

1926  
 \*Mar. 4.  
 \*May 4.

WILLIAM A. WRIGHT, CHALON E. }  
 CORSON, CANADIAN RAYBESTOS } APPELLANTS;  
 COMPANY, LIMITED (PLAINTIFFS) ... }

AND

BRAKE SERVICE LIMITED (DE- }  
 FENDANT) ..... } RESPONDENT

ON APPEAL FROM THE EXCHEQUER COURT OF CANADA

*Patent—Infringement—Validity of patent—User in foreign country before invention—The Patent Act, R.S.C. 1906, c. 69, s. 7—Patent dated after assent to, but before the coming into force of The Patent Act, 1923, c. 23.*

*Held*, in s. 7 of The Patent Act, R.S.C. 1906, c. 69, the words “which was not known or used by any other person before his invention thereof” meant just what they expressed, and the words “not known or used by any other person” were not to be qualified by the words “in Canada.” The fact of user by another person, though in a foreign country, previous to the invention made by the applicant for patent, disentitles the latter to maintain an action for infringement of the patent granted to him under the said Act. *Smith v. Goldie* (9 Can. S.C.R. 46) disc.

The patent in question was dated 26th June, 1923. The Patent Act, 1923, c. 23, was assented to 13th June, 1923, but came into force, by proclamation, on 1st September, 1923.

*Held*, the rights of the patentee were governed by the former Act, and there was nothing in the new Act which had the effect of sustaining his patent against the objection raised against it, viz., user in the United States by another person before the patentee's invention.

APPEAL from a judgment of the Exchequer Court of Canada. The action was brought for alleged infringement by the defendant of letters patent belonging to the plaintiffs. The defendant pleaded non-infringement and also that the plaintiffs' patent was void. The action was first tried in December, 1924, judgment being reserved. Subsequently the defendant applied for leave to amend its particulars of objections, to the effect that the plaintiffs' patent, an improved brake band lining device, had been anticipated by one Cady of Canastota in the State of New York. Upon the issues tried in December, 1924, judgment was rendered on 24th February, 1925, sustaining the validity of the plaintiffs' patent and their action

\*PRESENT:—Idington, Duff, Mignault, Newcombe and Rinfret JJ.

for infringement against the defendant (1). Leave having been granted to the defendant to amend its particulars for the purpose above stated, the judgment was set aside and a new trial ordered, limited to the specific issue raised in the defendant's amended particulars. At the further trial upon the amended particulars the defendant established to the satisfaction of the court that the said Cady late in the year 1918 constructed a brake band lining machine and had since used the same, with some slight modifications, in his garage at Canastota, and that this machine was the mechanical equivalent of the machine patented. The patent under which the plaintiffs claim was issued from the patent office of the Dominion of Canada and was dated 26th June, 1923. It was held that the plaintiffs' patent registered in Canada was anticipated by Cady, and it was therefore void and the plaintiffs' action for infringement failed. The plaintiffs appealed, limiting their appeal to the question of whether, upon the facts found by the trial judge, his decision was correct in law.

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Idington J.

*R. S. Smart and J. L. McDougall* for the appellants.

*W. L. Scott K.C.* for the respondent.

IDINGTON J:—This is an appeal from the judgment of Mr. Justice Maclean, the President of the Exchequer Court, wherein the validity of a patent of invention granted under the Patent Act, R.S.C. 1906, c. 69, was in question, and said learned trial judge upon the facts found by him, and his interpretation and construction of section 7 of said Act, as applied to said facts, adjudged said patent as void, and dismissed said appellants' action with costs of the second trial and subsequent to the filing of respondent's amended particulars.

I do not think there is any doubt of the facts being correctly found by said learned judge, or indeed any serious contention herein to the contrary.

The only question is one of law and it turns upon the interpretation and construction of said section 7, which reads as follows:—

7. Any person who has invented any new and useful art, machine, manufacture or composition of matter, or any new and useful improve-

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Idington J.

ment in any art, machine, manufacture or composition of matter, which was not known or used by any other person before his invention thereof, and which has not been in public use or on sale with the consent or allowance of the inventor thereof, for more than one year previously to his application for patent therefor in Canada, may, on a petition to that effect, presented to the Commissioner, and on compliance with the other requirements of this Act, obtain a patent granting to such person an exclusive property in such invention.

2. No patent shall issue for an invention which has an illicit object in view, or for any mere scientific principle or abstract theorem.

I must say it seems to be very clear English and easily well understood if we read it as such. The counsel for the appellants, however, argued that we must read into it something analogous to what once was in the *Patent Act* of Canada, restricting and confining the words used therein, beginning at the fourth line thereof, as follows—

which was not known or used by any other person before his invention thereof

to mean only any other person in Canada.

The learned judge held, as I think quite rightly, that the words “any other person” means there just what they literally express; and apply to any person in the United States as well as in Canada, who may have previously known or used the alleged invention.

In doing so he follows the holding of the late Sir Walter Cassels in the case of *The Barnett-McQueen Company, Limited v. The Canadian Stewart Company, Limited* (1) which is the last case in point, and by a judge well versed in the Canadian patent law.

I entertain a decided opinion that he was quite right and the learned trial judge on the facts herein also so in following that precedent.

The counsel for appellants seems to think the late Mr. Justice Burbridge had expressed in an earlier case a different opinion, and cites many patent enactments in Canada.

I doubt if that case is in fact in point, but even if so, I prefer the later decision upon which the learned judge below proceeded.

The more I study that story and the changes in the law, the more I feel convinced that our legislators found it necessary to depart from the original conception of what was needed, and eliminated the narrow and dangerous char-

acter of the law, along such a length of adjoining territory much given to invention, if the word "persons" was to be confined to Canada alone.

1926  
WRIGHT &  
CORSON

The person here in question was a Mr. Cady, in New York State, who, I strongly suspect, was the real inventor, though the learned trial judge does not expressly so find because it was not necessary. And I refer to it as a possible danger ahead if we reversed the judgment appealed from.

v.  
BRAKE  
SERVICE LTD.  
Idington J.

I am of the opinion that his appeal should be dismissed with costs.

DUFF J.:—Mr. McDougall's ingenious argument has not convinced me that the rights of the parties to this appeal are governed by the statute of 1923. S. 7, R.S.C., c. 69, which is the relevant enactment, is in these words:

Any person who has invented any new and useful art, machine, manufacture or composition of matter or any new and useful improvement in any art machine manufacture or composition of matter, which was not known or used by any other person before his invention thereof, and which has not been in public use or on sale with the consent or allowance of the inventor thereof, for more than one year previously to his application for patent therefor in Canada, may, on a petition to that effect, presented to the Commissioner, and on compliance with the other requirements of this Act, obtain a patent granting to such person an exclusive property in such invention;

and the question is whether the words "not known or used" in the clause,

which was not known or used by any other person before his invention thereof,

are subject to the qualification expressed in the words "in Canada." It seems difficult, without torturing the section, to read the words so.

The natural construction is to read them as governing the scope of the phrase "his application for patent therefor," which immediately precedes them. A difficulty, no doubt, arises from *Smith v. Goldie* (1), a decision, the scope and effect of which it is necessary to examine. The decision is very elaborately discussed in the judgment of Cassels J. in *Barnett-McQueen Co. v. Canadian Stewart Co.* (2) at pp. 226 et seq. The facts, in outline, were these: Smith, the appellant, had a Canadian patent,

(1) 9 Can. S.C.R. 46.

(2) 13 Ex. C.R. 186.

1926  
 WRIGHT &  
 CORSON  
 v.  
 BRAKE  
 SERVICE LTD.  
 —  
 Duff J.  
 —

applied for in January, 1873, and granted in the following April. Sherman and Lacroix each had also a Canadian patent, dated in 1872, under whom Goldie, the respondent, claimed. Smith's machine, invented by him, was in complete working order in the United States in April, 1871. His application for a patent there was in July of the same year. Mr. Justice Henry, in the course of an elaborate judgment in this court, with which Taschereau J. and Fournier J. concurred, states explicitly that Smith was the first and only inventor of the combination in question; and that the two contestants, under whom the respondent claimed, had become acquainted with the value of the combination by obtaining knowledge of Smith's discovery. The court held, Strong J. dissenting, that Smith's invention was a patentable one. There seems to be little doubt that Mr. Justice Cassels is right in the opinion expressed by him in the judgment already mentioned (*Barnett-McQueen Co. v. Canadian Stewart Co.* (1)) at p. 227 of the report, that the point mentioned as being decided in the headnote of *Smith v. Goldie* (2) was actually so decided, although not mentioned in the judgments, namely, that the words "in Canada," in the sixth section of the Act of 1872, should be read as qualifying the words "in public use or on sale," and not as qualifying the immediately preceding word, "application." As Smith's machine had been in public use and on sale in the United States for more than a year prior to his application in Canada (see per Patterson J.A.) (3), Smith's title to a patent in this country would have been lost if, on the true construction of that section, "in public use or on sale" meant in public use or on sale anywhere, and not in Canada merely. This point, then, may be taken as decided.

It is not necessary to decide, and I desire to express no opinion upon it, whether such a change has taken place in the Act as entitles us to say that the decision in *Smith v. Goldie* (2) on this point no longer applies. That was the view of Cassels J., expressed in the case above mentioned. But beyond stating that his reasoning does not convince me, I leave the point without observation. Assuming that

(1) 13 Ex. C.R. 186.

(2) 9 Can. S.C.R. 46.

(3) 7 Ont. A.R. 628, at p. 642.

*Smith v. Goldie* (1) upon this point is applicable, it is, of course, binding upon us, but although there is necessarily involved in it the proposition that the words "in Canada" do not limit the word "application," it does not necessarily follow that they do qualify the earlier words—the words in the preceding clause—"not known or used by others"; and, in point of fact, as will presently appear more particularly, Patterson J.'s view, as expressed in his judgment in the Court of Appeal, was that they do not.

The view expressed by Cassels J. is, that this court actually decided the point in *Smith v. Goldie* (1), in the sense of Patterson J.'s opinion, as it is reported to have done, in the headnote. Burbridge J. observes, however, in *The Queen v. LaForce* (2), that three of the learned judges at least, who were concerned in the decision of *Smith v. Goldie* (1), found the facts in such a way as necessarily to defeat the defence advanced by the respondents, neither of whom was (in his opinion), according to these findings, entitled to a patent as an inventor. They had neither invented nor discovered anything; they had merely pirated Smith's invention; and it may, in view of this difference of opinion, be doubted whether, on the question of law now before us, *Smith v. Goldie* (1) is decisive. But an examination of the statute of 1869, when its provisions are contrasted with those of the legislation of 1872, 1886 and 1906, convinces me that Patterson J. is right in his opinion that a change in policy is manifested by the statute of 1872. The point is stated in his judgment at pp. 640 and 641, and I quote his words:

Mr. Cassels for the defendants, when discussing the question of want of novelty, called particular attention to the language of the sixth section of the Act of 1872, 35 Vict., c. 26, which is now in force, and the corresponding section of the Act of 1869, 32-33 Vict., c. 11, s. 6, which differs from that of the Act which had been in force in the province of Canada, Cons. S.C., c. 34, s. 3.

The last-named Act authorized the granting of a patent to the inventor of a new and useful art, &c.: "The same not being known or used in this province by others before his discovery or invention thereof." While that Act was in force, no one was entitled to a patent under it except a subject of Her Majesty.

The Act of 1869 extended the privilege to any person who had been a resident of Canada for one year before his application, and that of 1872 removed the restriction as to residence, thus in all respects placing

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Duff J.

(1) 9 Can. S.C.R. 46.

(2) 4 Ex. C.R. 14, at p. 59.

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.

Duff J.

foreigners on the same footing with subjects; but at the same time, and as a complement of this extension of the privilege, requiring absolute novelty, and not merely novelty within the Dominion, in the invention. The language is, therefore, more general, as used in the two later statutes, "the same not being known or used by others before his invention thereof"

It only remains to note that neither in the revision of 1886 nor in that of 1906 was any change pertinent to this point effected in the words of s. 6 of the Act of 1872, which Patterson J. was here considering, and it may not unreasonably be assumed that this weighty expression of opinion was before the legislature when these revisions took place.

The appeal should be dismissed with costs.

MIGNAULT J.—I concur with Mr. Justice Rinfret.

NEWCOMBE J.—I concur with Mr. Justice Duff.

RINFRET J.—The appellants, Wright and Corson, are both residents of Bridgeport, in the State of Connecticut, United States of America. The appellant company is their assignee. Brake Service Limited, the respondent, is a body politic and corporate of the city of Toronto, in the province of Ontario and Dominion of Canada.

By letters patent numbered 232159, dated 26th June, 1923, under the seal of the Patent Office of the Dominion of Canada, there was duly granted to the appellants for a period of eighteen years the exclusive right, privilege and liberty of making, constructing, using and vending to others to be used in the Dominion of Canada, an invention consisting of improvements in methods and mechanism for drilling and applying brake band linings. The appellants are the owners of this patent; and they claim that, for some time past, without their license, permission or assent, the respondent has infringed and is still infringing these letters patent. They pray for a declaration that the letters patent are valid, for an injunction restraining the wrongful acts of infringement and for accessory remedies, such as payment of damages, account of profits, inquiries and costs.

The defence was that the patent sued upon is and always has been void for several reasons contained in the particulars of objections of which the following alone need be retained and are stated thus:—

A machine anticipating in every particular the machine described in the plaintiff's patent sued on herein was in public use in the city of

Canastota, in the State of New York, one of the United States of America, in the public garage of one George B. Cady, for more than one year prior to the 25th day of August, A.D. 1922, the date upon which the plaintiffs filed their application for a patent in the Canadian Patent Office, to wit, continuously from the month of October in the year 1918 until the 25th day of August, A.D. 1922, and thereafter continuously until the present time, and the method of attaching brake linings to brake bands, described in the plaintiff's said patent, has been in constant use in connection with the said machine of the said George B. Cady from the said month of October, A.D. 1918, until the present time.

Upon that issue, the President of the Exchequer Court in his judgment delivered on the 18th day of April, 1925, expressed himself in the following way:—

I am entirely satisfied that Cady produced the machine referred to in the defendant's amended particulars, in the manner and at the time related by him. His evidence has been confirmed in too many particulars by other evidence, oral and documentary, to cause me to doubt his veracity. In regard to the other witnesses who gave evidence at the trial on behalf of the defendant, my conclusion is that they were reliable, and their evidence is to be believed. On the whole, I have no doubt whatever that Cady produced the brake-band lining machine in question late in 1918, and that he has since used the same with some slight modifications, in his garage at Canastota.

There can be no doubt that Wright and Corson is the mechanical equivalent of Cady. One need only to see the two machines to be entirely satisfied of this, and I think no useful purpose is to be served by any lengthy consideration of this point.

These findings of fact were not disputed before this court; and the sole question in this appeal therefore is whether knowledge or user in another country, previous to the invention of the applicant in Canada, renders void a patent granted by the Patent Office of Canada.

The learned President of the Court held that it did. Referring to *Barnett-McQueen Co. v. Canadian Stewart Co.* (1), and to *Smith v. Goldie* (2), he decided that the Canadian Patent Act clearly implied that the inventor must be the inventor as to all the world, in order to be entitled to a patent.

The question at issue is as to whether the learned judge was right in so holding.

The patent having issued on the 26th June, 1923, this question must be decided according to the law in force at that date. This was the Patent Act, c. 69, R.S.C. 1906.

A new act came into force in 1923 (c. 23 of 13-14 Geo. V). On account of the peculiar wording of its 68th and 66th sections, it was contended, on behalf of the appellants,

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

(1) 13 Ex. C.R. 186.

(2) 9 Can. S.C.R. 46.



1926  
 WRIGHT &  
 CORSON  
 v.  
 BRAKE  
 SERVICE LTD.  
 ———  
 Rinfret J.  
 ———

that the new act applied to this litigation. It was pointed out that, by s. 68, patents issued prior to the coming into force of this Act cease to be subject to the provisions of the Patent Act, c. 69 of R.S.C. 1906, and become subject to the provisions of this Act, but except as hereinbefore expressly provided, nothing in this Act contained shall be construed \* \* \* to avoid any patent that was valid at such time.

The exception referred to and "expressly provided," so the appellants say, is s. 66, whereby c. 69 of R.S.C. 1906, is repealed (barring section 5A thereof),

Provided, however, that any patent issued prior to the passing of this Act which could successfully have been impeached for violation of or non-compliance with any provision of the Acts heretofore in force may with like effect be so impeached after the passing of this Act, and in any action for the infringement of any such patent any such violation or non-compliance which could have been set up as a defence may with like effect be so set up after the passing of this Act.

The new Patent Act was assented to on the 13th June, 1923; but it came into force (s. 70) only upon a day to be fixed by proclamation of the Governor in Council. This was published on the 7th July and made the Act effective on the 1st September, 1923. The appellants' patent issued on the 26th June, 1923, or on a date between the assent and the day on which the Act came into operation.

It was submitted that the Act "passed" when it received the Royal assent; and, for that reason, the appellants argued that the patent could be successfully impeached only for violation of or non-compliance with a provision of the new Act.

We do not think that such is the purport of s. 66 of the Act of 1923. By force of its wording, the repeal of c. 69 R.S.C. 1906 became effective only upon the day when the Act of 1923 came into operation. There was no intervening Act between the "passing" of the new Act and the date of its commencement. The appellants' patent therefor could only be issued under and subject to the provisions of the only Act then in force and that was c. 69 of R.S.C. 1906. The object of the proviso in s. 66 was to preserve, after the repeal of the old law took effect, any defence which could have been set up under that law, in an action for infringement of a patent issued under it. S. 68 adds that

nothing in the new Act contained shall be construed to revive or restore any patent that was void when it came into force nor to avoid any patent that was valid at such time.

The question before us is precisely whether the appellants' patent was valid (under the law in force when it was issued) at the time when the new Patent Act came into operation on the 1st September, 1923.

The relevant section in c. 69 of R.S.C. 1906 reads as follows:—

Section 7.—Any person who has invented any new and useful art, machine, manufacture or composition of matter, or any new and useful improvement in any art, machine, manufacture or composition of matter, which was not known or used by any other person before his invention thereof, and which has not been in public use or on sale with the consent or allowance of the inventor thereof, for more than one year previously to his application for patent therefor in Canada, may, on a petition to that effect, presented to the Commissioner, and on compliance with the other requirements of this Act, obtain a patent granting to such a person an exclusive property in such invention.

2. No patent shall issue for an invention which has an illicit object in view, or for any mere scientific principle or abstract theorem.

This section enacts that the art, machine, manufacture or composition of matter or the improvement thereof must be "new and useful." The first requirement is novelty. If there is no novelty, there is no invention. The wording contains no limitation as to locality. It is plain and unrestricted. Before a patent can be obtained, every inventor must present a petition to the Commissioner stating his invention to be of something new and he must make oath that this statement is "true and correct" (s. 10). The Commissioner may object to grant the patent when it appears to him that there is no novelty in the invention (s. 17c); and, even if granted, the patent is void

if any material allegation in the petition or declaration of the applicant \* \* \* in respect of such patent is untrue (s. 29).

It must be an art, machine, manufacture or composition of matter or a useful improvement thereof

which was not known or used by any other person before his invention. These words and those immediately following them in section 7 are not cumulative. They contain two totally different requirements altogether. The first one relates to the date of the invention; the second, only to the date of the application. There must have been no knowledge or use by another person prior to the invention; there must not have been public use or sale with the consent or allowance of the inventor for more than one year previously to the application for the patent in Canada. Those are two distinct conditions, both of which are essentially required.

1926  
WRIGHT &  
CORSON

v.  
BRAKE  
SERVICE LTD.

Rinfret J.

1926

WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

## The words

not known or used by any other person before his invention thereof are to be read alone, as they are, without any qualification attached to them. To construe them as excluding knowledge or user in another country, it would be necessary to import in the wording the qualification "in Canada," which is not there and which appears elsewhere in the section in a totally different connection. According to the grammatical construction of the section, therefore, the person entitled to a patent is one who has invented something (art, machine, manufacture, composition of matter or improvement thereof)

1. new and useful;
2. which was not known or used by any other person before his invention;
3. which has not been in public use or on sale with his consent or allowance for more than one year previously to his application for patent therefor in Canada.

This agrees with the historical construction of the anterior statutes.

In an *Act respecting patents for inventions*, being chapter 34 of Consolidated Statutes of Canada, 22 Vict. 1859, the protection of the law was restricted to "a subject of Her Majesty and resident in this province." The condition was that the art etc. invented should be new and useful,

the same not being known or used *in this province* by others before his discovery or invention thereof, and not being at the time of the application for a patent in public use or on sale *in this province* with his consent or allowance as the inventor or discoverer thereof (s. 3).

Section 25 of this Act read as follows:

Section 25.—Whenever it satisfactorily appears that the Patentee at the time of making his application for the Patent, believed himself to be the first inventor or discoverer of the thing patented, the Patent shall not be held to be void on account of the invention or discovery or part thereof, having been before known or used in a foreign country, if it does not appear that the same or any material or substantial part thereof, had before been patented or described in any printed publication.

These were substantially the reproduction of similar enactments in the earlier statutes (1848-49—Statutes of Canada, 12 Vict., c. 24; 1829, 9 Geo. IV, c. 47).

In 1869, however, when the Patent Office was constituted and the office of Commissioner of Patents was created

by the statute of Canada 32 & 33 Vict. c. 11, the words in s. 25 of 22 Vict. c. 34:

the Patent shall not be held to be void on account of the invention or discovery or part thereof having been before known or used in a foreign country

disappeared and they have never since reappeared in the subsequent statutory enactments.

As for the material words in s. 3 of the statute of 1859, they have undergone the following modifications:

*1859-22 V.-c. 34-s.3.-:*

the same not being known or used *in this province* by others before his discovery or invention thereof, and not being at the time of the application for a patent in public use or on sale *in this province* with his consent or allowance as the inventor or discoverer thereof.

*1869-32 & 33 V. c. 11, s. 6:*

not known or used by others before his invention or discovery thereof, or not being at the time of his application for a patent in public use or on sale in any of the provinces of the Dominion with the consent or allowance of the inventor or discoverer thereof.

*1872-35 V.-C. 26-s. 6:*

not known or used by others before his invention thereof, and not being in public use or on sale for more than one year previous to his application, in Canada with the consent or allowance of the inventor thereof.

*1886-R.S.C.-c. 61-s. 71:*

which was not known or used by any other person before his invention thereof, and which has not been in public use or on sale with the consent or allowance of the inventor thereof, for more than one year previously to his application for patent therefor in Canada.

As will be perceived, there was no change in the wording of 1886 when section 7 of R.S.C. 1906, c. 69 (already quoted) was enacted. But the disappearance, in 1869, of the words "in this province," after the words "not being known or used," (particularly when it is remembered that section 25 of the Act of 1859, excluding as it did knowledge or user in a foreign country, was completely struck out) tends to show in Parliament a change of policy and of sentiment and adds a great deal of force to the conclusion already derived from the grammatical construction of the statute of 1906.

We should now examine how far this conclusion is supported by the judgment of this court in *Smith v. Goldie* (1).

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

This decision was given in 1883. In the report, one of the head notes reads:

To be entitled to a patent in Canada, the patentee must be the first inventor in Canada or elsewhere. A prior patent to a person who is not the true inventor is no defence against an action by the true inventor under a patent issued to him subsequently, and does not require to be cancelled or repealed by *scire facias*, whether it is vested in the defendant or in a person not a party to the suit.

The appellants submitted that an examination of the reasons for judgment of the judges who composed the Supreme Court shows that the question was not so decided. Cassels J. in *The Barnett-McQueen Co. v. The Canadian Stewart Co.* (1) affirms that the point "was in fact decided in the manner stated."

No doubt, a perusal of the written opinions would fail to disclose the fact that this important proposition of law had been passed upon by the court. The Court of Appeal of Ontario had dismissed Smith's appeal on the ground that his invention was not patentable. The judges of this court, in reversing this decision, naturally directed their reasons towards establishing that the invention was a proper subject of patent, it being the essential point upon which they differed from the court below. But Patterson J.A., delivering the judgment of the Court of Appeal, had pointed out that the Acts of 1869 and of 1872, when removing the restriction as to residence and extending the privilege of the patent to foreigners,

at the same time, and as a complement of this extension of the privilege, required absolute novelty, and not merely novelty within the Dominion, of the invention (2).

No exception to this language was taken in the judgment of this court. On the contrary, it would appear that such was truly the effect of the decision and that otherwise it could not have been what it was, as a consideration of the relevant dates will show. Smith's machine was in complete working order in the United States in April, 1871. He applied for a patent in the United States in July of that year, and the patent was issued to him in December, 1872. His application for a Canadian patent was made on the 11th January 1873. It was granted and the patent was issued on the 18th April 1873. Sherman

(1) 13 Ex. C.R. 186, at p. 227.

(2) 7 Ont. A.R. 628, at p. 641.

and Lacroix, the rival inventors, obtained their Canadian patents in 1872, and their United States patent prior to Smith's United States patents, although subsequently to his application therefor. The dates of the alleged invention by Sherman and Lacroix are not given in the report; but the judgment of the Appeal Court "substantially admitted," says Henry J. (1), and I think properly, that Smith was the real inventor of the art or process.

1926  
 WRIGHT &  
 CORSON  
 v.  
 BRAKE  
 SERVICE LTD.  
 Rinfret J.

It will be seen therefore that Sherman and Lacroix' patents were earlier than Smith both in the United States and in Canada, and apparently he could not succeed unless upon the ground that his invention in United States was prior to Sherman and Lacroix' invention and that the fact of the art or process having been known or used by Smith in United States before Sherman and Lacroix' invention rendered void the Canadian patents issued to the latter.

The logical conclusion would be that *Smith v. Goldie* (2) distinctly laid down the law that

the patentee must be the first inventor in Canada or elsewhere.

This was the interpretation unequivocally given to it in *The Barnett-McQueen Company, Limited v. The Canadian Stewart Company, Limited* (3) by Mr. Justice Casels, who was counsel in the case and very familiar with the facts.

It would also be our own view of the judgment, were it not for the fact that, at page 60, Mr. Justice Henry (with whom Fournier and Taschereau JJ. concurred) says:

The evidence leaves no doubt on my mind that Smith was the first and only inventor of the combination he claims in his specification; and I feel as little doubt that the other parties who obtained the two other contesting patents became acquainted with the value of the combination by obtaining the knowledge of his discovery. \* \* \* Setting out, then, with the affirmative proposition that Smith was the *bona fide* inventor of the combination in question, the only important remaining question is, was the discovery and invention in question the proper subject for protection by letters patent.

This, however, does not appear to have been the view of the facts taken by the learned Chancellor who tried the case, nor by the Court of Appeal or the other judges of the Supreme Court who completed the majority and delivered separate notes.

(1) 9 Can. S.C.R. 46, at 56-57.

(2) 9 Can. S.C.R. 46.

(3) 13 Ex. C.R. 186, at pp. 226, 227 and 228.

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

As to whether, in the opinion of Mr. Justice Cassels, the holding expressed in the above head note of the report in *Smith v. Goldie* (1) was a correct statement of the law, his judgment in *Barnett-McQueen Co. v. Canadian Stewart Co.* (2) leaves no room for doubt. After having gone into the history of the legislation most exhaustively and having made a careful study of the several statutory enactments, Mr. Justice Cassels, construing section 7, c. 61, R.S.C. 1886, quite independently of the decision in *Smith v. Goldie* (1), reached the conclusion that, under that Act, no person could obtain a valid patent granting to him an exclusive property in an invention unless he was the first inventor in Canada or elsewhere.

There was no change in the law on that point between the Act of 1872, which this court had to apply in *Smith v. Goldie* (1), and chapter 69 of the Revised Statutes of Canada 1906, governing the present case. Or, at least, any change that has taken place in another part of the section would, *prima facie*, make the respondent's position more favourable. But it is unnecessary, for the purposes of this case, to consider the alleged difference between the provisions of the Revised Statutes of 1886 or of 1906 and the statute of 1872. The ground upon which this case was decided below, is not that the invention had

been in public use or on sale with the consent or allowance of the inventor for more than one year previously to the (appellants') application for patent therefor in Canada,

but merely that it was known and used by one Cady, in Canastota, in the State of New York, before the invention by the appellants.

In our view, that was a reason sufficient in law to warrant the conclusion of the learned President of the Exchequer Court.

We thought it well to clear up the question, lest the above quoted passage in the notes of Mr. Justice Henry might be interpreted as an indication that *Smith v. Goldie* (1) was not a case between two independent inventors, but that Smith succeeded because he was the first and only discoverer of an invention which Sherman and Lacroix had surreptitiously obtained.

Reference ought to be made, before concluding, to *Queen v. La Force* (1), put forward on behalf of the appellants in support of their case. In so far as it may be contended that the decision therein was in conflict with that of the Exchequer Court in the present case, it need only be said that, in such a case, we could not agree with it. But we do not so understand Mr. Justice Burbidge's judgment. The principal consideration, the underlying idea upon which his judgment was based, is well expressed in the head note:—

1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

*Held*, that the fact that prior to the invention of anything by an independent Canadian inventor to whom a patent therefor is subsequently granted in Canada a foreign inventor had conceived the same thing but had not used it or in any way disclosed it to the public is not sufficient under the patent laws of Canada to defeat the Canadian patent.

The judgment begins by stating:—

The main question to be determined in this case is whether, under the patent law of Canada, a prior foreign invention of which the public had no means of knowledge is sufficient to defeat a patent issued to an independent Canadian inventor (p. 33).

Resuming the facts, the learned judge writes (p. 38):—

The improvement had not been used in public—had not in fact been used at all, and any knowledge there was of it was not in any way open or accessible to the public.

The trend of his reasoning (see pp. 38, 39, 42, 44, 52, 61) is the development of the principle that practical employment of the art or skill, not theoretical conception or abstract ideas, may within the meaning of the law constitute an invention and form the subject of a patent. He finds that Jeffery, the alleged inventor in the case, never reduced the invention to practical form, so that the public had no knowledge or means of knowledge of it. This, according to his view, was not invention, but mere conception, and

not sufficient to defeat a patent issued to an independent Canadian inventor (p. 61).

However, in the course of his very elaborate and considered judgment, Mr. Justice Burbidge does say (p. 44):—

One can understand how the Parliament of Canada, going farther, it is true, in that direction than the Parliament of the United Kingdom, or the Congress of the United States has as yet gone, has, in what it deemed to be the interests of the general public of the Dominion, made prior public knowledge or use of an invention anywhere, a bar to a Canadian patent therefor. But one fails, I think, to apprehend why it



1926  
WRIGHT &  
CORSON  
v.  
BRAKE  
SERVICE LTD.  
Rinfret J.

should in favour of a foreigner, on the ground only of his earlier conception of the invention, make void a patent issued for good cause and consideration to an independent Canadian inventor, for an invention that prior thereto had not been used in public anywhere, and of which the public in no part of the world had any means of knowledge. If that be the law it ought not to concern the judge whose duty it is to declare, obey and enforce it, that in its enforcement great wrongs will be done.

This means that, had the facts in *Queen v. La Force* (1) been similar to those found, and indeed accepted, in the present case, the decision there would have been the same as that now confirmed by us.

The appeal fails and should be dismissed with costs.

*Appeal dismissed with costs.*

Solicitor for the appellants: *Russel S. Smart.*

Solicitors for the respondent: *Ewart, Scott, Kelley and Kelley.*

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