. Rep. 615, 1886; *Kittle v. De Graff*, 30 Fed. Rep. 689, 1887; *Kittle v. Rogers*, 33 Fed. Rep. 49,

1887; *Hohorst v. Howard*, 37 Fed. Rep. 97, 1888; *Singer Mfg. Co. v. Wilson Mach. Co.* 38 Fed. Rep. 587, 1889.

² *New York Belting Co. v. New Jersey Car-Spring Co.* 47 Fed. Rep. 505, 1891; 48 Fed. Rep. 559, 1891.

³ *Bragg Mfg. Co. v. Hartford*, 56 Fed. Rep. 293, 1893.

⁴ *Waite v. Chair Co.* 45 Fed. Rep. 259, 1891.

⁵ *Dowell v. Mitchell*, 105 U. S. 430, 1881.

⁶ *Campbell v. Ward*, 12 Fed. Rep. 150, 1882; *Creamer v. Bowers*, 30 Fed. Rep. 185, 1887.

be lawfully granted.¹ And if no injunction is granted, and if the Circuit Court does dismiss the bill for want of equity, in the absence of a right to an injunction at the time of the hearing, such dismissal will not be reversed on an appeal.”

§ 593. The case of *Root v. Railway Co.* omitted to clearly state what exceptional facts will give equity jurisdiction, independent of any injunction or prayer for injunction. What the court said on that subject was said in the following phraseology: “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 cannot be defined more exactly, each must rest upon its own peculiar circumstances, as furnishing a clear and satisfactory ground of exception from the general rule.” Before this case was a year old, the same justice who delivered the opinion of the Supreme Court was called upon to deliver another in explanation thereof.³ In the latter case it was held that grounds of equitable relief do not arise “where the title of the complainant is equitable merely,” unless that fact constitutes an impediment to a resort to remedies purely legal, or constitutes a circumstance which renders the remedy obtainable by an action at law difficult, inadequate, or incomplete. And Judge COLT has decided that such an equity does not “arise

¹ *Clark v. Wooster*, 119 U. S. 324, 1886; *Burdell v. Comstock*, 15 Fed. Rep. 395, 1883; *Davis v. Smith*, 19 Fed. Rep. 823, 1884; *Mershon v. Furnace Co.* 24 Fed. Rep. 741, 1885; *American Cable Ry. Co. v. Chicago City Ry. Co.* 41 Fed. Rep. 522, 1890;

Bragg Mfg. Co. v. Hartford, 56 Fed. Rep. 293, 1893.

² *Keyes v. Mining Co.* 158 U. S. 152, 1895; *Russell v. Kern*. 72 Off. Gaz. 590, 1895.

³ *Hayward v. Andrews*, 106 U. S. 672, 1882.

out of, and inhere in, the nature of the account itself" merely because the account is intricate.¹

§ 594. Want of jurisdiction in equity may be set up by a defendant in a demurrer or in an answer. But it cannot be interposed without any pleading to sustain it;² except where the bill shows that it was filed after the patent expired. In that case, non-jurisdiction may be invoked by a motion at any stage of the case in the circuit court.³ There is an advantage in making this defence by demurrer instead of by answer, or by motion after an answer; for in the first case the bill may be dismissed with costs, while in either of the others no costs can be recovered, even if the defence is successful.⁴

§ 595. Prior adjudication in an action at law is not necessary to give jurisdiction to equity in cases of infringements of patents, nor is such an adjudication necessary to call equity into activity in that behalf.⁵ A circuit court may, in its discretion, order a trial at law in such a case,⁶ or order a trial by jury at its own bar,⁷ in order to inform the conscience of the chancellor; but no such trial can be demanded by either or both of the parties as an absolute right, for courts of equity are not only really, but also technically, competent to judge of questions of facts.⁸

§ 596. Laches is a defence which is peculiar to courts of equity. "The cases are many in which this defence has been invoked and considered. It is true, that by reason of their differences of fact, no one case becomes an exact precedent for another, yet a uniform principle pervades them all. They proceed on the assumption that the party to whom

¹ *Lord v. Machine Co.* 24 Fed. Rep. 803, 1885; *Adams v. Iron Co.* 26 Fed. Rep. 325, 1886.

² *Reynes v. Dumont*, 130 U. S. 395, 1889; *Tyler v. Savage*, 143 U. S. 96, 1892; *Dederick v. Fox*, 56 Fed. Rep. 717, 1893.

³ *Spring v. Sewing Machine Co.* 13 Fed. Rep. 446, 1882.

⁴ *Dawes v. Taylor*, 14 Reporter,

180, 1882.

⁵ *McCoy v. Nelson*, 121 U. S. 487, 1887.

⁶ *Wise v. Railway Co.* 33 Fed. Rep. 277, 1888.

⁷ 18 Statutes at Large, Part 3, Chap. 77, Section 2, p. 316.

⁸ *Cochrane v. Deener*, 94 U. S. 780, 1876.

laches is imputed, has 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 condition or relations during this period of delay, it would be an injustice to the latter to permit the former to now assert them."¹ "The length of time during which the party neglects the assertion of his rights, which must pass in order to show laches, varies with the peculiar circumstances of each case, and is not, like the matter of limitations, subject to an arbitrary rule. It is an equitable defence, controlled by equitable considerations, and the lapse of time must be so great, and the relations of the defendant to the rights such, that it would be inequitable to permit the plaintiff to assert them now."² In pursuance of these principles, courts of equity sometimes dismiss bills for infringements of patents, because they were not filed with diligence,³ or not prosecuted with diligence after they were filed;⁴ and whether the complainant or his assignor is the party who is chargeable with laches.⁵ But delay to sue is not always, laches, because it may have resulted from the fact that the complainant did not know of the infringement till long after it began; or from the fact that he was litigating a test case under his patent against another infringer during the time of the delay;⁶ or it may have occurred after the

¹ *Gallier v. Cadwell*, 145 U. S. 372, 1892.

² *Halstead v. Grinnan*, 152 U. S. 416, 1894.

³ *Lane & Bodley Co. v. Lock*, 150 U. S. 200, 1893; *New York Grape Sugar Co. v. Buffalo Grape Sugar Co.* 24 Fed. Rep. 604, 1885; *Edison Electric Light Co. v. Equitable Life Co.* 55 Fed. Rep. 479, 1893; *Fosdick v. Lowell Machine Shop*, 58 Fed. Rep. 817, 1893.

⁴ *Johnston v. Mining Co.* 148 U. S. 370, 1892.

⁵ *Kittle v. Hall*, 29 Fed. Rep. 511, 1887; *Woodmanse & Hewitt Co. v. Williams*, 68 Fed. Rep. 492, 1895.

⁶ *Van Hook v. Pendleton*, 1 Blatch. 193, 1846; *Green v. French*, 4 Bann. & Ard. 171, 1879; *Green v. Barney*, 19 Fed. Rep. 421, 1884; *American Bell Telephone Co. v. Southern Telephone Co.* 34 Fed. Rep. 802, 1888; *Edison Electric Light Co. v. Mt. Morris Electric Light Co.* 57 Fed. Rep. 644, 1893; *Norton v. Automatic Can Co.* 57 Fed. Rep. 932, 1893.

infringer was warned to infringe no more, and while the patentee was preparing for action.¹ The first of these circumstances excuses delay, because vigilance does not imply omniscience; and the second excuses delay because abstinence from vexatious litigation is worthy to be praised rather than punished by a court of equity; and the third excuses delay because it is neglect, and not patience, that constitutes laches.

§ 597. The defence of laches can be made in a demurrer,² or in a plea,³ or in an answer, or in an argument on the hearing without any pleading to support it.⁴

To guard against a demurrer based on laches, in a case where long delay intervened between the infringement and the filing of the bill, the bill ought to state the existing excuses for that delay;⁵ and to guard against such a defence being started on the hearing, the evidence ought to show whatever excuse the complainant can interpose.

§ 598. The first of the twenty-seven defences which are known both to actions at law and actions in equity for infringements of patents, can be made in a demurrer, where the letters patent appear on their face to have been granted for something other than a process, machine, manufacture, composition of matter, or design.⁶ And indeed any defence which can be based upon the face of the patent can be made by demurrer.⁷ But a plea is never applicable to the first defence, because its validity depends upon the construction of the letters patent, and not upon any matter of fact to which an oath would be pertinent, though an answer is always applicable thereto, and may join it with other defences to a patent.

¹ Seibert Oil Cup Co. v. Lubricator Co. 34 Fed. Rep. 34, 1888.

² Maxwell v. Kennedy, 8 Howard, 222, 1850.

³ Edison Electric Light Co. v. Equitable Life Co. 55 Fed. Rep. 479, 1893.

⁴ Sullivan v. Railroad Co. 94 U. S. 811, 1876; Woodmanse & Hewitt

Mfg. Co. v. Williams, 68 Fed. Rep. 494, 1895.

⁵ Edison Electric Light Co. v. Equitable Life Co. 55 Fed. Rep. 481, 1893.

⁶ Risdon Locomotive Works v. Medart, 158 U. S. 84, 1895.

⁷ Richards v. Chase Elevator Co. 158 U. S. 301, 1895.

§ 599 The second defence may be made on the hearing, without any pleading or evidence, in all cases where the court will take judicial notice of the fact which shows want of invention;¹ and a demurrer will also be sustained in the same circumstances.² But courts will not take judicial notice of a fact, merely because it is stated in a book,³ or in a prior patent;⁴ nor of any fact which is not generally known,⁵ even though known to the judges;⁶ nor of any fact, the reality of which is subject to doubt.⁷ And a demurrer for want of invention will be overruled except in a clear case.⁸ Where the state of the prior art must be proved by evidence, in order to show that the advance covered by the patent did not amount to invention; it is necessary to set up the defence of want of invention in an answer.⁹ A

¹ *Hendy v. Iron Works*, 127 U. S. 375, 1887; *Brown v. Piper*, 91 U. S. 41, 1875; *Slawson v. Railroad Co.* 107 U. S. 649, 1882; *Ligowski Clay Pigeon Co. v. Clay Bird Co.* 34 Fed. Rep. 332, 1888; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 Fed. Rep. 260, 1892; *Goebel v. Supply Co.* 55 Fed. Rep. 826, 1893; *Schreiber v. Grim*, 65 Fed. Rep. 221, 1895

² *Risdon Locomotive Works v. Medart*, 158 U. S. 84, 1895; *Dick v. Supply Co.* 25 Fed. Rep. 105, 1885; *Kaolatype Engraving Co. v. Hoke*, 30 Fed. Rep. 444, 1887; *New York Belting Co. v. Rubber Co.* 30 Fed. Rep. 785, 1887; *West v. Rae*, 33 Fed. Rep. 45, 1887; *Richards v. Michigan Central Railroad Co.* 40 Fed. Rep. 165, 1889; *Studebaker Mfg. Co. v. Illinois Bolt Co.* 42 Fed. Rep. 52, 1890; *Fougeres v. Murberger*, 44 Fed. Rep. 293, 1890; *Root v. Sonntag*, 47 Fed. Rep. 309, 1891; *United States Credit System Co. v. Indemnity Co.* 51 Fed. Rep. 751, 1892; *United States Credit System Co. v. Credit Co.* 53 Fed.

Rep. 818, 1893; *Wall v. Leck*, 61 Fed. Rep. 291, 1894.

³ *Kaolatype Engraving Co. v. Hoke*, 30 Fed. Rep. 444, 1887.

⁴ *Bottle Seal Co. v. De La Vergne Co.* 47 Fed. Rep. 61, 1891.

⁵ *Eclipse Mfg. Co. v. Adkins*, 36 Fed. Rep. 554, 1888.

⁶ *New York Belting Co. v. New Jersey Rubber Co.* 137 U. S. 449, 1890.

⁷ *Blessing v. Copper Works*, 34 Fed. Rep. 753, 1888; *LaLance & Grosjean Mfg. Co. v. Mosheim*, 48 Fed. Rep. 452, 1891; *Hanlon v. Primrose*, 56 Fed. Rep. 600, 1893.

⁸ *Standard Oil Co. v. Southern Pacific Co.* 42 Fed. Rep. 295, 1890; *Krick v. Jansen*, 52 Fed. Rep. 823, 1892; *Drainage Construction Co. v. Engelwood Sewer Co.* 67 Fed. Rep. 141, 1894.

⁹ *Bottle Seal Co. v. De La Vergne Co.* 47 Fed. Rep. 61, 1891; *Brickill v. Hartford*, 57 Fed. Rep. 217, 1893; *Drainage Construction Co. v. Englewood Sewer Co.* 67 Fed. Rep. 141, 1894.

demurrer will not be sustained, in such a case, on the basis of what the patent may set forth as the state of the prior art; unless the patentee is some way estopped from showing the patent to be otherwise than accurate in its statements on that subject.¹ A plea is not applicable to such a case, because defendants can seldom swear to the state of the art, and even where they can, they cannot plead resulting want of invention, because that depends upon the construction of the patent, which is to be made by the court in the light of the state of the art. When interposing this defence in an answer, it is not necessary to state what facts are intended to be proved in its support; because those facts refer only to the state of the art, and not to novelty.² The function of an answer, in respect of this defence, is to notify the complainant that the evidence of the state of the art, which is taken by the defendant, will be invoked at the hearing to show want of invention, and not merely to narrow the patent and thus show non-infringement.

§ 600. The third defence cannot be set up in a plea, because the statute expressly provides that it shall be set up in an answer.³ Nor can it be based on such a notice as will effect the purpose in an action at law.⁴ It requires an answer for its embodiment;⁵ and that answer must state the same things which a statutory notice of want of novelty in an action at law is required to contain.⁶

It has been held on the circuit, that evidence of want of novelty, taken without being properly pleaded in the answer, is not made admissible by being set up in a subsequent

¹ *Indurated Fibre Co. v. Grace*, 52 Fed. Rep. 128, 1892.

² *Vance v. Campbell*, 1 Black. 430, 1861; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 Fed. Rep. 260, 1892; *Dayton Crupper Co. v. Ruhl*, 55 Fed. Rep. 651, 1893.

³ *Carrick v. McKesson*, 8 Fed. Rep. 807, 1881.

⁴ *Doughty v. West*, 2 Fisher, 555, 1865.

⁵ *Seymour v. Osborne*, 11 Wallace, 516, 1870; *Roemer v. Simon*, 95 U. S. 214, 1877.

⁶ *Agawam Co. v. Jordan*, 7 Wallace, 583, 1868; *Bates v. Coe*, 98 U. S. 31, 1878; *Planing-Machine Co. v. Keith*, 101 U. S. 493, 1879.

amendment of that pleading.¹ In another case it was held to rest in the discretion of the court to admit the evidence, so taken and subsequently pleaded, or to reject that evidence, but permit the defendant to take it anew under the amended answer.² These holdings are hardly consistent with each other, and neither of them seems consistent with an earlier Supreme Court decision on a similar point.³ In that case it was held that evidence of want of novelty is admissible in an action at law, where it was taken without being properly set up in any notice, but where a proper notice was subsequently given, and given thirty days before the trial.

Where the answer states that the patent sued on is void for want of novelty, evidence to support that statement will be admitted on the hearing, though not specified in the answer, unless the complainant objects to that evidence for want of the statutory notice.⁴

§ 601. The fourth defence cannot rightly be made in a plea, for though a defendant may make an oath that he believes the patented thing to be without utility, he can hardly swear that it is certainly so. Others might succeed in using it where he has failed. An answer is therefore the only proper pleading for this defence, and without being set up in the answer, it cannot be made at the hearing.⁵

§ 602. The fifth and sixth defences both require to be interposed in answer, because they both rest on evidence of abandonment outside of the bill, and therefore cannot be interposed by a demurrer,⁶ and because, being two of the

¹ *Roberts v. Buck*, 1 Holmes, 224, 1873.

² *Allis v. Buckstaff*, 13 Fed. Rep. 879, 1882.

³ *Teese v. Huntingdon*, 23 Howard, 2, 1859.

⁴ *Roemer v. Simon*, 95 U. S. 220, 1877; *Brown v. Hall*, 6 Blatch. 405, 1869; *Barker v. Stowe*, 15 Blatch.

49, 1878.

⁵ *Rubber Co. v. Goodyear*, 9 Wallace, 793, 1869; *Ames & Frost Co. v. Woven Wire Mach. Co.* 59 Fed. Rep. 705, 1893.

⁶ *United States Electric Lighting Co. v. Consolidated Electric Light Co.* 33 Fed. Rep. 869, 1888.

five defences provided for by Section 4920 of the Revised Statutes, neither of them can be set up in a plea.¹ And an answer must show what fact or facts constitute the abandonment which is invoked therein.²

§ 603. The seventh defence cannot be interposed in a plea because it involves the construction of the claims of the letters patent in suit. Letters patent are not void merely because they describe something not shown in the original application therefor. It is only when they claim something not indicated or described in the specification or drawings of the original application that they are obnoxious to the seventh defence. The question what letters patent claim is a question of law for the court, and is therefore not one which can be raised by a plea in an action in equity. Nor can this defence be raised by a demurrer, because, in order to decide upon its validity the court must not only construe the claims of the patent, but must also compare the claims so construed with the original application, and that application must be introduced for the purpose, as a matter of evidence. This defence must therefore be set up in the answer, except where the complainant takes the initiative upon the subject. In that case the complainant must maintain the validity of his patent against this defence, even where it is not specifically interposed in the answer.³

§ 604. The eighth defence cannot be set up in a plea, but must be interposed in an answer, because it is one of the five for which the statute prescribes that form of pleading in equity cases.⁴

§ 605. Either the ninth or the tenth defence may be interposed in a plea, where the defendant knows the fact of joint or of sole invention upon which they respectively stand. Each of these defences rests upon a single matter of fact, which if decided against the complainant is fatal to his

¹ *Carrick v. McKesson*, 8 Fed. Rep. 807, 1881.

² *Western Electric Co. v. Sperry Electric Co.* 58 Fed. Rep. 192, 1893.

³ *Michigan Cent. R. R. Co. v. Car*

Heating Co. 67 Fed. Rep. 121, 1895.

⁴ Revised Statutes, Section 4920; *Carrick v. McKesson*, 8 Fed. Rep. 807, 1881; *Ecaubert v. Appleton*, 47 Fed. Rep. 893, 1891.

patent. But it is always unwise to make either of these defences in a plea, because the complainant will have no alternative but to file a replication, and because, by doing so, he may foreclose other defences, and because there is always a possibility that the court will, on the evidence, decide that the invention was joint, or was several, according as it may be necessary to do in order to sustain the patent.¹ An answer is therefore the best pleading in which to embody either of these two defences.

§ 606. The eleventh defence stands in the same category, in respect of equity pleading, with the third, fifth, sixth, and eighth, and must, like them, be made in an answer, and not in a plea.

§ 607. The twelfth defence cannot be made in a plea, because, though the defendant might be able to make oath that he is a person skilled in the art to which the invention covered by the patent appertains, and that the description contained in that patent is not full, clear, concise, and exact enough to enable him to make and use the same, he could not make oath that the same thing is true of other persons skilled in that art. An answer is, therefore, the proper pleading for this defence also.

§ 608. Nor can the thirteenth defence be set up in a plea, because it depends on the construction of the claims of the letters patent, and not upon any matter of fact to be sworn to in a plea or proved in a deposition. But this defence can be made by a demurrer, where profert has been made of the letters patent, or they have otherwise been made a part of the bill.² An answer is also a proper pleading in which to interpose this defence.

§ 609. The fourteenth defence also generally requires to be set up in an answer.³ A plea is not ordinarily suitable for the purpose, because this defence depends primarily upon the necessity for a disclaimer, and because that neces-

¹ *Pitts v. Hall*, 2 Blatch. 229, 1851; *Blandy v. Griffith*, 3 Fisher, 616, 1869.

² *Brickill v. Hartford*, 49 Fed.

Rep. 373, 1892.

³ *Burden v. Corning*, 2 Fisher, 498, 1864.

sity depends upon the claim being obnoxious to one or more of the first three defences, and because the third defence always, and the first and second generally, require to be interposed in an answer, if interposed at all.

§ 610. The fifteenth defence can never be interposed in a plea, because it primarily depends, either upon the original patent not being inoperative or invalid by reason of a defective or insufficient specification, or upon its not being invalid in part, for want of novelty.¹ Where it primarily depends upon the first of these matters, it depends either upon the construction of the original letters patent, or upon proof that any person skilled in the art to which the invention belongs, could from the original specification make and use the same; and where it depends upon the second of these matters, it depends upon proof that everything claimed in the original letters patent was novel. None of these matters can ordinarily be put into a plea. Statements of the true construction of a patent cannot be, because they are statements of law. Statements that any person skilled in the art can make and use a particular invention, from a particular specification, are hardly proper in pleas, because a defendant ought seldom to attempt to swear what other persons can or cannot do. And statements that everything claimed in the patent of another was novel with him, should never go into a plea, because a defendant can never know that none of those things were previously known or used. Nor can this defence be raised by a demurrer, unless the original letters patent are incorporated in the bill for infringement of its reissue; and not even then can it be so raised, unless the question is solely one of construction of the original letters patent. An answer is always the most suitable place in which to interpose this defence, and generally it is the only possible pleading for the purpose.

§ 611. The sixteenth defence depends partly on the comparative construction of the original and reissue letters patent, and partly upon evidence that the delay in applying

¹ Revised Statutes, Section 4916.

for the reissue was unreasonable. Where both the original and the reissue are proffered or incorporated in the bill; this defence may be made by demurrer, because the court then has every necessary means of making the comparative construction,¹ and because long delay will be held to be unreasonable, unless it is excused in the bill. Where the bill omits to set out the original patent, this defence must be made in an answer; for such mixed questions of law and fact are wholly unsuitable to a plea.²

§ 612. The seventeenth defence depends upon the comparative construction of the original and reissue letters patent. It may be made on demurrer, where both those documents are proffered or otherwise incorporated in the bill. If the original letters patent are not so incorporated, this defence may be made in an answer; but it cannot be made in a plea, because the question involved is one of construction of documents, and not a question of fact to be sworn to by a defendant, or to be decided upon the replication of the complainant and the evidence of experts.

§ 613. The eighteenth defence may be made by a demurrer where the bill is based on the prior patent, as well as on its alleged double.³ But a plea is not suitable to this defence, unless the disputed claim or claims in the subsequent patent can be plainly seen to be identical with a claim or claims in the prior patent; for if construction must be resorted to in order to determine identity, or want of identity, between the claims of the two patents, the question is one of law, and therefore improper to be raised by a plea in equity. And an answer is always a proper pleading in which to interpose this defence.

§ 614. The nineteenth defence may be set up in a plea, if the defendant has personal knowledge of the record which

¹ *Powder Co. v. Powder Works*, 98 U. S. 126, 1878; *Wollensak v. Reiher*, 115 U. S. 96, 1884; *International Terra Cotta Lumber Co. v. Maurer*, 44 Fed. Rep. 619, 1890.

² *Maxwell v. Kennedy*, 8 Howard, 222, 1850.

³ *Russell v. Kern*, 64 Fed. Rep. 581, 1894.

he pleads, and can therefore make the required oath that there is in fact such a record. If he has no such knowledge, the defence must be made in an answer, for the ancient rule that records may be pleaded in equity, without an oath, is inconsistent with the United States equity rule upon the subject of pleas.¹

§ 615. The twentieth defence can be made by a demurrer, where the bill shows the patent to have expired when the doings which constitute the alleged infringement were committed. But that will seldom be the fact, for the expiration relied upon in such cases is nearly always due to the expiration of some foreign patent for the same invention, and not to anything which appears on the face of the United States patent in suit. Where the defence depends upon the expiration of a foreign patent which is not mentioned in the bill, it cannot be set up in a demurrer. Nor can it often be set up in a plea, because it depends not only upon the existence of a foreign patent, but also upon that patent being for the the same invention as the patent in suit, and because this last question, except where the two patents are plainly identical, is one of construction for the court,² and because defences which depend upon the comparative construction of different documents cannot be interposed in a plea.³ This defence must therefore generally be made in an answer.

§ 616. The twenty-first defence may be made in a plea, if the defendant knows that the complainant made or sold specimens of the patented thing during the life of the patent without marking them "patented," and if the defendant was not duly notified of his infringement, or, if notified, immediately discontinued to infringe.⁴ This defence can also be made without any special statement relevant thereto in the answer, because the complainant must negative it in his bill and in his evidence in chief, or suffer the operation of the defence, whether the defendant has set it up in any plead-

¹ Equity Rule 31.

² *De Florez v. Reynolds*, 17 Blatch. 436, 1880.

³ *Lowrey v. Aluminum Co.* 56 Fed. Rep. 495, 1893.

⁴ Revised Statutes, Section 4900.

ing or not.¹ But this defence is seldom a full defence to an action in equity. It is never a defence to a prayer for an injunction, though it is to a prayer for damages.² Whether it is a defence to a prayer for infringer's profits, is an unsettled question, the solution of which will involve the balancing of a number of considerations. In the affirmative, it can be argued that profits are but equitable substitutes for damages, and as equity follows the law in respect of other parts of the patent system, it ought also to follow it in this. But it can be replied in the negative, that equity does not altogether follow the law in the matter of pecuniary recoveries for infringements of patents, but primarily determines the amounts of such recoveries on quite different principles from those used in courts of law for that purpose. And it can also be argued in the negative, that though it would be wrong to force a defendant to pay damages, regardless of the amount of his profits, for infringements against which the complainant neglected to warn him, it would not be unjust to compel a defendant to return to the complainant whatever profits the former realized from even an unwitting infringement of the patent of the latter. To this last point it can be rejoined for the affirmative, that such a case is not merely a case of unwitting infringement, but is also an instance of a patentee leading others to infringe his patent, by unlawfully concealing the fact of its existence, and that, though a failure to mark "patented" would lack some of the elements of a technical estoppel, still it is such a violation of the statute as ought to cause a forfeiture of all remedies for infringement committed before the giving of actual notice of the patent.

§ 617. The twenty-second defence may be made by demurrer, where the bill sets forth copies of the complainant's title papers, either in the stating part or as exhibits attached to the bill and thus made parts thereof, or where the bill pleads those papers according to their legal effect,

¹ *Dunlap v. Schofield*, 152 U. S. 244, 1894.

² *Goodyear v. Allyn*, 6 Blatch. 33. 1868.

and in such a way that the title appears on the face of the bill to be defective. Where the bill shows a good *prima facie* title, but where the defendant knows that one of the papers which compose its chain was executed after the assignor had assigned his right to another, and that the prior assignment was recorded in the Patent Office within three months after its date; or knows that such assignor assigned his right to another for a valuable consideration more than three months after the making of the assignment set up in the bill, and before the latter was recorded in the Patent Office, and without the junior assignee having notice of the senior unrecorded assignment, the defendant may successfully set up those facts in a plea. The action of a complainant will be defeated by evidence of either of these two sorts of faults in his title.¹ Either of these sets of facts may also be set up in an answer, as also may any fact which derogates from the complainant's apparent title; but no defect of title due to an outstanding unrecorded document can be made available as a defence without being pleaded.²

§ 618. The twenty-third defence may be put into a plea; and that is the most appropriate pleading in which to interpose it, where the defendant is sure of the fact of a license. Otherwise this defence, where it exists, should be interposed in an answer. A plea of this defence must state the character of the license specifically;³ and there appears to be no reason why an answer should not, on this point, be as specific as a plea.

§ 619. The twenty-fourth defence should be treated in respect of pleading in the same way as the twenty-third, and that whether the release pleaded was executed before or after the filing of the bill.

§ 620. The twenty-fifth defence may be interposed by a demurrer, where the bill sets forth the claims alleged to be infringed, and sets forth also the particular character of the

¹ Revised Statutes, Section 4898.

³ *Jones v. Berger*, 58 Fed. Rep.

² *California Electric Works v. Fink*, 47 Fed. Rep. 588, 1891.

1007, 1893.

defendant's doings.¹ It has been held by several excellent judges that this defence of non-infringement cannot be set up in a plea.² It would be an economical practice to so prepare bills that this defence could be made by demurrer; but where a bill is not so prepared, an answer is the only pleading in which to interpose it. And where the prior art is a necessary part of the foundation of a defence, it cannot be made by demurrer.

§ 621. The twenty-sixth defence may be made in a plea, and it ought to be so made in every case where the defendant is certain that he can prove the facts which he is advised amount to a basis for an estoppel. If those facts are found, on an argument of the plea, not to constitute an estoppel, the defendant will be permitted to file an answer setting up other defences. Or the defence of estoppel can be set up in an answer in the first instance. And where that defence consists of *res judicata*, the former record can be introduced in evidence without being specially pleaded in the answer.³

§ 622. The twenty-seventh defence may be interposed by a demurrer, where the bill clearly states the time when the infringement was committed, or the space of time during which it was carried on.⁴ Where the bill simply states that the infringement occurred during the life of the patent, and where any part of that life is remote enough in point of time to be barred by either the national or any State statute of limitation, if either is applicable thereto, then the applicable statute must be set up in a plea or in an answer, in order to avail the defendant. An answer is to be preferred to a plea for this purpose in all cases where the statute bars only a part of the right upon which the action is based; because an answer must generally be filed to the

¹ Collins Chemical Co. v. Capitol City Mfg. Co. 42 Fed. Rep. 64, 1890; Gerard v. Safe & Lock Co. 48 Fed. Rep. 380, 1891.

² Sharp v. Reissner, 9 Fed. Rep. 445, 1881; Korn v. Wiebusch, 33

Fed. Rep. 51, 1887; Jones v. Berger, 58 Fed. Rep. 1006, 1893.

³ Bradley Mfg. Co. v. Eagle Mfg. Co. 58 Fed. Rep. 721, 1893.

⁴ Brickill v. Hartford, 49 Fed. Rep. 374, 1892.

residue of the bill, and because the proceedings are simplified by putting all the defences into one pleading.

Statutes of limitation have the same effect upon actions in equity in the Federal courts, that they have upon corresponding actions at law.¹

§ 623. A replication is required to be filed by the complainant, in order to put in issue those points wherein the answer disagrees with the bill. No special replication is permitted in equity in the United States courts.² The general replication is required to be filed on or before the rule day which next succeeds that upon which the answer is due and is filed;³ but if filed after that time, it may, at the discretion of the court, be ordered to stand;⁴ or it may, if offered after that time, be allowed by the court to be filed *nunc pro tunc* as of the day whereon it was due.⁵

§ 624. Before tracing further the common course of an action in equity for infringement of a patent, it is expedient to make a short excursion into the field of those subordinate bills which are sometimes required to be filed before decrees for infringements can properly be entered. Four kinds of such bills are known: 1. Supplemental bills. 2. Bills in the nature of supplemental bills. 3. Bills of revivor. 4. Bills in the nature of bills of revivor.

§ 625. A supplemental bill is required where the original bill was filed by a person as executor or administrator, or as assignee in bankruptcy or insolvency, whenever any other person succeeds to the title of the complainant to act in that representative capacity.⁶ Such a bill is also necessary, in order to subject the estate of the defendant to a decree, where he is adjudged bankrupt or insolvent after the bill against him is filed.⁷ His assignee in bankruptcy

¹ *Elmendorf v. Taylor*, 10 Wheaton, 168, 1825; *Miller v. McIntyre*, 6 Peters, 66, 1832; *Bank of United States v. Daniel*, 12 Peters, 56, 1838.

² Equity Rule 45.

³ Equity Rule 66.

⁴ *Fisher v. Hayes*, 6 Fed. Rep. 77, 1881.

⁵ *Pierce v. West's Executors*, 1 Peters' Circuit Court Reports, 351, 1816.

⁶ Story's Equity Pleading, Section 340.

⁷ Mitford & Tyler's Equity Pleading, 166.

or insolvency is the proper person to be made the defendant to such a bill.¹ He will come before the court in the same plight as that of the bankrupt, and will be bound by all the prior proceedings in the case.² A supplemental bill is also a proper one to be filed against a stranger to the original bill, where he has conspired with the original defendant to infringe the patent in suit after the original defendant was enjoined from doing so himself.³ And such a bill is proper, where a patent is extended after the filing of the original bill, if the defendant continues to infringe the patent after the extension is granted.⁴ The same reasons which support the latter rule will also support a supplemental bill based on a new patent covering some feature of those doings of the defendant which also infringe the patent originally sued upon; and will also support such a bill where the defendant so changes the character of his doings *pendente lite* as to make them infringe some other patent of the complainant, as a part of the same acts that constitute infringements upon the patent upon which the original bill was based. But a good title, acquired after the filing of an original bill, cannot be brought into a case by a supplemental bill to take the place of the bad title stated in the original bill.⁵

§ 626. A bill in the nature of a supplemental bill is called for where the original bill was filed by a person in his own right, whenever that right passes to another person by voluntary assignment, or passes from the complainant to his assignee in bankruptcy or insolvency.⁶ This rule applies not only to cases where the entire right of a sole complainant is thus transferred *pendente lite*, but also to cases where the right of one of several complainants is so transferred,

¹ Sedgwick v. Cleveland, 7 Paige 1874.
(N. Y.), 290, 1838.

² Mitford & Tyler's Equity Pleading, 166.

³ Parkhurst v. Kinsman, 2 Blatch. 72, 1848.

⁴ Reedy v. Scott, 23 Wallace, 352.

⁵ Emerson v. Hubbard, 34 Fed. Rep. 327, 1888.

⁶ Story's Equity Pleading, Section 349; Ross v. Ft. Wayne, 63 Fed. Rep. 470, 1894; Ecaubert v. Appleton, 67 Fed. Rep. 924, 1895.

and to cases where a part only of the right of a sole complainant is made the subject of a voluntary assignment after the filing of the original bill.¹ And a bill in the nature of a supplemental bill, even if filed after the expiration of the patent, may be maintained in equity, if the original bill was filed before the expiration of the patent, and could have been thus maintained.²

§ 627. A bill of revivor is the proper means of reviving and continuing an action in equity for infringement of a patent, which has abated by reason of the death of one or more of the parties thereto.³ It is to be brought by or against the executor or administrator of the deceased party, and not by or against his heirs.⁴ When such a bill is filed, if the facts warrant him in so doing, the defendant may file a plea denying that the person who filed the bill was entitled to do so,⁵ or interposing some statute of limitation applicable to bills of revivor.⁵ There is no Federal statute of that kind, but the relevant statutes of the several States are applicable to bills of revivor in Federal courts.⁷ Those State statutes are of many species. In some, the limitation begins to run from the death of the deceased complainant; and in others, from the time his death is suggested in the case; and in others, from the time when a *scire facias* to revive is served on the person entitled to revive. The length of the limitation also varies in the different States. Perhaps the shortest time is six months, and the longest eighteen.

Where a bill of revivor is filed by the proper person within the proper time, the action will stand revived without any pleading being filed by the defendant.⁸ But where a

¹ Story's Equity Pleading, Section 346.

² *Ross v. Ft. Wayne*, 63 Fed. Rep. 466, 1894.

³ *Kirk v. Du Bois*, 28 Fed. Rep. 460, 1886.

⁴ Story's Equity Pleading, Section 354a.

⁵ Story's Equity Pleading, Sections 829 and 830.

⁶ Story's Equity Pleading, Section 831.

⁷ Revised Statutes, Section 721; *Campbell v. Haverhill*, 155 U. S. 610, 1895.

⁸ Equity Rule 56.

defendant dies without filing a sufficient answer to the original bill and the amendments thereto, the bill of revivor which is occasioned by his death ought to pray that the person against whom it seeks to revive the suit be compelled to answer the original bill and its amendments, or so much thereof as remains unanswered.¹ After an action in equity has been duly revived, it proceeds in the new form, unaffected by the change of name; and all the testimony theretofore taken may be thereafter used, precisely as if no abatement and revivor had occurred.²

§ 628. A bill in the nature of a bill of revivor is required where the complainant in the original bill assigned the right of action and the patent upon which it was based, and then died before the assignee took his place in the action, by means of a bill in the nature of a supplemental bill. A bill of the latter sort will not answer the purpose, unless it is filed before the death of the original complainant; because that death will cause an abatement of the suit, and because only bills of revivor, or bills in the nature of bills of revivor, can revive abated actions in equity.³ Bills of revivor can be filed only by privies in law, such as executors and administrators; and not by privies in estate, such as devisees and assignees.⁴ For the latter class of persons, bills in the nature of bills of revivor are available; and by means of such a bill, an assignee who did not file a bill in the nature of a supplemental bill before the death of the original complainant, may draw to himself the benefit of the original action, in whatever stage it may have been at the date of the abatement.⁵ Such a bill is also the proper means of reviving an action which has abated at the death of the administrator or executor who was prosecuting it in his representative capacity, if the person entitled to revive represents the

¹ Story's Equity Pleading, Section 375; Mitford & Tyler's Equity Pleading, 174.

² Vattier v. Hinde, 7 Peters, 265, 1833.

³ Equity Rule 56.

⁴ Story's Equity Pleading, Sec. 379.

⁵ Slack v. Walcott, 3 Mason, 511, 1825.

original testator or intestate, and not the deceased executor or administrator.¹

§ 629. A bill of revivor and supplement is merely a compound of a supplemental bill, and of a bill of revivor.² It is therefore proper to be filed when either of the facts which justify a supplemental bill and either of the facts which require a bill of revivor, occur in one action. So also, any two or more of the four sorts of bills mentioned in the four last sections, may be united in one bill, whenever either of the facts which require either of those bills, occurs in the same action with any of the facts which require any of the others.

§ 630. Leave of court is a prerequisite to the filing of supplemental bills, and bills in the nature of supplemental bills; and it is to be obtained upon proper cause shown, and due notice to the opposite party.³ But neither bills of revivor nor bills in the nature of bills of revivor, require any such order, for they may be filed in the clerk's office at any time.⁴ The reason of this difference is that neither of the last two kinds of bills are useful except in cases of death. There can be no temptation to file such a bill as either, unless a death has occurred among the parties to the action; and where such a death has occurred, there can be no objection to the filing of one or the other. But the first two sorts of bills are based upon events about the true character of which counsel may be mistaken in any given case, and it is therefore necessary, in order to avoid an improper accumulation of pleadings, that the court should pass upon the propriety of such bills before they are filed.

§ 631. No demurrer, plea, or answer is ordinarily required to be filed to a bill of revivor, or to a bill in the nature of a bill of revivor.⁵ But defendants are always required to demur, plead, or answer to supplemental bills, and to bills in the nature of supplemental bills.⁶ Where a bill of either

¹ Story's Equity Pleading, Sec. 382.

² Mitford & Tyler's Equity Pleading, 177.

³ Equity Rule 57.

⁴ Equity Rule 56.

⁵ Equity Rule 56.

⁶ Equity Rule 57.

of those kinds shows on its face that the person who filed it was not a proper person to do so, the objection may be made by a demurrer,¹ and when that fault exists, but does not appear on the face of the bill, the defence grounded upon it may be made by a plea.² Other defences can be made to supplemental bills, or to bills in the nature of supplemental bills, in the same forms and in the same circumstances in which corresponding defences can be made to original bills for infringement.³

§ 632. The hearing of an action in equity for infringement of a patent, may take place before one of the judges of the court sitting alone, or before several judges sitting together, or before a judge and a jury,⁴ or before a master in chancery.⁵ Judges constitute the best tribunals for the purpose; but as either of the other methods of trial may be resorted to at the will of the court, it is expedient to outline the law relevant to all three.

§ 633. An interlocutory hearing by a judge, in a patent action in equity, is one which occurs after the evidence relevant to the validity of the patent and its infringement by the defendant, has been taken, and before the case is referred to a master to take and state an account of profits and damages. The final hearing, which occurs after the master has taken that account and filed his report, generally involves nothing but the correctness of that report, and it therefore may appropriately be treated in the chapter on profits. So also, the preliminary hearing, which occurs when a preliminary injunction is applied for, may properly be discussed in the chapter on injunctions. The interlocutory hearing is generally the pivotal point of a litigation. Where it results in the success of the defendant and consequent dismissal of the bill, it becomes a final hearing.

¹ Story's Equity Pleading, Sec. 612.

² Story's Equity Pleading, Sec. 827.

³ Story's Equity Pleading, Sec.

tions 611 and 826.

⁴ 18 Statutes at Large, Part 3, Ch. 77, Section 2, p. 316.

⁵ Parker v. Hatfield, 4 McLean, 61, 1845.

§ 634. Questions of law, in equity patent cases, are to be decided according to the relevant rules of law and equity in force in the United States courts. The sources of those rules are the statutes of the United States, and the decisions of the United States Supreme Court and Courts of Appeals, and Circuit Courts, and those decisions of the chancellors of England which were made before the adoption of the Constitution of the United States. Later decisions of English courts sometimes indicate what the law is, but no such decision is of any binding authority in any United States court. Where such a decision is strictly relevant to a question at bar, and is supported by good reasoning, it may be followed by a United States judge; but if, as is frequently the case, it refers to a substantially different state of statute law from that to which United States patent cases are subject, or if it was fallaciously reasoned out by the judge who delivered it, such a decision may properly be disregarded in the Federal courts. The decisions of State courts fall in the same category in this respect with the modern English decisions, except in cases where the United States statutes direct the Federal courts to follow the laws of the several States. In those cases, the State laws are binding on the Federal judges, not because the States have any authority to prescribe rules to Federal courts, but because the national legislature has adopted those particular State laws, instead of framing and enacting corresponding regulations of its own.

Where a question arises to which no direct answer can be found in the recognized sources of the law, it becomes the duty of the judge to deduce a proper answer, by means of just reasoning, from the general principles of law, of equity, and of justice. He will generally find assistance in that work by consulting the *obiter dicta* of courts and the commentaries of text-writers; but no *obiter dictum* and no text-book is of any binding authority. The points of law actually decided by the United States Supreme Court are generally binding on all other United States courts, regard-

less of the reasons which support them.¹ There is an exception to this rule, where the Supreme Court has decided the same question both ways. In such a case, the last decision governs, if it expressly overruled the first.² If it simply ignored the first, it may have resulted from the first decision not being called to the attention of the justices who rendered the second. In such a case it is probably the duty of a circuit court to follow the most reasonable of the two decisions, regardless of seniority. The points of law actually decided by the Circuit Court of Appeals of any circuit are binding upon all the circuit courts in that circuit;³ and the same force was formerly ascribed, and may still be given, to the points of law actually decided by any circuit justice or circuit judge when holding circuit court in either of the nine circuits of the United States.⁴ And the points of law actually decided by any judge, holding any United States Circuit Court, are followed by every other judge holding any United States Circuit Court, unless they have been reversed by a Circuit Court of Appeals, or by the Supreme Court, or are contrary to other decisions of equal or superior dignity, or clearly appear to be erroneous.⁵ The points of law spoken of in this section include the construction given to letters patent, where the evidence of the prior art and other facts relevant to that construction remain unchanged,

¹ *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 44, 1877; *Goodyear Dental Vulcanite Co. v. Davis*, 3 Bann. & Ard. 116, 1877; *Green v. City of Lynn*, 55 Fed. Rep. 518, 1893.

² *Tilghman v. Proctor*, 125 U. S. 149, 1887.

³ *Edison Electric Light Co. v. Bloomingdale*, 65 Fed. Rep. 214, 1894.

⁴ *Hawes v. Cook*, 5 Off. Gaz. 493, 1874.

⁵ *Cary v. Lovell Mfg. Co.* 31 Fed. Rep. 345, 1887; *Rubber Trimming Co. v. Rubber Comb Co.* 35 Fed.

Rep. 500, 1888; *Kidd v. Ransom*, 35 Fed. Rep. 588, 1888; *Eastern Paper Bag Co. v. Nixon*, 35 Fed. Rep. 752, 1888; *Consolidated Roller Mill Co. v. Barnard & Leas Mfg. Co.* 43 Fed. Rep. 532, 1890; *Zinsser v. Krueger*, 45 Fed. Rep. 574, 1891; *Enterprise Mfg. Co. v. Delsler*, 46 Fed. Rep. 854, 1891; *Campbell Mfg. Co. v. Manhattan Ry. Co.* 49 Fed. Rep. 935, 1892; *Macbeth v. Gillinder*, 54 Fed. Rep. 170, 1889; *Office Specialty Co. v. Winternight Mfg. Co.* 67 Fed. Rep. 928, 1895.

as well as the rules of law in general.¹ But where a Circuit Court of Appeals, or circuit justice, or circuit judge, or any judge holding circuit court has decided the point both ways, the last of those decisions is the one which is to be regarded, if it expressly reversed the first.² If it simply ignored the first, the two decisions will respectively weigh according to the weight of the reasons which respectively support them.

Adjudicated cases are binding precedents in the law only where the questions of law involved in those cases were actually submitted for decision therein; and such a submission is not involved in raising those questions in the pleadings, nor in controverting them in the evidence, if one party or the other abandons those questions at the hearing.³

§ 635. Questions of fact depend upon the evidence in the particular cases in which they arise, except so far as they depend upon matters of which courts take judicial notice. Questions of fact in patent cases often require for their solution a severely logical process of reasoning from the testimony in the record. It sometimes occurs that the evidence in a number of cases, pending in a number of courts, is substantially the same. Where one such case has been carefully argued and deliberately decided in a circuit court, all the other circuit courts follow that decision, unless it has been reversed by a Circuit Court of Appeals or by the Supreme Court.⁴ Many of the earlier

¹ *National Box & Paper Co. v. American Paper Box Co.* 48 Fed. Rep. 913, 1892; *Sessions v. Gould*, 60 Fed. Rep. 755, 1894.

² *Brown Mfg. Co. v. Mast*, 53 Fed. Rep. 582, 1892.

³ *Celluloid Mfg. Co. v. Tower*, 26 Fed. Rep. 452, 1885.

⁴ *Goodyear Dental Vulcanite Co. v. Willis*, 1 Bann. & Ard. 570, 1874; *Putnam v. Yerrington*, 2 Bann. & Ard. 241, 1876; *Rumford Chemical Works v. Hecker*, 2 Bann. & Ard. 360, 1876; *Searls v. Worden*, 11 Fed. Rep. 502, 1882; *American Ballast Log Co. v. Cotter*, 11 Fed. Rep. 728, 1882; *Matthews v. Mfg. Co.* 19 Fed. Rep. 321, 1884; *Worswick Mfg. Co.*

v. Philadelphia, 30 Fed. Rep. 625, 1887; *Cary v. Mfg. Co.* 31 Fed. Rep. 344, 1887; *Hancock Inspirator Co. v. Register*, 35 Fed. Rep. 61, 1888; *Hammerschlag Mfg. Co. v. Spalding*, 35 Fed. Rep. 67, 1888; *Putnam v. Bottle Stopper Co.* 38 Fed. Rep. 235, 1889; *Simons Mach. Co. v. Knox*, 39 Fed. Rep. 702, 1889; *Thompson v. Donnell Mfg. Co.* 40 Fed. Rep. 383, 1889; *National Cash Register Co. v. American Cash Register Co.* 47 Fed. Rep. 217, 1891; *Dixon-Woods Co. v. Pfeifer*, 51 Fed. Rep. 292, 1892; *New Departure Bell Co. v. Hardware Specialty Co.* 72 Off. Gaz. 1351, 1895.

decisions speak of this rule as the doctrine of comity. But Judge DALLAS has held that: "In patent causes conclusive effect is accorded by each of the circuit courts of the United States to a prior judgment of any other of them wherever the patent, the question, and the evidence are the same in both suits, not on the ground of comity alone, but with the practical and salutary object of avoiding repeated litigation and conflicting decrees in the courts of the several districts."¹ Where the evidence in a second case is substantially different from the evidence in the case first decided, the question will arise whether a new decision is required by that difference; and a new decision will be rendered where justice plainly requires that the difference in evidence should produce a different decision.² But the Circuit Courts of Appeals are not bound by circuit court decisions on questions of fact, even on the same evidence.³ Where questions of fact in patent cases have been decided by the Supreme Court, that decision is conclusive in all other patent cases, so far as the evidence is substantially identical with that before the Supreme Court.⁴ And where questions of fact in patent cases have been decided by a Circuit Court of Appeals, that decision is likewise conclusive in all other patent cases in the circuit courts.⁵ But the evidence must be taken in the subsequent cases, and cannot be imported

¹ *Office Specialty Co. v. Winter-night Mfg. Co.* 67 Fed. Rep. 929, 1895.

² *Zinsser v. Krueger*, 45 Fed. Rep. 575, 1891; *Starling v. Weir Plow Co.* 49 Fed. Rep. 639, 1891; *Barnes Sprinkler Co. v. Walworth Mfg. Co.* 51 Fed. Rep. 89, 1892; *Starling v. Weir Plow Co.* 53 Fed. Rep. 119, 1892; *Pratt v. Sencenbaugh*, 64 Fed. Rep. 781, 1893; *Pratt v. Wright*, 65 Fed. Rep. 99, 1890.

³ *National Cash Register Co. v.*

American Cash Register Co. 58 Fed. Rep. 370, 1892; *Wanamaker v. Enterprise Mfg. Co.* 53 Fed. Rep. 792, 1893.

⁴ *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 44, 1877; *American Bell Telephone Co. v. Southern Telephone Co.* 34 Fed. Rep. 796, 1888; *Green v. City of Lynn*, 55 Fed. Rep. 518, 1893.

⁵ *Edison Electric Light Co. v. Philadelphia Trust Co.* 60 Fed. Rep. 367, 1894.

from the record of the Supreme Court or of the Circuit Court of Appeals.¹

§ 636. The evidence which a complainant is required to produce to support his bill in an action in equity, is the same as that which a plaintiff in an action at law is required to introduce in support of his declaration; except that in an action in equity the complainant must introduce evidence to excuse his delay in filing his bill, where a long delay to file it occurred after the infringement took place; and except that till after the interlocutory hearing, he need introduce no evidence relevant to profits or to damages; and except that the complainant's evidence of the doings of the defendant will have to be equal to the testimony of two witnesses, in order to meet the denial of the defendant's answer, where the bill required the answer to be made under oath, and where a denial was made under oath. When the complainant has some evidence tending to show the character of the defendant's doings, and that those doings infringe the complainant's patent, a court of equity has power to order the defendant to allow the complainant, or some expert or other person representing him, to inspect the defendant's doings for fuller accuracy of knowledge.² But this power will not be exercised, where a bill is filed upon a conjecture of infringement with the hope of obtaining evidence to that effect afterward.³

§ 637. The evidence which is required to support either of the twenty-seven defences which are common to actions at law and actions in equity, is the same in both those forms of proceeding. Of the two defences which are peculiar to equity, that of non-jurisdiction is one which seldom or never requires any evidence to support it; and laches is, *prima facie*, supported by the fact of the long lapse of time which

¹ Green v. City of Lynn, 55 Fed. Rep. 519, 1893.

Gaz. 511, 1888.

² Diamond Match Co. v. Oshkosh Match Works, 63 Fed. Rep. 984, 1894; Wilson v. Keeley, 43 Off.

³ Dobson v. Graham, 49 Fed. Rep. 17, 1889; Stokes Bros. Mfg. Co. v. Heller, 56 Fed. Rep. 298, 1893.

is deducible from the complainant's proofs, where such a defence has any foundation at all. Where the complainant introduces evidence to excuse the delay, it may be necessary for the defendant to negative that evidence by other proof, or to prove facts which show the complainant's excuse to be invalid or insufficient.

§ 638. Testimony in actions in equity for infringements of patents is taken wholly by depositions in writing, except in a few districts, where, in pursuance of local rules of court, it may, by the consent of both parties, be taken orally in open court. Where testimony is taken by depositions in writing, counsel have sometimes yielded to temptation to take immaterial or otherwise inadmissible evidence, and to prolong examinations beyond useful bounds. Indeed this practice has grown to be such a drain upon the pockets of parties, and such a burden upon the minds of judges, that one of the most experienced and distinguished of the latter has taken occasion to administer to the abuse a deserved condemnation, saying of a case not worse than many others: "This record is a sample of the expensive practice which now prevails in patent cases, of stuffing the record with prolix cross-examinations and irrelevant testimony."¹

§ 639. Depositions may be taken by a commission, upon interrogatories filed by the party taking it out, and upon cross-interrogatories filed by the adverse party.² If either party so requires, all the depositions in a case must be taken orally, in writing, before an examiner, in the presence of the parties or their agents, by their counsel or solicitors, and in the method of examination and cross-examination used in common-law courts.³ An examiner may take testimony in other districts than that wherein the case is pending; and the United States Circuit Court for any other district has power to issue a subpoena, commanding a person living in its district to appear and testify before the examiner who is discharging his duties therein; and such court

¹ *Ecaubert v. Appleton*, 67 Fed. Rep. 924, 1895.

² Equity Rule 67.

³ Equity Rule 67.

also has power to punish such a person for refusing to obey such a subpoena; and such a subpoena may issue from the clerk's office without any special order of court.¹ Where depositions are taken orally in writing before an examiner, the court may, on motion of either party, assign a time within which the complainant shall take his evidence in support of the bill; and a time thereafter, within which the defendant shall take his evidence in defence; and a time thereafter, within which the complainant shall take his evidence in reply.² Depositions may also be taken in equity cases, in the method heretofore explained for taking depositions in actions at law, whenever the same facts exist to justify that mode of practice.³ And depositions may also be taken in the mode prescribed by the laws of the State in which the court is held wherein those depositions are to be used.⁴

It is to be observed, relevant to all methods of taking depositions, that each item of the procedure which is prescribed by rule or by statute, must be strictly followed in every case, except where it is varied or waived by a written stipulation of the parties. Stipulations may also provide for an enlargement of time for taking depositions;⁵ which time, unless enlarged by a stipulation or by an order of court, covers three calendar months and no more.⁶ But depositions taken out of proper time will be considered on the hearing, unless there is a prior successful motion to suppress them.⁷

§ 640. Depositions taken in any other case may be used in any action in equity, if each party therein was a party to the action in which they were taken, or is in privity with a

¹ Johnson Street Rail. Co. v. North Branch Steel Co. 48 Fed. Rep. 192, 1892.

² Equity Rule 67.

³ Stegner v. Blake, 86 Fed. Rep. 184, 1883; Arnold v. Chesebrough, 85 Fed. Rep. 16, 1888; Equity Rule 68; Section 535 of this book.

⁴ 27 Statutes at Large, Chap. 14, p. 7.

⁵ Equity Rule 67.

⁶ Equity Rule 69; Guaranty Trust Co. v. Green Cove Railroad, 139 U. S. 145, 1891.

⁷ Matthews v. Spangenberg, 19 Fed. Rep. 824, 1882.

party to that action, and if the court grants a motion to use them.¹ But where either party in the new action was not a party to the former one, and is not in privity with any party thereto, no deposition taken in the former suit can be used in the new one; for no deposition can be read against a party, who could not read it in his favor if it were favorable to him.²

§ 641. Documentary evidence is generally introduced before the examiner, within the same time that the oral testimony is required to be taken; and that is the necessary course where documents require to be proved by oral testimony. But documents which prove themselves, may be introduced on the hearing without having been put in evidence before the examiner, unless such a practice, in a particular case, would operate as a surprise upon the opposite party.³ And documents which require to be proved may be introduced on or even after the hearing, with the consent of the court.⁴ Where a document thought by a party to be material to his case, is known to be in the possession of the opposite party, its production in court may be compelled by a subpoena *duces tecum*.⁵

§ 642. A jury of not less than five and not more than twelve persons may be empannelled by any United States Circuit Court, when sitting in equity for the trial of a patent cause, for the purpose of submitting to them such questions of fact in the case as the court shall deem it expedient to submit; and the verdict of such a jury is treated in the same manner and with the same effect as in the case of issues sent from chancery to a court of law and

¹ Clow v. Barker, 36 Fed. Rep. 692, 1888.

² Dale v. Rosevelt, 1 Paige (N.Y.) 35, 1828; Paynes v. Coles, 1 Munford (Va.), 394, 1810; Barker v. Shoots, 18 Fed. Rep. 652, 1884.

³ Knapp v. Shaw, 15 Fed. Rep.

115, 1883.

⁴ Mast, Foos & Co. v. Windmill & Pump Co. 68 Fed. Rep. 224, 1895.

⁵ Edison Electric Light Co. v. United States Electric Lighting Co. 45 Fed. Rep. 55, 1891.

returned with such findings.¹ Therefore such a verdict is only advisory, and never conclusive upon the court. If the judge disagrees in opinion with the jury relevant to the questions of fact covered by the verdict, he may enter a decree contrary thereto.² But the regular course of proceeding in such a case is to enter a decree in accordance with the verdict, unless the party against whom it was found moves the court for a new trial. A new trial in such a case is granted or refused according as the judge thinks the verdict was right or was wrong; and without special regard to any errors, or freedom from errors, which characterized the admission or rejection of evidence on the trial, or the instructions which were given or those which were refused by the judge. Where a new trial is refused, and a decree is entered in accordance with the verdict, if the defeated party would take the case to the Circuit Court of Appeals for review, he must do so on appeal from the decree, and not upon a writ of error as from a judgment entered upon a verdict in an action at law. In a properly prepared case, the Circuit Court of Appeals will decide whether, on the whole, the decree was right or was wrong; but it will not pass upon the correctness or incorrectness of the rulings of the judge at the jury trial. Therefore the evidence taken at the jury trial should be preserved, if there is any intention to take the case to the Circuit Court of Appeals, but no bill of exceptions in the case is necessary or is proper.³

§ 643. A master in chancery may be deputed by a Circuit Court to try any question of fact in a patent case, and to report his conclusion thereon.⁴ But such a report is advisory only, and no decree will be entered upon it, if either party can convince the judge that it was wrong. Exceptions to the master's report are the proper means of

¹ 18 Statutes at Large. Part 3. Chap. 77, Section 2, p. 316; *Gray v. Halkyard*, 28 Fed. Rep. 854, 1886.

² *Silsby v. Foote*, 1 Blatch. 545, and 20 Howard, 290, 1857.

³ *Watt v. Starke*, 101 U. S. 247, 1879.

⁴ *Parker v. Hatfield*, 4 McLean, 61, 1845.

appeal from his conclusion. If on such exceptions, the judge concludes that the master was wrong in any respect, he may send the case back to him, with directions to make a new report, and with prescriptions of new criteria by which to make it;¹ or he may proceed to try the questions of fact himself, if that course appears to be more convenient. The rules of practice which regulate the taking of evidence by masters in chancery, and regulate the hearings before them, and the filing of exceptions to their reports, are the same, when they are directed to ascertain the truth relevant to such questions of fact as novelty or infringement, that they are in the more common cases wherein they are directed to take and state an account of profits and damages.

§ 644. An interlocutory decree, in an equity patent case, is a decree which adjudges that the patent sued upon is valid; and that the defendant has infringed it; and that a master in chancery be directed to take and report an account of the profits which the defendant realized from that infringement, and of the damages which the complainant sustained by reason thereof; and sometimes that the defendant be permanently enjoined from further infringement.²

Where only part of the claims in suit are found valid and infringed, such a decree is confined to that part;³ and such a decree is not entered in a case where the infringement is below the dignity of the court, but bills in such cases are dismissed without costs.⁴ Judicial destruction of infringing articles, is a feature of the patent laws of England, but is not justified by any existing law of the United States; though that severe measure has been

¹ *Cawood Patent*, 94 U. S. 708, 1876.

² *Dudley E. Jones Co. v. Munger Mfg. Co.* 50 Fed. Rep. 785, 1892; *Richmond v. Atwood*, 52 Fed. Rep.

21, 1892.

³ *Shute v. Morley Co.* 64 Fed. Rep. 368, 1894.

⁴ *Wickwire v. Wire Fabric Co.* 41 Fed. Rep. 36, 1889.

approved in one *obiter dictum*,¹ and unsuccessfully invoked in one adjudicated case.²

§ 644a. An appeal from an interlocutory decree which grants, continues, refuses, dissolves or refuses to dissolve an injunction, may be taken to the Circuit Court of Appeals, for the circuit in which that decree was rendered, at any time within thirty days from the entry of the decree.³ Such an appeal will secure a review of that part of the decree which refers to an injunction; and to that end, the Circuit Court of Appeals will decide the questions of validity and infringement, and whatever other questions underlie the question of the justice of an injunction.⁴ If the decision on either of these two fundamental questions is adverse to the complainant, it will practically vacate any part of an interlocutory decree which directs an accounting of profits and damages. But no appeal can be taken by a defendant from an interlocutory decree which directs an accounting of profits and damages, but does not order an injunction. And where an interlocutory decree directs an accounting of profits and damages, and orders an injunction on only part of the claims in suit, and where the defendant thereupon appeals, the court will not consider that part of the decree which was favorable to him.⁵

§ 645. A petition for a rehearing may be filed at any time before the end of the term at which the final decree in the case is entered and recorded.⁶ Such a petition may be based upon an apparent error of the judge in deciding upon the case as it was presented to him in the record; or it may

¹ *Birdsell v. Shaliol*, 112 U. S. 487, 1884.

² *American Bell Telephone Co. v. Kitsell*, 35 Fed. Rep. 521, 1888.

³ 28 Statutes at Large, Chap. 96, p. 666.

⁴ *Dudley E. Jones Co. v. Munger Mfg. Co.* 50 Fed. Rep. 785, 1892; *Richmond v. Atwood*, 52 Fed. Rep.

28, 1892; *Consolidated Cable Co. v. Pacific Ry. Co.* 58 Fed. Rep. 226, 1893; *Columbus Watch Co. v. Robbins*, 64 Fed. Rep. 397, 1894; *Kilmer Mfg. Co. v. Griswold*, 67 Fed. Rep. 1017, 1895.

⁵ *Eagle Lock Co. v. Corbin Lock Co.* 64 Fed. Rep. 789, 1894.

⁶ Equity Rule 88.

be based on facts which were discovered after the entry of the decree which the petition asks to have reconsidered. These two kinds of rehearing are quite different from each other, not only in respect of the grounds upon which they are based, but also in respect of the methods by which they are obtained.

§ 646. A rehearing for matter apparent on the face of the record may be applied for by a petition signed by counsel, and stating the ground upon which the rehearing is prayed.¹ That ground must be sufficient to convince the judge that the decree was perhaps erroneous.² In order to do that, it is necessary to point out some particular misapprehension of the law, or some particular mistake in respect of the evidence, into which the judge was unfortunate enough to fall.³ Such a misapprehension may be established by showing that since the case sought to be reheard was decided, the Appellate Court has settled or clarified the law so as to give it a different character from that which it was then understood to have ;⁴ but such a mistake cannot be established by showing that the judge omitted, in his opinion, to review all the evidence in the case.⁵ It is useless to ask for a rehearing of this kind on the general ground that the decision is thought by counsel to be wrong.⁶ But a rehearing may be spontaneously ordered by the court when the judge begins to doubt his decision.⁷

§ 647. A rehearing on account of newly discovered evidence must be applied for as soon as possible after its

¹ Equity Rule 88.

² *American Diamond Rock Boring Co. v. Sheldon*, 18 Blatch. 50 1880.

³ *Everest v. Oil Co.* 22 Fed. Rep. 252, 1884; *Railway Mfg. Co. v. Railroad Co.* 26 Fed. Rep. 411, 1886; *Coupe v. Weatherhead*, 37 Fed. Rep. 16, 1888; *Detwiller v. Bosler*, 58 Fed. Rep. 250, 1893.

⁴ *Wooster v. Handy*, 21 Fed. Rep.

51, 1884; *Spill v. Celluloid Mfg. Co.* 21 Fed. Rep. 640, 1884; *Campbell v. New York*, 35 Fed. Rep. 504, 1888.

⁵ *Timken v. Olin*. 37 Fed. Rep. 207, 1888.

⁶ *Tufts v. Tufts*, 3 Woodbury & Minot, 429, 1847; *Gage v. Kellogg*, 26 Fed. Rep. 243, 1886.

⁷ *Brown Mfg. Co. v. Deere*, 51 Fed. Rep. 229, 1892.

discovery¹ by a petition, verified by the oath of the applicant or of some other person,² and stating the nature of the alleged newly discovered evidence, and that it was not known to the petitioner till after the decree was rendered,³ and also what diligence was exercised in searching therefor prior to that time,⁴ and praying for leave to file a supplemental bill in the nature of a bill of review, and for a rehearing of the cause at the time when the issues raised by that bill shall be ready for hearing.⁵ The function of such a bill is to furnish a foundation in the pleadings for evidence on both sides of the new issues of fact to determine which, the rehearing is granted. When such a petition is filed, it must be supported by affidavits of the witnesses who are expected to testify to the newly discovered facts which are sought to be brought into the case,⁶ and also by affidavits showing that those facts were not discovered by the petitioner till after the former hearing,⁷ and could not, with reasonable diligence, have been discovered sooner than they were.⁸ Such a petition may be answered by counter affidavits tending to show that part or all of the statements in the petitioner's affidavits are untrue.⁹ To grant the prayer of the petition, the court must be satisfied that the applicant's affidavits are probably true,¹⁰ and clearly material,¹¹ and that the facts they set forth were not known to the petitioner at the time of the former hearing, and could not with reason-

¹ *Blandy v. Griffith*, 6 Fisher, 435, 1873.

² Equity Rule 88.

³ *Foote v. Stein*, 35 Fed. Rep. 205, 1888.

⁴ *Allis v. Stowell*, 5 Bann & Ard. 459, 1880; *New York Filter Co. v. Filter Co.* 62 Fed. Rep. 582, 1894.

⁵ *Dexter v. Arnold*, 5 Mason, 310, 1829; *Daniell's Chancery Practice*, 1537.

⁶ *Reeves v. Keystone Bridge Co.* 2 Bann. & Ard. 259, 1876.

⁷ *Reeves v. Keystone Bridge Co.* 2 Bann. & Ard. 256, 1876.

⁸ *India Rubber Comb Co. v. Phelps*, 4 Fisher, 317, 1870; *Hitchcock v. Tremaine*, 9 Blatch. 551, 1872; *Barker v. Stowe*, 4 Bann. & Ard. 405, 1878; *Willimantic Linen Co. v. Clark Thread Co.* 24 Fed. Rep. 799, 1885.

⁹ *Blandy v. Griffith*, 6 Fisher, 435, 1873.

¹⁰ *Munson v. New York*, 11 Fed. Rep. 72, 1882; *New York Sugar Co. v. Sugar Co.* 35 Fed. Rep. 217, 1888.

¹¹ *Reeves v. Keystone Bridge Co.* 2 Bann. & Ard. 259, 1876.

able diligence have been discovered prior to that event;¹ except that the last of these four points is not required to be shown, where it is shown that the other party knew, at the time of the decree, of the fact which is sought to be brought into the case on a rehearing.²

Rehearings will not be granted to enable parties to search for further evidence,³ nor to strengthen their expert testimony,⁴ nor to amend their pleadings so as to make certain evidence admissible, which was taken before the former hearing, and was disregarded thereon, because not supported by any pleading;⁵ nor to produce cumulative evidence on questions of fact which were in issue at the former hearing;⁶ nor to correct errors of management committed by the petitioner's counsel.⁷ And no appeal lies from a decision of a Circuit Court granting or refusing any rehearing.⁸

§ 648. A supplemental bill in the nature of a bill of review should state the newly discovered facts upon which it is based, and should pray that the cause may be heard with respect to the new matter, at the same time that it is reheard upon the original bill, and that the party who files the subordinate bill may have such relief as the nature of his case requires. The proceedings upon a bill of this description are the same as those upon original bills in general.⁹ No order for a rehearing, made after an interlocutory decree, and while an account of profits and damages is being taken by a master in chancery, will stop the taking of that account; unless the court enters a special order directing the master

¹ *Prevost v. Gratz*, 1 Peters' Circuit Court Reports, 364, 1816; *Baker v. Whiting*, 1 Story, 234, 1810; *Reeves v. Keystone Bridge Co.* 2 Bann. & Ard. 258, 1876; *Page v. Telegraph Co.* 18 Blatch. 122, 1880.

² *Jonathan Mills Mfg. Co. v. Whitehurst*, 60 Fed. Rep. 81, 1894.

³ *Munson v. New York*, 11 Fed. Rep. 72, 1882.

⁴ *Hitchcock v. Tremaine*, 5 Fisher, 538, 1872.

⁵ *American Saddle Co. v. Hogg*,

6 Fisher, 67, 1872.

⁶ *Blandy v. Griffith*, 6 Fisher, 435, 1373; *Pfanschmidt v. Mercantile Co.* 32 Fed. Rep. 667, 1887.

⁷ *Ruggles v. Eddy*, 11 Blatch. 524, 1874; *Colgate v. Telegraph Co.* 19 Fed. Rep. 828, 1884; *Pittsburg Reduction Co. v. Aluminum Co.* 64 Fed. Rep. 128, 1894.

⁸ *Roemer v. Bernheim*, 132 U. S. 106, 1889.

⁹ *Daniell's Chancery Practice*, 1537.

to suspend proceedings therein.¹ And where a rehearing results in a reversal of an interlocutory decree, which has been entered in favor of a complainant, and results also in a dismissal of the complainant's bill; that dismissal will be without prejudice to the use, in any subsequent accounting, of the evidence which may have been taken by the master.² And the decree ordering that dismissal will give costs to the complainant for the litigation prior to the granting of the rehearing; and will give costs to the defendant for the litigation which occurred after that event.³

§ 649. A final decree will be entered in favor of the defendant, where a demurrer to the whole bill is sustained on a point which is not cured by amendment; or where a plea to the whole bill is sustained on an argument, and is thereupon replied to, and is found to be true on the trial; or where either of the numerous defences which may be made in an answer, and which apply to the whole bill, are established at an interlocutory hearing.⁴ And final decrees will be entered in favor of complainants, when their bills have successfully run the gauntlet of demurrers, pleas, answers, interlocutory hearings, petitions for rehearings, supplemental bills in the nature of bills of review, accounting before a master, exceptions to the master's report, and final hearings, through which original bills in patent cases may regularly be caused to pass. The last three parts of this series of proceedings are explained in the chapter on profits, and the others have already been outlined in this. Assuming therefore, that a final decree has already been entered for the complainant or the defendant, and that the costs have been adjusted and taxed according to law,⁵ it is now

¹ Daniell's Chancery Practice, 1467.

² Campbell v. New York, 35 Fed. Rep. 504, 1888.

³ Hake v. Brown, 44 Fed. Rep. 283, 1890.

⁴ Richmond v. Atwood, 52 Fed. Rep. 21, 1892.

⁵ Sections 543 to 549 of this book; Wooster v. Handy, 23 Fed. Rep. 49, 1885; Spill v. Mfg. Co. 28 Fed. Rep. 870, 1886; Hill v. Smith, 32 Fed. Rep. 753, 1887; Ryan v. Gould, 32 Fed. Rep. 754, 1887; New York Belting Co. v. Rubber Co. 32 Fed. Rep. 755, 1887.

convenient to delineate the further proceedings to which the defeated party may resort. These are of two kinds: bills of review, and appeals.

§ 650. A bill of review is the proper means of securing a reconsideration of a final decree, after the expiration of the term at which it was entered.¹ Such bills are of two sorts: those filed to correct errors apparent on the face of the pleadings or decree;² and those filed to introduce evidence of facts which occurred or were discovered after the decree was entered.³ In order to secure favorable action on such a bill, the petitioner must first pay to the opposite party, the amount of the decrees which he seeks to have reversed or modified, unless the court releases him from that necessity. But the court will release him if he is unable to pay;⁴ and will probably do so where the opposite party is insolvent, if the petitioner will give good security for the money decreed, or will deposit that money in court.⁵

§ 651. A bill of review, to correct errors apparent on the pleadings or decree, may be filed without leave of court,⁶ but no such bill will be considered or acted upon by the court, unless it is filed within the same time after the entry of the decree, as that provided for by statute relevant to appeals;⁷ which latter time is at present six months.⁸ Nor will such a bill be entertained, if the decree which it was filed to correct, was entered by the circuit court, after an appeal to a higher court, and in pursuance of directions contained in the mandate of the latter tribunal.⁹ In considering a bill of review of this sort, the court will confine its examination to the pleadings and decree in the

¹ Story's Equity Pleading, Sec. 403.

² Whiting v. The Bank of the United States, 13 Peters, 14, 1839.

³ Story's Equity Pleading, Sec. 404.

⁴ Story's Equity Pleading, Sec. 406.

⁵ Griggs v. Gear, 3 Gilman (Illinois), 17, 1845.

⁶ Ross v. Prentiss, 4 McLean, 106, 1846; Story's Equity Pleading, Sec. 405.

⁷ Thomas v. Harvie's Heirs, 10 Wheaton, 149, 1825; McDonald v. Whitney, 39 Fed. Rep. 467, 1889.

⁸ 26 Statutes at Large, Chap. 517, Section 11.

⁹ Southard v. Russell, 16 Howard, 570, 1853.

original action; for no bill lies to correct any errors of fact which were made in examining or weighing the evidence upon which the decree was based.¹

§ 652. A bill of review, filed to introduce evidence of new facts or of newly discovered facts, cannot be filed without leave of court.² Where the case sought to be reviewed has not been appealed, the application for leave is made to the court which rendered the decree; but where the case has been appealed to the Circuit Court of Appeals, the application must be presented in that tribunal.³ If that court decides that the leave ought to be granted, it will return the case to the court below, with directions to receive and adjudicate the bill of review;⁴ and thereafter the case will proceed in the lower tribunal much as it would have done if no appeal had been taken. After the bill of review has been litigated and a new decree entered, an appeal will lie to the Circuit Court of Appeals on the whole case. The mode of application for leave to file such a bill, is by a petition stating the original proceedings and the new facts or newly discovered facts on the strength of which reversal of the decree is prayed.⁵ The petition must be supported by affidavits stating the exact nature of those facts, in order that the court may judge of their materiality and sufficiency, and showing that they occurred after the final decree was entered, or if they occurred before that time, that they were not discovered, and could not with reasonable diligence have been discovered till afterward.⁶ Bills of review of this sort may be filed even more than six months after the entry of the decree, provided they are filed within a reasonable time after the discovery is made, upon

¹ *Whiting v. Bank of the United States*, 13 Peters, 14, 1839; *Story's Equity Pleading*, Section 407.

² *Ross v. Prentiss*, 4 McLean, 106, 1846.

³ *Roemer v. Simon*, 2 Bann. & Ard. 72, 1875.

⁴ Revised Statutes, Section 701; *Ballard v. Searles*, 130 U. S. 50, 1888.

⁵ *Massie's Heirs v. Graham's Adm'rs*, 3 McLean, 43, 1842.

⁶ *Story's Equity Pleading*, Sections, 412, 413 and 414.

which they are based.¹ Leave to file such a bill will be granted, in a proper case, whether those facts relate to issues in the original action, or relate to defences which were not in issue therein;² but it will not be granted where the facts stated in the petition are not adapted, or are not sufficient, to have altered the decree if they had been before the court on the hearing;³ nor where those facts could, with reasonable diligence, have been discovered before the decree was entered;⁴ nor to enable the petitioner to introduce evidence to impeach the character of the witnesses upon whose testimony the decree was based; nor to introduce cumulative testimony on a point litigated and decided at the hearing; but newly discovered corroborating evidence in writing, may furnish a foundation for such leave.⁵ After a bill of review to introduce new facts, or newly discovered facts, has been duly filed, the opposite party may plead or answer thereto, and thus put the party who filed it, to the proof of its allegations.⁶ A demurrer to a bill of this sort is not appropriate, because its sufficiency in point of law must be passed upon before it can be filed.

§ 653. A bill in the nature of a bill of review, differs from a bill of review only in respect of the legal character of the complainant. The latter bill can be filed by either of the parties to the decree which is sought to be reviewed, or by their respective privies in representation, such as heirs, executors, or administrators; but the former is required to be filed, where privies in estate, such as devisees or assignees of an original party, seek to secure the reversal or modification of a final decree after the expiration of the term at which it was entered.⁷ Neither of these sorts

¹ *United States v. Samperyac*, Hemstead's Circuit Court Reports, 131, 1831.

² *Dexter v. Arnold*, 5 Mason, 313, 1829; *United States v. Samperyac*, Hemstead's Circuit Court Reports, 131, 1833; *Story's Equity Pleading*, Sections 415 and 416.

³ *Dexter v. Arnold*, 5 Mason, 313,

1829.

⁴ *Rubber Co. v. Goodyear*, 9 Wallace, 806, 1869.

⁵ *Southard v. Russell*, 16 Howard, 569, 1853.

⁶ *Dexter v. Arnold*, 5 Mason 309, 1829.

⁷ *Story's Equity Pleading*, Section 409.

of bills is to be confounded with a supplemental bill in the nature of a bill of review. That is still another variety, and its character and operation have already been outlined.¹

§ 654. An appeal to the Circuit Court of Appeals is demandable from the final decree of any United States Circuit Court, in any case arising under the patent laws, provided it is taken within six months after the entry of the decree;² unless the decree is only for costs.³ But in order to operate as a supersedeas, and thus stay execution, an appeal must be taken within sixty days after the rendition of the decree; and indeed an execution may be issued, if an appeal is not taken within ten days after such rendition.⁴ But in the latter case, a supersedeas afterward obtained will prevent further proceedings under the execution, though it will not interfere with what has already been done.⁵ The time within which appeals may be taken, may properly be held to begin, either when the case is finally decided, or when the formal decree is signed by the judge, and filed with the clerk of the court.⁶ When an appeal operates as a supersedeas, it so operates only as against the money recovery provided for in the decree, and not as against that part of the decree which directs the payment of the master's fees,⁷ nor as against that part which directs an injunction to issue;⁸ but the judge who enters a decree granting an injunction, has discretionary power to suspend or modify the same pending an appeal.⁹

And a final decision of a United States Circuit Court, of a collateral question arising in a patent case, may also be appealable to the Circuit Court of Appeals, even while the other questions in the case are still pending and undecided

¹ Sections 647 and 648 of this book.

² 26 Statutes at Large, Sections 6 and 11.

³ *DuBois v. Kirk*, 158 U. S. 67, 1895.

⁴ Revised Statutes, Sections 1012, and 1007.

⁵ *Board of Commissioners v. Gör-*

man, 19 Wallace, 663, 1873.

⁶ *Silsby v. Foote*, 20 Howard, 290, 1857.

⁷ *Myers v. Dunbar*, 1 Bann. & Ard. 565, 1874.

⁸ *Whitney v. Mowry*, 3 Fisher, 175, 1867.

⁹ Equity Rule 93.

in the Circuit Court; and the decision of the Circuit Court not to dismiss a bill for infringement of a patent, upon the motion of a nominal complainant, against the opposition of those equitably entitled to sue in the name of the nominal complainant, is an example of such a final decision.¹

No appeal lies from any Circuit Court of Appeals to the Supreme Court in any patent case, except actions brought by the United States to repeal patents;² though any Circuit Court of Appeals may certify to the Supreme Court any question of law upon which it desires the instruction of that court for its proper decision; and the Supreme Court may send a certiorari to any Circuit Court of Appeals, requiring any action in equity for infringement of a patent to be sent to the Supreme Court for its review and determination, with the same power and authority as if the case had been carried by an appeal to the Supreme Court.³ Where a Circuit Court of Appeals sends such a certificate to the Supreme Court, that certificate must clearly and distinctly state whatever question of law is involved therein, and must show that the Circuit Court of Appeals desires to receive instruction from the Supreme Court how to decide that question; and where two Circuit Courts of Appeals have rendered inconsistent judgments upon an important question of law, the proper practice is to apply to the Supreme Court for a certiorari directing one of the cases to be sent to that tribunal for review, so as to obtain a final decision of that question.⁴

And an appeal to the Court of Appeals of the District of Columbia, is demandable from the final decree of the Supreme Court of the District of Columbia, in any case arising under the patent laws.⁵ And an appeal is also demandable from the final judgment of that Court of Appeals, to the Supreme Court of the United States without

¹ *Brush Electric Co. v. Electric Co. of San Jose*, 51 Fed. Rep. 557, 1892.

² *United States v. Bell Telephone Co.* 159 U. S. 548, 1895.

³ 26 Statutes at Large, Chap. 517, Sec. 6.

⁴ *Columbus Watch Co. v. Robbins*, 148 U. S. 267, 1893.

⁵ 27 Statutes at Large, Chap. 74, Sec. 7, p. 435.

regard to the sum or value in dispute, in any case wherein is involved the validity of any patent.¹

§ 655. On the hearing of an appeal in the Circuit Court of Appeals, the decree may generally be attacked by the appellant, upon any ground upon which it was resisted in the court below ; and may be supported by the appellee upon any ground in the record, whether the Circuit Court based its decree upon that ground or some other.² But the decree cannot be assailed on the ground that the court below refused to set aside a decree *pro confesso*,³ or refused to allow the appellant to retract an admission which he had made in his pleadings ;⁴ or granted or refused a rehearing ;⁵ or rendered any other decision which belonged to the judicial discretion of the court to make. Nor can a decree be attacked in the Circuit Court of Appeals, on account of any error made by a master in chancery in taking an account of profits or damages, unless that error was brought before the court below for correction, by means of a proper exception to the master's report ;⁶ and not even then, where the alleged error is one of quantity or computation, and is not obvious.⁷ Where a decree is reversed and remanded for further proceedings, and a second decree is entered by the court below after those proceedings are taken, and an appeal is taken from the second decree, that decree cannot be assailed on account of any errors that occurred prior to the former decree.⁸ No decree can be attacked by the appellee, on the appellant's appeal. Where either party to a decree intends to ask the Circuit Court of

¹ 27 Statutes at Large, Chap. 74, Sec. 8, p. 436.

² *Electric Gas Lighting Co. v. Fuller*, 59 Fed. Rep. 1003, 1894.

³ *Dean v. Mason*, 20 Howard, 198, 1857.

⁴ *Jones v. Morehead*, 1 Wallace, 155, 1863.

⁵ *Roemer v. Bernheim*, 132 U. S. 106, 1889; *Boesch v. Graff*, 133 U. S. 699, 1890.

⁶ *Kinsmen v. Parkhurst*, 18 Howard 289, 1855.

⁷ *Warren v. Keep*, 155 U. S. 267, 1894.

⁸ *Himely v. Rose*, 5 Cranch, 313, 1809; *The Santa Maria*, 10 Wheaton, 431, 1825; *American Insurance Co. v. Canter*, 1 Peters, 511, 1828; *Corning v. Troy Iron & Nail Factory*, 15 Howard, 451, 1853.

Appeals to direct it to be altered, he must appeal to that tribunal, whether the other party appeals or not.¹ Where both parties appeal, both appeals are heard together in the Circuit Court of Appeals, and the complainant in the court below is entitled to open and to close the argument. A decree may also be attacked by an appellant on several grounds upon which it may not have been resisted in the court below. Non-jurisdiction of equity falls in this category,² where the patent expired before the bill was filed; and so does want of invention, when that want results from facts of which the court will take judicial notice.³ Where a defendant interposed several defences in the court below, and where that court held them all to be bad, except one which it held to be good, and therefore dismissed the bill; and where the Circuit Court of Appeals on an appeal finds the latter defence to be bad, it will thereupon decide whether either of the others are good, and if it finds either of them to be so, it will affirm the decree.⁴ Or the Circuit Court of Appeals may find a defence to be good, which the court below did not so find, and may thereupon omit to decide upon the defence which the court below found to be good.⁵ And a decree for a complainant may be sustained on a different ground from that upon which it was based in the court below.⁶

§ 656. After the Circuit Court of Appeals has heard an appeal, it may affirm the decree, or may reverse it, or may modify it, or may remand the case to the court below for further proceedings.⁷ Where it affirms the decree, it ends the litigation, leaving the court below to enforce its adjudication, if any enforcement is required. Where it reverses

¹ *Corning v. Troy Iron & Nail Factory*, 15 Howard, 451, 1853.

² *Hipp v. Babin*, 19 Howard, 271, 1856.

³ *Brown v. Piper*, 91 U. S. 41, 1875.

⁴ *Troy Iron & Nail Factory v.*

Corning, 15 Howard, 451, 1853.

⁵ *Patent Clothing Co. v. Glover*, 141 U. S. 560, 1891.

⁶ *Woodward v. Boston Lasting Mach. Co.* 63 Fed. Rep. 609, 1894.

⁷ Revised Statutes, Section 701.

the decree, it generally does so at the appellee's costs, so that the court below, when it receives the mandate, will have nothing to do but to tax those costs, and enter a decree therefor; and from such a decree there is no appeal.¹ When it modifies the decree, it may do so in either of several respects. For example, it may change a decree which was entered for the appellant with costs, to one without costs, and in that event it will require the appellee to pay his own costs in the Circuit Court of Appeals.² It may also change the amount of the decree, instead of remanding the case to the court below for a recomputation.³ Where it remands a case for further proceedings, the proceedings prescribed may even extend to a trial at law, or by a jury in equity, of the questions of fact involved in the case.⁴ Where both parties appeal from the decree, and the decree is affirmed, no costs incurred in the Circuit Court of Appeals are allowed to either party.⁵

§ 657. A certificate of division of opinion is a means of taking questions of law to the Circuit Court of Appeals, where those questions arise in a case heard by two judges in the court below, and where those judges disagree about their proper solution.⁶ No question of infringement or other question of fact can be taken to the Circuit Court of Appeals in this method;⁷ and such a certificate must state the precise points of law which are involved, or the case will be remanded without an answer.⁸

¹ *Elastic Fabrics Co. v. Smith*, 100 U. S. 111, 1879.

² *O'Reilly v. Morse*, 15 Howard, 121, 1853.

³ *Parks v. Booth*, 102 U. S. 106, 1880.

⁴ *Cochrane v. Deener*, 94 U. S. 784, 1876.

⁵ *Edison Electric Light Co. v.*

Electric Supply Co. 66 Fed. Rep. 312, 1895.

⁶ Revised Statutes, Section 693; 26 Statutes at Large, Chap. 517, Sec. 11.

⁷ *California Paving Co. v. Molitor*, 113 U. S. 616, 1884.

⁸ *Wilson v. Barnum*, 8 Howard, 258, 1850.

CHAPTER XXI.

INJUNCTIONS.

658. Jurisdiction to grant injunctions.
659. Preliminary injunctions.
660. Bills for preliminary injunctions.
661. Notices of motions for preliminary injunctions.
662. Motions for preliminary injunctions.
663. Suspensions of motions for preliminary injunctions.
664. Temporary restraining orders.
665. Elements of *prima facie* rights to preliminary injunctions.
666. Prior adjudication.
667. Public acquiescence.
668. Duration of public acquiescence in a strict monopoly.
669. Duration of public acquiescence in a licensed monopoly.
670. Public acquiescence need not be universal to be efficacious.
671. Decrees *pro confesso*.
672. Consent decrees.
673. Defendant's admission of validity.
674. Interference decision.
675. The complainant's title.
676. Infringements.
677. Defences to motions for preliminary injunctions; and first by way of traverse.
678. Defences by way of confession and avoidance.
679. Averting effect of prior adjudication.
680. Averting effect of public acquiescence.
681. Averting preliminary injunction by proving repeal or expiration of patent, or fault in title thereto.
682. Averting preliminary injunction by proving license.
683. By proving estoppel.
684. By showing laches.
685. Preliminary injunction must generally follow a cause and an application therefor.
686. Bonds instead of injunctions, where complainant grants licenses.
687. Where infringing machinery embodies non-infringing features, also in some other cases.
688. Bonds required from complainants in certain cases.
689. Injunctions not averted by the existence of a remedy at law.
690. Injunctions *pro confesso* on withdrawal of opposition to a motion for an injunction.
691. Discretion of the court in granting or refusing injunctions.
692. Motions to dissolve preliminary injunctions.
693. Motions to dissolve for errors in point of law.
694. Motions to dissolve on account of newly discovered evidence.

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| <p>695. Reinstatement of dissolved injunctions.</p> <p>696. Consequences of obedience or disobedience to injunctions which are subsequently dissolved.</p> <p>696<i>a</i>. Appeals from preliminary injunctions.</p> <p>697. Permanent injunctions.</p> <p>698. Refusal of permanent injunction, because the patent has expired.</p> <p>699. Because the complainant has assigned the patent.</p> <p>700. Because the defendant is dead, or, if a corporation, is dissolved.</p> <p>701. Cessation of infringement no ground for refusal to enjoin.</p> <p>702. Postponement of permanent injunctions.</p> | <p>703. Suspension of permanent injunctions pending appeals therefrom.</p> <p>704. Dissolution of permanent injunctions.</p> <p>705. Injunctions granted independent of other relief, and against complainants in certain cases</p> <p>706. The duration of injunctions generally limited by the term of the patent.</p> <p>707. The duration of injunctions granted by district judges in vacation.</p> <p>708. Attachments for contempt.</p> <p>709. Improper defences to motions for attachments.</p> <p>710. Penalties for violations of injunctions.</p> |
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§ 658. JURISDICTION to grant injunctions to prevent the violation of patent rights, is conferred by statute upon the same courts that are vested with common-law jurisdiction in patent cases.¹ The statute provides that the jurisdiction shall be exercised according to the course and principles of courts of equity, and upon such terms as the court may deem reasonable. This twofold provision indicates the sources from which the existing rules applicable to such cases were drawn. They were drawn from the ordinary course and principles of courts of equity, and from a reasonable contemplation of the peculiar circumstances which attend patent rights and patent litigation. Some of those rules relate only to preliminary injunctions, and others relate to permanent injunctions alone; and the residue are equally applicable to both. It is the plan of this chapter to explain those three classes of rules, and to show how all of them combined make up a system which may guide the judicial discretion in nearly every variety of circumstances.

¹ Revised Statutes, Section 4921.

§ 659. A preliminary injunction is one which is granted after the filing of the bill, and before the case is ready for an interlocutory hearing. When granted, it is commonly granted before the filing of the answer; but it is sometimes issued after that stage of the case, and sometimes even after the complainant has introduced all his *prima facie* evidence.¹ Such an injunction may be dissolved at any time; and a motion to dissolve it may be made whenever an apparent cause for its dissolution becomes known to the party enjoined. If not sooner terminated by dissolution, or by a certain statutory limitation hereafter explained, such an injunction continues till the interlocutory decree; and then it is dissolved or is made permanent, according to the equities of the case as they appear on the interlocutory hearing.

§ 660. A bill of complaint, in order to lay a foundation for a preliminary injunction, must state the particular prior adjudication or acquiescence upon which the presumption of validity of the patent is based,² and must contain a specific prayer for that relief, and for the proper writ by means of which that relief may be enforced,³ and must conform to those requisites of bills in equity which are set forth in the twentieth chapter of this book.

§ 661. Due notice of a motion for a preliminary injunction must be served on the party sought to be enjoined from infringing a patent, before that motion will be heard by the court. This rule formerly had a sufficient foundation in a statute of 1793, which provided that no writ of injunction should be granted in any case without reasonable previous notice to the adverse party, or his attorney, of the time and place of moving for the same.⁴ Portions of the section

¹ Union Paper Bag Machine Co. v. Newell, 11 Blatch. 550, 1874.

² Parker v. Brant, 1 Fisher, 59, 1850; Wirt v. Hicks, 46 Fed. Rep. 71, 1891.

³ Lewiston Falls Mfg. Co. v.

Franklin Co. 54 Maine. 402, 1867; Union Bank v. Kerr, 2 Maryland Chancery, 460, 1849.

⁴ 1 Statutes at Large, Ch. 22, Section 5, p. 334.

which contained that provision are embraced in the Revised Statutes,¹ but that provision was omitted from those statutes, and was thereby repealed.² But there is still a foundation for the rule, which is stated at the head of this section; a foundation not so direct, but quite as certain, as the other was while it existed. The Revised Statutes provide that the Supreme Court shall have power to prescribe from time to time, and in any manner not inconsistent with any law of the United States, the modes of proceeding to obtain relief in suits in equity in the circuit and district courts.³ In pursuance of this authority, the Supreme Court has prescribed an elaborate code of rules of practice for the courts of equity of the United States. Rule 55 of that series provides that special injunctions shall be grantable only upon due notice to the other party. And it is certain that all injunctions to restrain infringements of patents are special as distinguished from common injunctions.⁴ A different line of argument on this subject, and one followed by a contrary conclusion, is to be found in one reported case,⁵ but the reasoning in that case does not appear to be convincing.

§ 662. A motion for a preliminary injunction is heard in a summary way on *ex-parte* affidavits.⁶ The complainant's affidavits in chief must show all the facts which are necessary to *prima facie* entitle him to such an injunction.⁷ The defendant's affidavits must state all the facts upon which he bases his defence to the motion, and if those statements are by way of traverse, no further affidavits are admitted on the hearing; but if they are by way of confession and avoidance, the complainant is permitted to read affidavits in reply,

¹ Revised Statutes, Sections 716 and 720.

² Revised Statutes, Section 5596.

³ Revised Statutes, Section 917; *Orr v. Littlefield*, 1 Woodbury & Minot, 19, 1845.

⁴ *High on Injunctions*, Section 6; *Purnell v. Daniel*, 8 Iredell's Equity

Reports (N. C.), 11, 1851.

⁵ *Yuengling v. Johnson*, 1 Hughes, 607, 1877.

⁶ *Grover & Baker Sewing Machine Co. v. Williams*, 2 Fisher, 133, 1860.

⁷ *Union Paper Bag Machine Co. v. Binney*, 5 Fisher, 167, 1871.

but to that reply no rejoinder from the defendant is ever allowed.¹

The complainant's bill may be used as an affidavit,² and so also may the defendant's answer, if it is on file when the motion for a preliminary injunction is heard.³ But answers are commonly and properly drawn in such general terms that they are often of minor importance as defences to such motions, even where they are well concerted as pleadings. For example, where the answer says, on the question of infringement, that the defendant never made, used or sold any specimen of the patented thing; and where the affidavits of the complainant contain a description of what the defendant has done, and contain proper expert testimony showing that those doings constitute infringement of the patent, the general denial of the answer will go for nought on the hearing of a preliminary injunction.⁴ The statements of the complainant's affidavits in chief are taken on the hearing to be true, so far as they are uncontradicted by the affidavits of the defendant;⁵ and the affidavits of the defendant are taken to be true, so far as they are consistent with the complainant's affidavits in chief, and are not contradicted by his affidavits in reply.⁶

All affidavits to be used to support or to oppose a motion for a preliminary injunction ought to be served on the opposite counsel a reasonable time before the motion is argued. Where that is not done, the court may reject the affidavits, or, at its discretion, may allow them to be read, giving the opposite party the option to proceed with the hearing, or to take time to examine the affidavits, and where they admit of reply, to take other affidavits for that purpose.⁷

¹ *Day v. Car-Spring Co.* 3 Blatch. 154, 1854; *Rogers v. Abbot*, 4 Washington, 514, 1825.

² *Young v. Lippman*, 9 Blatch. 277, 1872.

³ *Parker v. Brant*, 1 Fisher, 58, 1850.

⁴ *Ely v. Mfg. Co.* 4 Fisher, 64, 1860.

⁵ *Wells v. Gill*, 6 Fisher, 89, 1872.

⁶ *Cooper v. Mattheys*, 3 Penn. Law Journal Reports, 40, 1842.

⁷ *Sterrick v. Pugsley*, 1 Central Law Journal, 106, 1874.

§ 663. Where, on the hearing of a motion for a preliminary injunction, the complainant's moving papers are found to lack a necessary point which is presumably capable of being supplied, the court may suspend the motion to enable the complainant to supply it.¹ Such a lack and consequent suspension are not injurious to a defendant, because they merely operate to postpone that which he desires to be postponed as long as possible. No similar rule can, however, be invoked in favor of a defendant who has had reasonable notice of the motion, for if he could invoke such a rule, he could delay justice by his own neglect.

If a demurrer is on file in the case when a motion for a preliminary injunction comes on to be heard, the demurrer will be first heard and disposed of, even though that proceeding necessitates a postponement of the hearing of the motion. But if the demurrer is overruled, the defendant, in order to secure leave to contest the motion further, must file an affidavit that the demurrer was not filed for the purpose of delay, and must give security to pay the complainant the amount of any money decree to which the delay consequent upon the demurrer may afterward be found to entitle him.²

§ 664. A temporary restraining order may be made by the court, where there appears to be danger of irreparable injury from delay, whenever notice is given of a motion for a preliminary injunction; and such an order may be granted with or without security, in the discretion of the court, or judge, and will continue in force till the motion is decided.³ The object of this provision appears to be to give the judge time to consider whether to grant a preliminary injunction, instead of deciding the question immediately upon the close of the argument of a motion for such a writ. It does not appear to warrant a restraining order

¹ Hodge v. Railroad Co. 6 Blatch. 85, 1868.

Woodbury & Minot, 131, 1847.

² Revised Statutes, Section 718.

³ Woodworth v. Edwards, 3

before notice is actually served upon the defendant, nor indeed before the motion has been heard by the court, though the last member of this statement is less clearly true than the first. Even the first has been denied by one district judge; but in order to deny it, he had to hold that a notice is "given" when a rule to show cause against a motion is entered in court.¹ But the statute does not provide for any rule to show cause. It provides for a notice which is given; and no notice can be said to be given until it is served.

§ 665. In deciding whether a complainant at bar has made out a *prima facie* case for a preliminary injunction to restrain infringement of a patent, the judge is guided by the presence or absence of two presumptions and one certainty. Those presumptions relate to the validity of the patent and to the defendant's infringement thereof, and that certainty relates to the complainant's title thereto. If that certainty or either of those presumptions are absent in a given case, no preliminary injunction will be granted; but such a writ will be granted where they are all present, unless the defendant interposes some good defence to the motion, or unless the court takes a bond from the defendant instead of subjecting him to an injunction. A special presumption that the patent is valid, lies at the foundation of a patentee's right to a preliminary injunction.² That presumption does not arise out of the unattended letters patent,³ but will always exist where the patent has been suitably adjudicated in a Federal court, and there held to be valid;⁴ or where the validity of the patent has been suitably acquiesced in

¹ *Yuengling v. Johnson*, 1 Hughes, 607, 1877.

² *Edward Barr Co. v. Sprinkler Co.* 32 Fed. Rep. 80, 1887.

³ *Foster v. Crossin*, 23 Fed. Rep. 401, 1885; *Dickerson v. Machine Co.* 35 Fed. Rep. 145, 1888; *Stand-*

ard Elevator Co. v. Crane Elevator Co. 56 Fed. Rep. 719, 1893.

⁴ *Orr v. Littlefield*, 1 Woodbury & Minot, 13, 1845; *Edison Electric Light Co. v. Beacon Electrical Co.* 54 Fed. Rep. 679, 1893.

by the public ;¹ or where the defendant at bar has allowed a decree *pro confesso* to be taken against him ;² or where the defendant does not deny the validity of the patent ;³ or where he is estopped from doing so ;⁴ and that presumption will sometimes exist where the patent has successfully undergone an interference or other contested proceeding in the Patent Office.⁵

§ 666. An adjudication in another case, in order to furnish a suitable foundation for a right to a preliminary injunction, must have resulted in favor of the patent in a regular hearing in equity, or on the trial of an action at law.⁶ Of these, the former raises the stronger presumption,⁷ but most of the considerations which apply to it, apply also to the latter. An interlocutory decree in another case is as good a foundation for a right to an injunction as a final decree would be ;⁸ because an interlocutory decree settles all pending questions of validity, and a final decree merely reiterates its conclusions on that point. An adjudication of a prior suit based on the first term of a patent, may be made the foundation of a right to a preliminary injunction to restrain infringement of the extended term of the same patent.⁹ But no adjudication of a suit based on an original

¹ *Goodyear v. Railroad Co.* 1 Fisher, 626, 1853; *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 48, 1877; *White v. Surdam*, 41 Fed. Rep. 791, 1890; *White v. Hunter*, 47 Fed. Rep. 819, 1891; *Sessions v. Gould*, 49 Fed. Rep. 856, 1892; *Palmer v. Mill*, 57 Fed. Rep. 222, 1893; *Corser v. Overall Co.* 59 Fed. Rep. 781, 1893.

² *Schneider v. Bassett*, 13 Fed. Rep. 351, 1882.

³ *Sickels v. Mitchell*, 3 Blatch. 548, 1857; *New York Grape Sugar Co. v. American Grape Sugar Co.* 10 Fed. Rep. 835, 1882.

⁴ *Time Telegraph Co v. Himmer*, 19 Fed. Rep. 322, 1884.

⁵ *Pentlarge v. Beeston*, 14 Blatch. 354, 1877; *Smith v. Halkyard*, 16 Fed. Rep. 414, 1883; *Consolidated Apparatus Co. v. Brewing Co.* 28 Fed. Rep. 428, 1886; *Minneapolis Harvester Works v. Machine Co.* 28 Fed. Rep. 565, 1886; *Dickerson v. Machine Co.* 35 Fed. Rep. 147, 1888.

⁶ *Doughty v. West*, 2 Fisher, 559, 1865.

⁷ *Goodyear v. Mullett*, 3 Fisher, 420, 1868.

⁸ *Potter v. Fuller*, 2 Fisher, 251, 1862.

⁹ *Clum v. Brewer*, 2 Curtis, 507, 1855; *Tilghman v. Mitchell*, 4 Fisher, 615, 1871.

patent, can be invoked as a basis for a preliminary injunction to restrain infringement of any new claim contained in a reissue thereof.¹ Though an injunction in favor of one claim of a patent is a basis for a preliminary injunction on another claim, specifying the same invention in narrower terms.² Where the prior adjudication was that of the Supreme Court or of a Circuit Court of Appeals, it is conclusive of the questions it covered;³ and where the prior adjudication was that of a Circuit Court, it will be followed unless it is inconsistent with some other decision of equal or higher rank;⁴ and a verdict of a jury, which is supplemented by a refusal to grant a new trial, and by the entry of a judgment thereon, has the same weight as an adjudication in equity.⁵ But a prior adjudication of a court of some foreign nation or dominion, is in no manner controlling, though entitled to consideration as embodying the opinion of a judicial tribunal.⁶ And where the prior adjudication was based upon an estoppel,⁷ or upon some other ground than recognized validity of the patent,⁸ it does not constitute any ground for a preliminary injunction against another defendant.

§ 667. Public acquiescence sufficient to create a presumption of validity, and therefore sufficient to furnish a foundation for a right to a preliminary injunction, may arise out of either of two classes of facts. It may arise where the patentees made and sold specimens of the patented article for many years, during which no other person assumed to

¹ *Poppenhusen v. Falke*, 2 Fisher, 181, 1861.

² *Sawyer Spindle Co. v. Taylor*, 56 Fed. Rep. 110, 1893.

³ *American Bell Telephone Co. v. McKeesport Tel. Co.* 57 Fed. Rep. 361, 1893; *Edison Electric Light Co. v. Philadelphia Trust Co.* 60 Fed. Rep. 397, 1894.

⁴ *Pullman Palace Car Co. v. Wag-*

ner Palace Car Co. 44 Fed. Rep. 765, 1891.

⁵ *Woodard v. Gas-Stove Co.* 68 Fed. Rep. 717, 1895.

⁶ *Carter v. Wollschlaeger*, 53 Fed. Rep. 575, 1892.

⁷ *Ney Mfg. Co. v. Drill Co.* 56 Fed. Rep. 153, 1893.

⁸ *Empire State Nail Co. v. Button Co.* 61 Fed. Rep. 650, 1894.

make any such specimens ;¹ or it may arise where the patentee long licensed others to make, use, or sell such specimens, while nobody assumed to do either without such a license from him ; and the acquiescence is quite as positive in this case as in the other.² But acquiescence in exclusive use of a thing which contains several patented inventions, does not raise a special presumption of validity in favor of any particular one of the patents involved ;³ and when acquiescence stops for good reasons, the special presumption of validity which rested upon it comes also to an end ;⁴ and mere manufacture and sale of a patented article does not constitute acquiescence in the patent which claims it.⁵

§ 668. The length of time necessary to make exclusive possession, of the first sort, available on a motion for a preliminary injunction, depends upon the nature of the invention, and on the extent to which a good invention of the sort would naturally be used if it were free to the public ; and upon the popularity of that particular invention with that part of the public likely to want an article of the kind.⁶ Where nobody but the patentee had any use for the article during the time of the alleged acquiescence, or where its merits were prized so low that nobody else cared to adopt it ; no lapse of time has any tendency to raise a presumption that the patent is valid.⁷ Acquiescence in claims which nobody cared to dispute when the acquiescence occurred, has no tendency to show that those claims are valid.⁸ But where all persons, other than the owner of the patent, refrain from making, using, or selling specimens of the

¹ *Sargent v. Seagrave*, 2 Curtis, 557, 1855; *Covert v. Curtis*, 25 Fed. Rep. 43, 1885; *National Typographic Co. v. New York Typograph Co.* 46 Fed. Rep. 116, 1891; *Blount v. Societe*, 53 Fed. Rep. 102, 1892.

² *Thomson Electric Welding Co. v. Two Rivers Mfg. Co.* 63 Fed. Rep. 121, 1894.

³ *Upton v. Wayland*, 36 Fed. Rep. 691, 1888; *Geo. Ertel Co. v. Stahl*, 65

Fed. Rep. 521, 1895.

⁴ *Wollensak v. Sargent*, 33 Fed. Rep. 843, 1888.

⁵ *Geo. Ertel Co. v. Stahl*, 65 Fed. Rep. 521, 1895.

⁶ *Doughty v. West*, 2 Fisher, 559, 1865.

⁷ *Raymond v. Woven Hose Co.* 39 Fed. Rep. 366, 1889.

⁸ *Geo. Ertel Co. v. Stahl*, 65 Fed. Rep. 521, 1895.

patented article merely because it is patented, and notwithstanding it would otherwise be for their interest to adopt it, their acquiescence shows their conviction that the patent is valid;¹ a conviction presumably based on inquiry, because persons are not likely to acquiesce in adverse rights without any investigation of their soundness.² In a case of the latter sort, any acquiescence which is shown by lapse of time to be general and to be genuine, will be sufficient to sustain a preliminary injunction.³ Two years have been found to be ample in a case where the patentee made and sold 105,000 specimens of his patented apple-paring machine during that time,⁴ and in another case, eight years, in which the patentee made and sold 150 specimens of his patented machine for cutting leather for shoe soles, were held to be sufficient.⁵

§ 669. The length of time necessary to make exclusive possession, of the second sort, available on a motion for a preliminary injunction will depend largely upon whether the licenses granted, were granted in consideration of the payment of substantial royalties, or for such an insignificant price as indicates that they were issued for the sole purpose of raising a presumption of public acquiescence. In the former case, it is safe to assume that sales of licenses will be quite as rapidly efficacious in the desired direction as sales of specimens of the patented invention;⁶ while in the latter case, a long and genuine payment of royalties will be necessary to give the licenses any importance in respect of preliminary injunctions against third parties.

§ 670. Public acquiescence is strengthened rather than weakened, as a foundation to a right to a preliminary injunction, by the fact that some persons for a while refused

¹ National Typographic Co. v. New York Typograph Co. 46 Fed. Rep. 116, 1891.

² Grover & Baker Sewing Machine Co. v. Williams, 2 Fisher, 134, 1860.

³ Orr v. Littlefield, 1 Woodbury & Minot, 17, 1845.

⁴ Sargent v. Seagrave, 2 Curtis, 557, 1855.

⁵ Foster v. Moore, 1 Curtis, 279, 1852.

⁶ Grover & Baker Sewing Machine Co. v. Williams, 2 Fisher, 138, 1860.

to join in it, but on receiving further information, submitted to the exclusive right claimed by the patentee. Such a submission is generally the most persuasive degree of acquiescence,¹ and is certainly so where the submission was costly to him who submitted.² Nor is universal acquiescence necessary to be shown as existing at the time of the motion; for if it were necessary and were shown, it would prove that the defendant himself is not infringing the patent, and thus negative that part of the foundation of the case.³ But a preliminary injunction will not be granted on any basis of acquiescence, where the defendant has been long in possession and use of the invention, adverse to the claim of the complainant, and under a claim and color of right.⁴ No acquiescence in an original patent can be made the basis of a right to a preliminary injunction to restrain infringement of any claim in a reissue of that patent, unless that claim was also contained in the original.⁵ But where some applicable acquiescence is proved, it would be strengthened as a foundation for a preliminary injunction by the fact that it has been tried as such a foundation in another case by basing a preliminary injunction upon it.⁶

§ 671. A decree *pro confesso* entered in a case raises a sufficient presumption of the validity of the patent to support a right to a preliminary injunction in that case,⁷ but there is no ground for giving such a decree such an operation in any case against another defendant.⁸

¹ Sargent *v.* Seagrave, 2 Curtis, 556, 1855; Carter *v.* Wollschlaeger, 53 Fed. Rep. 576, 1892.

² Corbin Lock Co. *v.* Yale & Towne Mfg. Co. 58 Fed. Rep. 565, 1893.

³ McComb *v.* Ernest, 1 Woods, 206, 1871.

⁴ Isaacs *v.* Cooper, 4 Washington, 259, 1821.

⁵ Grover & Baker Sewing Ma-

chine Co. *v.* Williams, 2 Fisher, 144, 1860.

⁶ Blount *v.* Societe, 53 Fed. Rep. 102 1893; Carter *v.* Woolschlaeger, 53 Fed. Rep. 575, 1892; Carter-Crume Co. *v.* Ashley, 68 Fed. Rep. 379, 1895.

⁷ Schneider *v.* Bassett, 13 Fed. Rep. 351, 1882.

⁸ Everett *v.* Thatcher, 3 Bann. & Ard. 437, 1878.

§ 672. A consent decree is one which is entered by the consent of the defendant, at some stage of the case after the filing of the answer, and before the judge has decided the case on its merits. In some branches of jurisprudence such a decree may raise as strong a presumption of the validity of the complainant's case as could be raised by a decree based on a decision of the court. That may be the fact where the nature of the case shows that it would have been distinctly more advantageous for the defendant to win the suit than to be defeated. But in patent cases, it would often be pecuniarily better for the defendant to consent to a decree against him than to win the suit, if by doing the former, he could enable the complainant to secure preliminary injunctions against third parties. If he wins, he secures a right to continue his doings, but he also practically secures the same right for other persons, and thus throws the business open to general competition. If by consenting to a decree against himself, a defendant could secure a license on favorable terms, and could enable the complainant to prevent all competition by means of preliminary injunctions, it would frequently happen that the defendant's net profits would be larger than they would have been if he had won the suit. To win the suit would often operate to reduce prices and profits to an amount in excess of the aggregate of the decree to which he might consent, and the royalties he might promise to pay. In such a case a defendant could better afford to pay the decree and the royalties than to have had complete success in his defence. For these reasons, a consent decree in a patent case can never be a proper foundation for a right to a preliminary injunction against third persons; unless it appears from the nature of the patented thing, or from convincing evidence, that the defendant consented to the decree because his defence had become hopeless, and not because it had become inexpedient regardless of its strength. This fact can never appear from the nature of the patented thing, where that thing is an article of commerce; because the making and selling of articles of commerce is subject to

those laws of trade which are sure to diminish profits whenever monopoly is replaced by competition. The considerations stated in this paragraph are doubtless those which have caused Federal judges to disregard consent decrees when deciding upon applications for preliminary injunctions in patent cases.¹ It is true that the same judge who made the third of the decisions just cited, once based a preliminary injunction partly on a consent decree in another case,² but he did so on the ground that the circumstances under which the decree was entered convinced him that it was consented to because the defendant was unable to make a successful defence.

§ 673. Where a defendant admits or does not deny in his pleadings, the validity of the patent upon which a preliminary injunction is sought against him, there seems to be no reason why such an admission or lack of denial should not raise a sufficient presumption of that validity to furnish a foundation to a right to a preliminary injunction in that case.³ As between the parties to a motion, the court may properly assume every statement of fact to be true which is made by the complainant, and expressly or tacitly admitted by the defendant. And where the validity of a patent is disputed on no ground, except one which is susceptible of an immediate and correct decision, such a decision may be made on a motion for a preliminary injunction, and may result in the granting of the injunction, if the decision is favorable to the patent.⁴

§ 674. An interference decision of the Patent Office raises a sufficient presumption of validity to furnish a foundation for a preliminary injunction, where the defendant is the

¹ *Spring v. Domestic Sewing Machine Co.* 4 Bann. & Ard. 427, 1879; *Hayes v. Leton*, 5 Fed. Rep. 521, 1881; *De Ver Warner v. Bassett*, 7 Fed. Rep. 468, 1881; *Keyes v. Refining Co.* 31 Fed. Rep. 561, 1887; *Wollensak v. Sargent*, 33 Fed. Rep. 843, 1888; *Tibbe Mfg. Co. v. Heine-*

ken. 37 Fed. Rep. 686, 1889.

² *Steam Gauge & Lantern Co. v. Miller*, 8 Fed. Rep. 314, 1881.

³ *New York Grape Sugar Co. v. American Grape Sugar Co.* 10 Fed. Rep. 835, 1882.

⁴ *Foster v. Crossin*, 23 Fed. Rep. 400, 1885.

person, or the legal representative or assignee of the person who was defeated in the interference, and where he denies the validity of the patent on no other ground than that the decision of the Patent Office on the question of priority in the interference was wrong.¹ But such an interference decision cannot be invoked against third parties, because it does not rise to the dignity and force of an adjudication of a court.² And it cannot be invoked as against any defence not involved in it, because it has no relevancy to any such defence.³ And where the defeated party in the interference, contended in the Patent Office that the patent should not issue to the other party, because the invention was in public use or on sale in this country, more than two years before that party filed his application, the decision of the Patent Office to the contrary, does not raise a sufficient presumption of validity to furnish a foundation for a preliminary injunction against any one.⁴

§ 675. The complainant's title to the patent upon which a preliminary injunction is asked must be clear, or the injunction will be refused.⁵ The best evidence of that title is found in the patent, if the complainant is the patentee; but if he is an assignee or grantee, he must produce and prove the original assignments or grants which constitute his title, or otherwise prove his ownership.⁶ Where the complainant's title papers require judicial construction, in order to determine their legal effect, it is the duty of the court to give them that construction upon a motion for a preliminary injunction, rather than to postpone the question to a final hearing, unless it is made to appear that evidence *aliunde* is necessary to their proper interpretation.⁷

¹ *Pentlarge v. Beeston*, 14 Blatch 354, 1877; *Holliday v. Pickhardt*, 12 Fed. Rep. 147, 1882.

² *Edward Barr Co. v. Sprinkler Co.* 32 Fed. Rep. 80, 1887.

³ *Greenwood v. Bracher*, 1 Fed. Rep. 856, 1880.

⁴ *Empire State Nail Co. v. Amer-*

ican Button Co. 61 Fed. Rep. 650, 1894.

⁵ *Mowry v. Railroad Co.* 5 Fisher, 587, 1872.

⁶ Section 495 of this book.

⁷ *Clum v. Brewer*, 2 Curtis, 507, 1855; *Dodge v. Card*, 2 Fisher, 116 1860.

§ 676. Infringement or danger of infringement by the defendant must be clearly proved by a complainant, in order to entitle him to a preliminary injunction.¹ Precisely what facts will give rise to such a probability of future infringement, as will justify a preliminary injunction without proof of past infringement, cannot specifically be stated. Courts will never insist on absolute proof of what the defendant will do if not enjoined; for such proof can never be produced, and because it cannot harm a person to enjoin him from doing a thing which he would not do any way.² A moderate probability that a defendant intends to do something which would clearly infringe the complainant's patent, will therefore be sufficient to entitle the latter to a preliminary injunction in an otherwise proper case.³

Proof of infringement cannot be made by affidavits which merely state that conclusion of fact. The complainant must prove the specific character of the defendant's doings.⁴ Upon that evidence the court will examine and decide the question of infringement in the light of whatever expert testimony the case may contain,⁵ and in the light of whatever construction of the patent it finds on examination to be just,⁶ and that construction will generally be guided and governed by the construction which was given to the patent in the adjudicated case upon which the special presumption

¹ *Pullman v. Railroad Co.* 5 Fed. Rep. 72, 1880; *California Electrical Works v. Henzel*, 48 Fed. Rep. 377, 1891; *Standard Elevator Co. v. Crane Elevator Co.* 56 Fed. Rep. 719, 1893; *Brush Electric Co. v. Storage Battery Co.* 64 Fed. Rep. 776, 1894; *Geo. Ertel Co. v. Stahl*, 65 Fed. Rep. 518, 1895; *Western Telephone Construction Co. v. Stromberg*, 66 Fed. Rep. 551, 1895.

² *California Electrical Works v. Henzel*, 48 Fed. Rep. 377, 1891; *New York Belting Co. v. Gutta*

Percha Mfg. Co. 56 Fed. Rep. 264, 1892.

³ *Sherman v. Nutt*, 35 Fed. Rep. 149, 1888; *Sessions v. Gould*, 49 Fed. Rep. 856, 1892.

⁴ *Kirby Bung Mfg. Co. v. White*, 1 *McCreary*, 160, 1880.

⁵ *Blanchard v. Reeves*, 1 *Fisher*, 105, 1850.

⁶ *Many v. Sizer*, 1 *Fisher*, 33, 1849; *Clum v. Brewer*, 2 *Curtis*, 507, 1855; *Coburn v. Clark*, 15 Fed. Rep. 807, 1883.

of validity is based,¹ and where the facts are substantially the same in the two cases, the former decision will be followed.² But if the court is unable to arrive at a conclusion without the aid of further evidence, it will decline to grant the injunction till that evidence is supplied ;³ though it may require the defendant to give bonds and to keep an account of his doings which are alleged to infringe ;⁴ and the court will not grant a preliminary injunction where the question whether the defendant's doings constitute an infringement of the complainant's patent is a doubtful question.⁵

In order to entitle the complainant to a preliminary injunction, it is not necessary for him to prove any infringement to have been committed or threatened within the particular district in which the court exercises jurisdiction ;⁶ nor that the defendant's infringement has not ceased before the motion is heard.⁷ Indeed no injunction can be averted by affirmative evidence that the defendant has ceased to infringe, even though coupled with a promise that he will infringe no more.⁸

¹ *Mallory Mfg. Co. v. Hickok*, 20 Fed. Rep. 116, 1884; *Carter-Crume Co. v. Ashley*, 68 Fed. Rep. 379, 1895.

² *S. S. White Dental Mfg. Co. v. Johnson*, 56 Fed. Rep. 263, 1893.

³ *United States Annunciator Co. v. Sanderson*, 3 Blatch. 186, 1854; *Howe v. Morton*, 1 Fisher. 600, 1860; *Boyd v. McAlpin*, 3 McLean, 430, 1844; *Carey v. Miller*, 34 Fed. Rep. 392, 1888.

⁴ *Macbeth v. Lippencott Glass Co.* 54 Fed. Rep. 167, 1893.

⁵ *Jenkins v. Ruberg*, 39 Fed. Rep. 611, 1889; *Russell v. Hyde*, 39 Fed. Rep. 614, 1889; *Boston Electric Co. v. Holtzer*, 41 Fed. Rep. 390, 1890; *Judson L. Thomson Mfg. Co. v. Hatheway*, 41 Fed. Rep. 520, 1890; *Culluloid Mfg. Co. v. Eastman Dry Plate Co.* 42 Fed. Rep. 159, 1890; *Hammond Buckle Co. v. Goodyear*

Rubber Co. 49 Fed. Rep. 274, 1892; *Williams v. McNeely* 56 Fed. Rep. 265, 1893; *Brush Electric Co. v. Storage Battery Co.* 64 Fed. Rep. 775, 1894

⁶ *Wilson v. Sherman*, 1 Blatch. 541, 1850; *Wheeler v. McCormick*, 4 Fisher, 433, 1871; *Thompson v. Mendelsohn*, 5 Fisher, 188, 1871; *Macauley v. Machine Co.* 9 Fed. Rep. 698, 1881.

⁷ *Jenkins v. Greenwald*, 2 Fisher. 37, 1857; *Potter v. Crowell*, 3 Fisher, 112, 1866; *Goodyear v. Berry*, 3 Fisher, 439, 1868.

⁸ *Rumford Chemical Works v. Vice*, 14 Blatch. 179, 1877; *Celluloid Mfg. Co. v. Mfg. Co.* 34 Fed. Rep. 324, 1888; *Gilmore v. Anderson*, 38 Fed. Rep. 847, 1889; *White v. Walbridge*, 46 Fed. Rep. 526, 1891.

§ 677. The defences which a defendant may make to a motion for a preliminary injunction may be by way of traverse, or by way of confession and avoidance. A defence of the former sort consists in denying, and attempting to disprove, one or more of the facts which constitute the complainant's *prima facie* case. A denial alone is useless, even where it is embodied in an answer.¹ Where the denial is supported by affidavits which contradict those of the complainant, the judge will refuse the injunction if he believes the defendant's affidavits to be the true ones, or if he is unable to decide which set of deponents tell the truth.² No remedy invoked in patent cases is so summary in operation, or so dangerous to justice as a preliminary injunction, and the courts will not apply that remedy to cases where the complainant's *prima facie* evidence of a right thereto, is overthrown or seriously damaged by the evidence of the defendant.

§ 678. Defences by way of confession and avoidance to motions for preliminary injunctions, may confess and avoid the adjudication or acquiescence upon which the plaintiff bases the presumption of the validity of his patent; or may interpose any one of several facts entirely outside of the complainant's *prima facie* case.

§ 679. The effect of an adjudication may be averted by evidence of some good defence to the patent, together with evidence showing that defence not to have been interposed in the prior adjudicated case.³ Several Circuit Courts and

¹ Clum v. Brewer, 2 Curtis, 507, 1855.

² Cooper v. Mattheys, 3 Penn. Law Journal Reports, 40, 1842.

³ Parker v. Brant, 1 Fisher, 58, 1850; Union Paper Bag Machine Co. v. Binney, 5 Fisher, 168, 1871; American Nicolson Pavement Co. v. Elizabeth, 4 Fisher, 189, 1870; Bailey Wringing Machine Co. v. Adams, 3 Bann. & Ard. 97, 1877; Goodyear v. Allyn, 6 Blatch. 35, 1868; Robinson v. Randolph, 4 Bann. & Ard. 163, 1879; Page v.

Telegraph Co. 18 Blatch. 125, 1880; Ladd v. Cameron, 25 Fed. Rep. 37, 1885; Fraim v. Iron Co 27 Fed. Rep. 457, 1886; National Machine Co v. Hedden, 29 Fed. Rep. 149, 1886; Glaenzer v. Wiederer, 33 Fed. Rep. 583, 1887; Holmes Protective Co. v. Alarm Co. 31 Fed. Rep. 562, 1887; Travers v. Spreader Co. 35 Fed. Rep. 133, 1888; Stuart v. Thorman, 37 Fed. Rep. 90, 1888; Jacobson v. Alpi, 46 Fed. Rep. 767, 1891; Carter v. Fry, 54 Fed. Rep. 883, 1892.

two Circuit Courts of Appeals have held that such a new defence must be established beyond a reasonable doubt;¹ and a new defence, which cannot endure the application of what was decided in the adjudicated case, must fail to avert a preliminary injunction.² But the effect of a prior adjudication may sometimes be averted by showing that it is inconsistent with a former decision of the court wherein the adjudged case is invoked,³ or by showing that the adjudged case involved questions of nicety and importance, and has been taken to a higher court for review,⁴ or has gone no further than a verdict of a jury which is still pending on a motion for a new trial.⁵ But courts will not always disregard adjudications which are thus suspended. They are a good foundation for preliminary injunctions, unless the defendant can convince the judge that they were wrong.⁶ The effect of a prior adjudication can sometimes be averted by showing that there has been an adjudication against the validity of the patent,⁷ but not where it appears that the lost cause was decided on a part only of the material evidence,⁸ nor can such an effect be averted by showing that the validity of the patent is in question in some other case, which has long been pending and still awaits adjudication.⁹ Where the patent sued upon is a reissue of the one adjudicated, a substantial doubt of the validity of the reissue as

¹ *Accumulator Co. v. Storage Co.* 53 Fed. Rep. 800, 1893; *Edison Electric Light Co. v. Beacon Electric Co.* 54 Fed. Rep. 679, 1893; *Edison Electric Light Co. v. Electric Mfg. Co.* 57 Fed. Rep. 616, 1893; *Electric Mfg. Co. v. Edison Electric Light Co.* 61 Fed. Rep. 834, 1894; *Philadelphia Trust Co. v. Edison Electric Light Co.* 65 Fed. Rep. 553, 1895.

² *Sawyer Spindle Co. v. Taylor.* 56 Fed. Rep. 110, 1892.

³ *Pullman Palace Car Co. v. Wagner Palace Car Co.* 44 Fed. Rep. 765, 1891.

⁴ *Morris v. Mfg. Co.* 3 Fisher, 70, 1866.

⁵ *Day v. Hartshorn*, 3 Fisher, 34, 1855.

⁶ *Forbush v. Bradford*, 1 Fisher, 317, 1858; *Day v. Hartshorn*, 3 Fisher, 32, 1855; *Morris v. Mfg. Co.* 3 Fisher, 70, 1866; *Wells v. Gill*, 6 Fisher, 89, 1872.

⁷ *Keyes v. Refining Co.* 31 Fed. Rep. 560, 1887.

⁸ *United States Stamping Co. v. King*, 4 Bann. & Ard. 469, 1879.

⁹ *Atlantic Giant Powder Co. v. Goodyear*, 3 Bann. & Ard. 161, 1877.

a reissue, must be solved against a motion for a preliminary injunction.¹

§ 680. The effect of acquiescence, as a foundation for a preliminary injunction, may be averted by evidence that it was not general, or was not genuine; by proof that while some acquiesced in the patent, many others did not; or by proof that those who did acquiesce, did so collusively and not because they believed the patent to be invulnerable. And the effect of acquiescence may also be averted by evidence or arguments which clearly show that the patent is really invalid.²

§ 681. While the fact that the patent in suit will soon expire, is a reason for granting an injunction rather than a reason for refusing that remedy;³ the fact that the patent sued upon has been repealed, or that it has expired by its own limitation, or because of the expiration of some foreign patent for the same invention, is of course a good defence to a motion for a preliminary injunction; as also is any fact which overthrows the title of the complainant; or any fact which shows the conduct of the complainant or his privies to be unjustifiable in the eye of equity.⁴

§ 682. A license is a good defence to a motion for a preliminary injunction; and where the affidavits leave the existence of a valid license in doubt, a preliminary injunction will be refused.⁵ Where the question of license depends upon the construction of documents, the court will construe them on a motion for a preliminary injunction, unless it is made to appear that evidence exists which is proper and necessary to be produced in order to enable

¹ *Poppenhusen v. Falke*, 2 Fisher, 181, 1861.

² *Bradley & Hubbard Mfg. Co. v. The Charles Parker Co.* 17 Fed. Rep. 240, 1883; *Hat-Sweat Mfg. Co. v. Sewing Machine Co.* 32 Fed. Rep. 403, 1887.

³ *American Bell Telephone Co. v. Brown Tel. Co.* 58 Fed. Rep. 409,

1893; *Carter-Crume Co. v. Ashley*, 68 Fed. Rep. 379, 1895; *Woodard v. Gas-Stove Co.* 68 Rep. Rep. 717, 1895.

⁴ *Western Union Telegraph Co. v. Telegraph Co.* 25 Fed. Rep. 30, 1885.

⁵ *Beane v. Orr*, 2 Bann. & Ard. 176, 1875.

the judge to arrive at the intention of the parties to an ambiguous instrument.¹ Where the license set up has been forfeited for non-payment of the royalty, a preliminary injunction will be granted, in an otherwise proper case, unless the defendant pays that royalty within some reasonable time to be fixed by the court;² and where it has been forfeited by a forbidden use of the patented thing, a preliminary injunction may be granted as to that use, but not as to the kind of use authorized by the license.³ The principle of these precedents appears to be that a preliminary injunction will not be used to enforce a forfeiture, when the doings which caused the forfeiture can be otherwise compensated. So, also, a preliminary injunction will be refused where the defendant had a license which he forfeited by omission to pay the royalty, if that omission was necessitated by bad faith on the part of the complainant.⁴

§ 683. Estoppel is also a good defence to a motion for a preliminary injunction, and will prevail against a motion for that relief, upon the same facts that would make it prevail in an action at law.⁵

§ 684. Laches is a good defence to a motion for a preliminary injunction;⁶ and delay works laches, unless it is excused by some fact which renders it reasonable.⁷ The delay which, if unexcused, works laches in respect of an application for a preliminary injunction, is that which occurs after the infringement sued upon was committed,⁸ and not

¹ *Hodge v. Railroad Co.* 6 Blatch. 165, 1868.

² *Woodworth v. Weed*, 1 Blatch. 165, 1846; *Goodyear v. Rubber Co.* 3 Blatch. 455, 1856.

³ *Wilson v. Sherman*, 1 Blatch. 536, 1850.

⁴ *Crowell v. Parmeter*, 3 Bann. & Ard. 480, 1878; *Washburn & Moen Mfg. Co. v. Barbed Wire Fence Co.* 22 Fed. Rep. 712, 1884; *Washburn & Moen Mfg. Co. v. Scutt Co.* 22 Fed. Rep. 710, 1884.

⁶ Sections 467 to 469 of this book.

⁶ *Hockholzer v. Eager*, 2 Sawyer, 363, 1873; *Keyes v. Refining Co.* 31 Fed. Rep. 560, 1887; *Brush Electric Co. v. Storage Battery Co.* 64 Fed. Rep. 777, 1894

⁷ *Wortendyke v. White*, 2 Bann. & Ard. 26, 1875; *Green v. French*, 4 Bann. & Ard. 169, 1879; *Collignon v. Hayes*, 8 Fed. Rep. 912, 1881.

⁸ *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 50, 1877.

any delay which occurred before that time. Delay after the infringement, may occur before the suit is brought, or it may occur after that event, and before any motion is made for a preliminary injunction.

Three months' delay of the first kind, for which there was no particular excuse, and which caused no injury to the defendant, has been held not to constitute laches;¹ and in another case the delay of one year was likewise condoned.² In another case, eighteen months',³ and in another two years',⁴ and in another three years'⁵ delay after the known beginning of infringement, and before the beginning of a suit, was held to constitute such laches as must defeat a motion for a preliminary injunction; and in still another case a delay of two years by the then owners of the patent, was held to preclude their assignees from obtaining a preliminary injunction.⁶ Two years' delay to sue was excused in one case on the ground that the complainant was much occupied with other business during the time, and that he repeatedly notified the defendant to cease his infringing;⁷ and in another case a delay of twenty-eight months was excused on the ground that during most of that time the infringement was so small, as to be harmless, and was likely to continue so;⁸ but in another case four years' delay was held to be too long to be excused on that ground.⁹ The pendency of a test case under a patent is also a good excuse for delay in bringing actions against other infringers, when those other infringers interpose the defence

¹ Union Paper Bag Machine Co. v. Binney. 5 Fisher, 167, 1871.

² Loring v. Booth, 52 Fed. Rep. 151, 1892.

³ Hockholzer v. Eager, 2 Sawyer, 363, 1873.

⁴ Sperry v. Ribbans, 3 Bann. & Ard. 261, 1878.

⁵ Pope Mfg. Co. v. Johnson, 40 Fed. Rep. 584, 1889.

⁶ Spring v. Machine Co. 4 Bann. & Ard. 428, 1879.

⁷ Collignon v. Hayes, 8 Fed. Rep. 912, 1881.

⁸ Accumulator Co. v. Edison Illuminating Co. 63 Fed. Rep. 979, 1894.

⁹ Brush Electric Co. v. Storage Battery Co. 64 Fed. Rep. 777, 1894.

of laches to a motion for a preliminary injunction.¹

Two months' unexcused delay after a suit is begun, before a motion for a preliminary injunction is made, is fatal to such a motion, where the delay seriously misleads the defendant;² and delay after a suit is begun will constitute such laches as will defeat an application for a preliminary injunction, if that delay continues till the defendant has closed his evidence for the interlocutory hearing of the case;³ and still more strongly, when it continues till the case is about to be argued on the interlocutory hearing.⁴

§ 685. Where the complainant has made out a *prima facie* case for a preliminary injunction, and where the defendant has not overthrown that case, the court is generally bound to grant such an injunction,⁵ upon all or upon part of the claims of the patent, according to the merits of the case.⁶ The effect of the injunction upon others than the parties to the suit, cannot commonly be considered on such a motion; and while the judges fully appreciate the harsh and arbitrary character of a preliminary injunction in a patent case, they also know the innumerable obstacles which beset a recovery of damages or profits, and that there is generally no adequate remedy for infringement *pendente lite*, other than a preliminary injunction.⁷ Under some

¹ VanHook *v.* Pendleton, 1 Blatch. 187, 1846; Rumford Chemical Works *v.* Vice, 14 Blatch. 181, 1877; Green *v.* French, 4 Bann & Ard. 169, 1879; Colgate *v.* Gold & Stock Telegraph Co. 4 Bann & Ard. 425, 1879; Edison Electric Light Co. *v.* Sawyer-Man Electric Co. 53 Fed. Rep. 597, 1892; Edison Electric Light Co. *v.* Mt. Morris Electric Light Co. 58 Fed. Rep. 572, 1893.

² Nev Mfg. Co. *v.* Drill Co. 56 Fed. Rep. 154, 1893.

³ Wooster *v.* Machine Co. 4 Bann. & Ard. 319, 1879.

⁴ Andrews *v.* Spear, 3 Bann. & Ard. 80, 1877.

⁵ Gibson *v.* Van Dresar, 1 Blatch. 535, 1850; Sickels *v.* Mitchell, 3 Blatch. 548, 1857; Sickels *v.* Tilston, 4 Blatch. 109, 1857; Potter *v.* Fuller, 2 Fisher, 251, 1862; Conover *v.* Mers, 3 Fisher, 386, 1868; Ely *v.* Mfg. Co. 4 Fisher, 64, 1860; Rumford Chemical Works, *v.* Vice, 14 Blatch. 181, 1877; American Middlings Purifier Co. *v.* Christian, 3 Bann. & Ard. 54, 1857; Green *v.* French, 4 Bann. & Ard. 169, 1879.

⁶ Colt *v.* Young, 2 Blatch. 471, 1852; Potter *v.* Holland, 1 Fisher, 382, 1858.

⁷ Carter *v.* Wollschlaeger, 53 Fed. Rep. 576, 1892.

circumstances, however, the court can give the defendant the option to submit to such an injunction, or to give a bond to secure any decree for profits or damages which may ultimately be awarded against him; but a bond can be required only in a case where an injunction must issue if the bond is not given.¹ The circumstances under which it is proper to give the defendant that option include the following.

§ 686. Bonds may be taken, instead of preliminary injunctions being imposed, if the complainant habitually avails himself of his exclusive right by receiving royalties for licenses, rather than by making and selling, or making and using the patented article himself while permitting no other to do so;² but this course of business of the complainant is not otherwise a defence to a motion for a preliminary injunction.³ And where the complainant is able and willing to supply the market for that article, the fact that the defendant is willing to take a license, and able to pay for one, does not entitle him to the option of giving bonds, if the complainant declines to give him a license.⁴

§ 687. So, also, a defendant may sometimes be entitled to the option of giving bonds instead of being enjoined, where his infringing machinery contains costly parts which are not covered by the complainant's patent;⁵ but he is not

¹ *Forbush v. Bradford*, 1 Fisher, 317, 1858; *American Middlings Purifier Co. v. Atlantic Milling Co.* 3 Bann. & Ard. 173, 1877.

² *Howe v. Morton*, 1 Fisher, 601, 1860; *Hodge v. Railroad Co.* 6 Blatch. 166, 1868; *Dorsey Harvester Rake Co. v. Marsh*, 6 Fisher, 387, 1873; *Colgate v. Gold & Stock Telegraph Co.* 16 Blatch. 503, 1879, *Kirby Bung Mfg. Co. v. White*, 1 McCrary, 155, 1880; *New York Grape Sugar Co. v. American Grape Sugar Co.* 10 Fed. Rep. 837, 1882; *McMillan v. Conrad*, 16 Fed. Rep.

128, 1883; *Eastern Paper Bag Co. v. Nixon*, 35 Fed. Rep. 752, 1888; *Palmer v. Mills*, 57 Fed. Rep. 222, 1893.

³ *Kennedy v. Penn. Iron & Coal Co.* 67 Fed. Rep. 340, 1895.

⁴ *Baldwin v. Bernard*, 5 Fisher, 447, 1872; *Westinghouse Air Brake Co. v. Carpenter*, 32 Fed. Rep. 545, 1887.

⁵ *Howe v. Morton*, 1 Fisher, 587, 1860; *Stainthorp v. Humiston*, 2 Fisher, 311, 1862; *Eagle Mfg. Co. v. Plow Co.* 36 Fed. Rep. 907, 1888.

thus entitled in all such cases.¹ And a defendant may be entitled to that option where the infringing article was purchased in good faith, having been constructed in conformity to a junior patent;² or where it was so constructed by the defendant himself; or where the defendant is only a seller of specimens of the patented article, a suit being pending against the manufacturer from whom he received those specimens;³ or where the prior adjudication upon which the right to a preliminary injunction is based has been appealed to a higher court, and is still pending there;⁴ or where new evidence is to be taken for the interlocutory hearing;⁵ or where the injunction, if granted, would be very damaging to the interests of the defendant, and not particularly beneficial to the legitimate rights of the complainant;⁶ or where public policy forbids a discontinuance of the defendant's use of the patented invention;⁷ or where the complainant does not himself employ the invention;⁸ or where, for any reason, a preliminary injunction would operate unjustly.⁹ It is no part of the legitimate office of a preliminary injunction to force the defendant to compromise a disputed claim,¹⁰ nor to compel him to give the complain-

¹ Edison Electric Light Co. v. Sawyer-Man Electric Co. 53 Fed. Rep. 597, 1892.

² United States Annunciator Co. v. Sanderson, 3 Blatch. 184, 1854.

³ Irwin v. McRoberts, 4 Bann. & Ard 414, 1879.

⁴ Wells v. Gill, 6 Fisher, 93, 1872.

⁵ Norton v. Automatic Can Co. 61 Fed. Rep. 296, 1894.

⁶ Morris v. Mfg. Co. 3 Fisher, 68, 1866; Morris v. Shelbourne, 4 Fisher, 377, 1871; Dorsey Harvester Rake Co. v. Marsh, 6 Fisher, 387, 1873; Kirby Bung Mfg. Co. v. White, 1 McCrary, 155, 1880; Hoe v. Boston Daily Advertiser, 14 Fed. Rep. 914,

1883; Consolidated Roller Mill Co. v. Richmond Mill Works, 40 Fed. Rep. 474, 1889; Edison Electric Light Co. v. Mt. Morris Electric Light Co. 58 Fed. Rep. 575, 1893.

⁷ Guidet v. Palmer, 10 Blatch. 220, 1872.

⁸ Hoe v. Knap, 27 Fed. Rep. 212, 1886.

⁹ Union Paper Bag Machine Co. v. Binney, 5 Fisher, 169, 1871; National Cable Ry. Co. v. Sioux City Cable Ry. Co. 42 Fed. Rep. 685, 1890.

¹⁰ Morris v. Mfg. Co. 3 Fisher, 70, 1866.

ant a contract to purchase specimens of the patented thing.¹

But in the absence of every special reason for giving the defendant the option of giving bonds, instead of submitting to an injunction, that option cannot be demanded by him,² nor ought it to be granted by the court.³ Where the defendant is entitled to the option of giving bonds or being enjoined, and chooses the former alternative, but is unable to furnish the bonds promptly, an injunction may issue against him, coupled with an order for its dissolution whenever the proper bonds are approved and filed.⁴

§ 688. Bonds may be required from a complainant, under some circumstances, before a preliminary injunction will be granted.⁵ Such bonds are conditioned on the ultimate success of the complainant in sustaining his claim, and may be required in a case where the injunction, if granted, will cause serious injury to the defendant.⁶ If that is also a case where the defendant is entitled to avert the injunction by giving a bond, that option will first be given to him. If he chooses to file a bond, of course none will be required from the other side, but if he prefers to submit to an injunction, the injunction will be granted only upon the filing of a proper indemnity bond by the complainant.

§ 689. A preliminary injunction cannot be averted on the sole ground that an action at law for the damages to be

¹ American Nicolson Pavement Co. v. Elizabeth, 4 Fisher, 197, 1870.

² Consolidated Fruit-Jar Co. v. Whitney, 1 Bann. & Ard. 361, 1874.

³ Gibson v. Van Dresar, 1 Blatch. 532, 1850; Tracy v. Torrey, 2 Blatch. 275, 1851; Tilghman v. Mitchell, 4 Fisher, 615, 1871; McWilliams Mfg. Co. v. Blundell, 11 Fed. Rep. 419, 1882.

⁴ Brooks v. Bicknell, 3 McLean, 250, 1843; Foster v. Moore, 1 Curtis, 279, 1852; Howe v. Morton, 1 Fisher, 586, 1860; Stainthorp v. Humiston, 2 Fisher, 311, 1862; Goodyear v.

Hills, 3 Fisher, 134, 1866; Sykes v. Manhattan Co. 6 Blatch. 496, 1869; Gilbert & Barker Mfg. Co. v. Bussing, 12 Blatch. 426, 1875.

⁵ Tobey Furniture Co. v. Colby, 35 Fed. Rep. 594, 1888; Brush Electric Co. v. Accumulator Co. 50 Fed. Rep. 833, 1892; Accumulator Co. v. Storage Co. 53 Fed. Rep. 800, 1893.

⁶ Orr v. Littlefield, 1 Woodbury & Minot, 20, 1845; Brammer v. Jones, 3 Fisher, 340, 1867; Shelly v. Brannan, 4 Fisher, 198, 1870; Consolidated Fruit-Jar Co. v. Whitney, 1 Bann. & Ard. 361, 1874.

caused by the infringement would be a plain, adequate and complete remedy therefor. In many cases that would not be true, and the court cannot determine on affidavits whether it would be true in a particular case or not. A motion for a preliminary injunction is not to be defeated on a possibility that the complainant might be able to obtain damages for the wrong which he seeks to prevent. But even where it is plain that the damages recoverable in an action at law would be as beneficial to the complainant as an injunction would be, that fact does not oust the right of the complainant to the latter relief. The case is analogous to actions in equity for the specific performance of contracts to sell real property. The bills in such cases seldom show, and never are required to show, that an action at law for damages would not be a plain, adequate and complete remedy for the failure to perform. "Ordinarily a vendor, in the recovery of pecuniary damages, has an adequate remedy at law, but he has a choice of remedies. He may resort either to a court of law or a court of equity."¹ Bills for preliminary injunctions in patent cases are never obnoxious to Section 723 of the Revised Statutes, because the word "case" in that section is to be interpreted specifically and not generically. "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."² This statute regards an action in equity to restrain infringement of a patent as a case for an injunction, and not merely as a patent case. It therefore opposes no obstacle to the jurisdiction of equity in such a case.

§ 690. Where the defendant withdraws his opposition to a motion for a preliminary injunction before the motion is decided, the injunction will be granted *pro confesso*, and the court will decline to render a decision.³ That is to say: a

¹ Crary v. Smith, 2 Comstock (N. Y.), 62, 1848.

² Revised Statutes, Section 723.

³ American Middlings Purifier Co. v. Vail, 15 Blatch. 315, 1878.

consent decree will be entered as a consent decree, and not as one based on a conclusion of the judicial mind. If this rule were otherwise, parties between whom there continued to be no real contest might manage to secure decisions from courts which would operate to their mutual advantage, and to the serious disadvantage of strangers to the litigation.

§ 691. The discretion of the court was said in some of the older cases to be the real criterion of judgment when deciding motions for preliminary injunctions in patent cases. The doctrine was a necessity in the beginning of the evolution of the patent laws, because the judges could then find but few precedents to guide or to warn. At present the fact is otherwise. Approved precedents can now be found on nearly every point that can arise.

There was recently a sense in which the granting or refusing such a writ could truly be said to rest in the discretion of the judge. It so rested, in the sense that no appeal could be taken from his decision. But that fact was not a reason why a judge should have been asked to disregard precedents when making up his judicial opinion. And it is now the law that an appeal may be taken from any order granting, continuing, refusing, dissolving or refusing to dissolve a preliminary injunction.¹ This liberal allowance of appeals, may be thought to justify or excuse less careful consideration of motions for preliminary injunctions, than was formerly expected from the circuit courts; but the delays and expenses incident to such appeals, will doubtless deter the judges from taking that view.

§ 692. A motion to dissolve a preliminary injunction may be made at any time,² upon reasonable notice to the complainant's solicitor;³ and it will be promptly granted where the judge becomes convinced that the granting of the

¹ 28 Statutes at Large, Chap. 96. p. 666.

² *Minturn v. Seymour*, 4 *Johnson's Chancery* (N. Y.), 173, 1819; *Cammack v. Johnson*, 2 *New Jersey Equity*, 163, 1839; *Jones v.*

Bank, 5 *How. (Miss.)*, 43, 1840.

³ *Wilkins v. Jordan*, 3 *Washington*, 226, 1813; *Caldwell v. Waters*, 4 *Cranch's Circuit Court Reports*, 577, 1835.

injunction was erroneous in point of law,¹ or where the defendant positively proves any fact which would have been fatal to the motion for the preliminary injunction, if presented at the time that motion was heard, and shows that the evidence could not with reasonable diligence have been presented at that hearing.² So, also, a dissolution of a preliminary injunction may be based on a fact which arose after the injunction was granted: for example, on the fact that the complainant, after that event, assigned all his interest in the future duration of the patent to another;³ or on the fact that he omitted to prosecute his case toward an interlocutory hearing with the speed which the rules of court require.⁴ And power to dissolve or suspend a preliminary injunction resides in a Circuit Court, even after the injunction has been affirmed by the Circuit Court of Appeals.⁵

§ 693. A motion to dissolve an injunction for error in point of law, must be based on a point which was established after the injunction was granted, or which was obviously overlooked or misweighed by the judge at that time. It would be unprofessional as well as unavailing for counsel to move a dissolution, on the ground that the judge wrongly reasoned out his conclusion from the premises from which he proceeded. Courts ought not to be asked to change their judgments on points of law, unless the law has changed or been newly formulated in the mean time, or unless some special error can be pointed out. Few things are more trying to the patience of judges, or more useless to the

¹ *Steam Gauge & Lantern Co. v. Miller*, 11 Fed. Rep. 719, 1882.

² *Woodworth v. Rogers*, 3 *Woodbury & Minot*, 135, 1847; *Hussey v. Whiteley*, 2 *Fisher*, 125, 1860; *Young v. Lippman*, 5 *Fisher*, 230, 1872; *Carey v. Spring Bed Co.* 26 Fed. Rep. 38, 1886; *Huntington v. Heel Plate Co.* 33 Fed. Rep. 838, 1888; *Electrical Accumulator Co. v. Julien Electric Co.* 47 Fed. Rep.

892, 1891.

³ *Parkhurst v. Kinsman*, 1 *Blatch.* 489, 1849; *Edison Electric Light Co. v. Buckeye Electric Co.* 59 Fed. Rep. 699, 1894.

⁴ *Robinson v. Randolph*; 4 *Bann. & Ard.* 318, 1879.

⁵ *Edison Electric Light Co. v. U. S. Electric Lighting Co.* 59 Fed. Rep. 501, 1892.

interests of clients, than the repetition of old and well-understood arguments.

§ 694. Motions to dissolve an injunction on account of newly discovered facts, require the mover to assume the burden of establishing those facts, because when an injunction is once granted, it is presumed to have been granted rightfully, until the contrary is made to appear.¹ The contrary can seldom or never be made to appear in a patent case, by means of the defendant's answer; because the answer, as far as it refers to the validity of the patent and of the complainant's title thereto, is generally made on information and belief only, and as far as it refers to the defendant's infringement, it amounts only to a general denial. Where an answer is on file at the time the motion to dissolve is heard, the injunction will not be dissolved on the strength of any facts which are not set up in the answer;² but whether an answer is on file at that time or not, the facts upon which the motion is based must be shown by affidavits or by other admissible evidence; though, if an answer is on file, it may be used as an affidavit as far as its statements are made on the knowledge of the defendant, and not merely on information and belief.

Affidavits and other evidence to disprove the statements of fact, contained in the moving papers of the defendant, may be introduced by the complainant; and counter evidence from the defendant is then admissible to disprove the complainant's answering allegations. After this, it becomes the duty of the judge to balance the documents and ascertain where the weight of them is;³ and he will decide the motion against the mover, unless his papers preponderate.⁴ Service on the opposite party, before the motion is heard, of the affidavits upon which a motion to dissolve an injunction is made or is resisted, seems to be called for by the

¹ *Woodworth v. Rogers*, 3 Woodbury & Minot, 143, 1847.

² *Union Paper Bag Machine Co. v. Newell*, 11 Blatch. 550, 1874.

³ *Woodworth v. Rogers*, 3 Woodbury & Minot, 144, 1847.

⁴ *Sparkman v. Higgins*, 1 Blatch. 207, 1849.

same reasons which call for similar service of the affidavits upon which motions for preliminary injunctions are based or are withstood.¹

§ 695. A motion to reinstate a dissolved injunction may be made at any time; but it will not be granted on the same state of the case as that which existed when the injunction was dissolved. So, also, a reinstated preliminary injunction may be again dissolved on any new state of facts which show that its continuation would be unjust.² In patent cases, however, it will seldom occur that the alternate process of issuing and dissolving preliminary injunctions can be carried further than the first dissolution. After that, the court will let the matter rest till the interlocutory hearing, unless a case of great clearness and pressing necessity is presented for further preliminary action.

§ 696. While an injunction is in force, it must be obeyed, even though it ought never to have been granted.³ But an injunction is not in force if it was issued against a defendant over whom the court had no jurisdiction. No court has any authority to issue an injunction against such a person. And where courts act without authority, their orders are nullities. They are not voidable, but simply void.⁴ It follows from these rules, that if a Federal court were to issue an injunction against a defendant before he is served with a *subpœna ad respondendum* in the case, that injunction would be void and could safely be disregarded;⁵ but where an injunction is granted after such service, and upon due notice of the motion therefor, it must be obeyed, no matter how obviously unjust and unwarrantable its granting may have been. And an injunction is binding upon all persons

¹ Section 662 of this book.

² *Tucker v. Carpenter*, 1 Hempstead, 441, 1841.

³ *Moat v. Holbein*, 2 Edwards' Chancery (N. Y.), 188, 1834; *Sullivan v. Judah*, 4 Paige (N. Y.), 444, 1834; *Richards v. West*, 2 Green's Chancery (N. Y.), 456, 1836; *People*

v. Sturtevant, 5 Seldon (N. Y.), 263, 1853; *Erie Railway Co. v. Ramsay*, 45 New York, 637, 1871.

⁴ *Elliot v. Peirsol*, 1 Peters, 340, 1828; *Wilcox v. Jackson*, 13 Peters, 511, 1839

⁵ *Sickles v. Borden*, 4 Blatch. 14, 1857; Section 661 of this book.