1939
*June 6, 7, 8, 9, 12, 13.
1940
*April 23.

CHARLES A. KAUFMAN (DEFENDANT) ... APPELLANT;

AND

BELDING-CORTICELLI LIMITED AND OTHERS (PLAINTIFFS) ..... } RESPONDENTS.

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

Patent—Invalidity—Existing art—Analogous user—No invention—Patent, granted in October, 1933, attacked under s. 61 (1) (c) of Patent Act, 1935, c. 32—Patentee's rights not governed thereby—Said Act, ss. 81, 82; Patent Act, R.S.C. 1927, c. 150, s. 37A (as enacted in 1932, c. 21, s. 4); Interpretation Act, R.S.C. 1927, c. 1, s. 19 (1) (c).

This Court dismissed an appeal from the judgment of Maclean J., [1938] Ex.C.R. 152, holding that defendant's patent in question was invalid. The patent was for improvement in hosiery and the manufacture thereof, and the alleged invention for which it was granted was described in the specification as relating "to full-fashioned hosiery, particularly of real silk, and to methods of and means for making the same."

Per the Chief Justice, Rinfret and Kerwin JJ.: It is a case of analogous user. The method in defendant's alleged invention was analogous to that already used in connection with other articles of wear; and the difference between the problem met by defendant's use of the method for his purposes and the problem solved a long time before by use of the method in connection with other articles was not sufficiently wide to justify the conclusion that defendant's application of the method involved invention. The trial judge's finding that the problem met by defendant had not earlier presented itself as an acute one in the trade (thus negativing, as a factor, any existence of a long-felt and unsatisfied want) was warranted upon the evidence as accepted by him.

The doctrine of analogous user arises from the necessity appreciated by the courts that people must be safe-guarded against undue interference with the use of the accumulated stock of experience and knowledge gathered in their own and other trades.

Disagreement expressed with the view (taken by the trial judge as a further ground against defendant) that defendant's rights were governed by s. 61 (1) (*c*) of *The Patent Act, 1935* (c. 32), in view of the fact that his patent was granted in October, 1933 (more than a year prior to the enactment of said s. 61 (1) (*c*)), and in view of s. 81 of that Act, and of s. 37A (enacted in 1932, c. 21, s. 4) of the *Patent Act*, R.S.C. 1927, c. 150, which s. 37A was in force at all relevant dates. In view of s. 19 (1) (*c*) of the *Interpretation Act* (R.S.C. 1927, c. 1), defendant's rights under said s. 81 of said Act of 1935 could not be affected by s. 82 of that Act (repealing, *inter alia*, said s. 37A, enacted in 1932).

Per Davis J.: Defendant's alleged invention lay within the limits of the existing art, in the sense that it was such a development as an ordinary person skilled in the art could naturally make without any inventive step.

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

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APPEAL by the defendant from the judgment of Maclean J., President of the Exchequer Court of Canada (1), holding that the plaintiffs were entitled to the declarations claimed by them, and that the defendant's counterclaim be dismissed. By the formal judgment of the said Court, it was declared and adjudged that the defendant's letters patent no. 336,234 are, and always have been, null and void and of no effect, and said letters patent were vacated and set aside; and it was further ordered and adjudged that defendant's counterclaim (asking for a declaration that plaintiffs had infringed said letters patent, an injunction, damages, etc.) be dismissed. The patent was for improvements in hosiery and the manufacture thereof, and the alleged invention for which it was granted was described in the specification as relating "to full-fashioned hosiery, particularly of real silk, and to methods of and means for making the same."

A. J. Thomson K.C. and *B. V. McCrimmon* for the appellant.

O. M. Biggar K.C. and *Christopher Robinson* for the respondents.

The judgment of the Chief Justice and Rinfret and Kerwin JJ. was delivered by

THE CHIEF JUSTICE.—I have been unable to convince myself that this is not a case of analogous user. I think the learned trial judge was right in his view that if there were invention in Kaufman's disclosure it rested in the idea, that is to say, that once the idea was grasped, there were no difficulties in applying it to the knitting of full-fashioned silk stockings which it required invention to overcome. It is quite true that the problem in weaving silks and the problem in outer wear and necktie knitting was not precisely that which presented itself by the rings in silk stockings; but in both weaving and outer wear and necktie knitting, the multiple shuttle method or the multiple carrier method was applied to overcome irregularities due to variations in colour as well as in size. Friedlander, in his letter of the 9th of December, 1931, pointed out the analogy.

(1) [1938] Ex.C.R. 152; [1938] 2 D.L.R. 342

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Mr. Thomson pressed upon us with great force the difference between the nature of the irregularities encountered in weaving and in other branches of the knitting art and the irregularities in translucency which he argues Kaufman set himself to overcome. As I have already intimated, he has not convinced me that the difference between the two problems is sufficiently wide to justify the conclusion that the application to the one problem of the method by which the other problem had been solved a long time before involved invention. The judgments of the courts make it sufficiently clear that the doctrine of analogous user arises from the necessity appreciated by the courts that people must be safeguarded against undue interference with the use of the accumulated stock of experience and knowledge gathered in their own and other trades.

The strongest point made on behalf of the appellant is that in this view there is no explanation of the fact that a solution was not reached earlier. This argument was put before us with great ability and is supported by a very considerable body of evidence. The learned trial judge has found as a fact, largely on the strength of the evidence of Feustel, that the problem did not present itself as an acute one in the trade, that is to say, that by reason of commercial demand it did not require a solution, until about the year 1930, and the reasons for this are given by Feustel. Feustel's evidence has been accepted by the learned trial judge.

Mainly from that evidence, as well as from the fact that almost contemporaneously with Kaufman a number of other inventors conceived the idea of applying the multiple carrier method for the purpose of overcoming in the manufacture of silk stockings the blemishes of rings or bands, the learned trial judge has concluded that the problem then for the first time really demanded a solution. I have no doubt, and I think it appears clearly from his judgment, that the learned trial judge was also influenced in arriving at his conclusion by the consideration that, in his view, if the problem had become acute at an earlier stage, it would certainly have been solved in the same way. If the learned trial judge was wrong in his opinion as to the time when the problem first really demanded a solution from the commercial point of view, then one's

own *prima facie* conclusion as to the absence of invention might well be overborne by the evidence of the existence of a long-felt and unsatified want.

The weight to be accorded Feustel's evidence was peculiarly a matter for the trial judge who had means of forming an opinion on the value of that evidence which are denied us.

I am constrained to the conclusion that his judgment cannot properly be reversed.

The learned trial judge also based his judgment on other grounds involving the interpretation and application of section 61 (1) (*c*) of *The Patent Act, 1935*. I should not wish to be understood as either agreeing with or dissenting from his views as to the application of the enactment of that subsection to the facts in evidence here, if the section were relevant. I think it desirable, however, to say this: Kaufman's Canadian patent was granted in October, 1933. His applications, both in the United States and Canada, of course, preceded that date and, by section 81 of the statute of 1935, his patent

> shall be deemed to have been properly issued if all the conditions of the issue of a valid patent which may have been or shall be in force, either at the date of the application therefor or at the date of the issue thereof, have been satisfied.

Subsection (*c*) of section 61 was not enacted until more than a year after the date of the issue of Kaufman's patent and at all the relevant dates section 37A of ch. 150, R.S.C. 1927 (introduced by section 4 of chapter 21 of the statutes of 1932), was in force,—at the date of Kaufman's U.S. application, at the date of his Canadian application, and at the date of the issue of his patent. I am, therefore, quite unable to agree with the view of the learned trial judge that Kaufman's rights are governed by the enactment in subsection (*c*) of section 61.

Mr. Biggar relied on section 82 of the statute of 1935, but that section must be read in light of section 19 of the *Interpretation Act* which is in these words:

> 19. Where any Act or enactment is repealed or where any regulation is revoked, then, unless the contrary intention appears, such repeal or revocation shall not, save as in this section otherwise provided, . . . (*c*) affect any right, privilege, obligation or liability acquired, accrued, accruing or incurred under the Act, enactment or regulation so repealed or revoked.

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Obviously, Kaufman's rights under section 81 could not be affected by the repeal of the statute of 1932.

There was an alternative point made by Mr. Biggar based upon section 8 (1) of ch. 150, R.S.C. 1927. On that point I express no opinion.

The appeal should be dismissed with costs.

DAVIS, J.—The real question in this appeal, it seems to me, is whether the development in the trade which in fact has been made required inventive skill or was merely the natural development in the particular art. The development was undoubtedly of great utility and commercial advantage, but the evidence of a rather sudden material change in the conditions of the trade creating a new demand to be met, is very strong.

While the question is one of very considerable difficulty, my conclusion is that the alleged invention lies within the limits of the existing art, in the sense that it was such a development as an ordinary person skilled in the art could naturally make without any inventive step. I agree upon this ground that the appeal must be dismissed.

HUDSON, J.—I agree that this appeal should be dismissed with costs.

Appeal dismissed with costs.

Solicitors for the appellant: *Tilley, Thomson & Parmenter.*

Solicitors for the respondents: *Smart & Biggar.*