1910
Nov. 18.

THE BARNETT-McQUEEN COMPANY, LIMITED ..... PLAINTIFFS;

AND

THE CANADIAN STEWART COMPANY, LIMITED..... DEFENDANTS.

Patent for invention—Combination — Construction—Infringement—Essentiality of elements claimed—Equivalents—Harmony between English and American decisions—Public use and sale outside Canada before application made—R. S. Can. 1886, c. 61, sec. 7—Interpretation—Disclosure of invention in plans for construction—Effect of.

In the case of a combination patent in construing the claim reference must be had to the preceding specification and the state of the art, and the patentee is entitled to a fair and liberal construction.

If on a proper construction of the claim and specification, having regard to the state of the art, it is determined that an element forms part of the combination, the patentee cannot get rid of this element as being an immaterial or non-essential element. No such thing as an immaterial or non-essential element in a combination is recognized in the the patent law. Having regard to the essentials of a combination, the admission that an element is not material is an admission that the combination claimed is an invalid combination and the claim is bad. It follows that if the alleged infringer omits one element of the combination he does not infringe the combination. But if instead of omitting an element he substitutes a well-known equivalent he, in fact, uses the combination.

2. There is no real distinction as regards combination claims and the infringement thereof between the decisions of the courts in England and the courts of the United States.

3. By sec. 7, chap. 61, R. S. Can., 1886, it is provided that "Any person who has invented any new and useful art, machine, &c., 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 a patent therefor in Canada, "may [upon his complying with certain requirements] obtain a patent granting to such person an exclusive property in such invention."

Held, that the words "in Canada," as used in this enactment, are to be construed as referable to the application for the patent, and not to the public use or sale of the invention; and that if the invention has been

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

in public use or on sale with the consent or allowance of the inventor anywhere for more than one year previously to the application for a patent in Canada, by reason of such use or sale the applicant is disentitled to a patent. *Smith* v. *Goldie* (9 S. C. R. 46) explained and distinguished; *The Queen* v. *Laforce* (4 Ex C. R. 14) not followed.

4. The inventor of certain improvements in storage elevators, more than one year before a patent was applied for in Canada, entered into contract in the United States for the construction of an elevator embodying such improvements, and prepared, and exhibited to the parties with whom he contracted, plans for such construction which were a complete disclosure of the invention.

Held, that the facts established a "sale" of the invention within the meaning of sec. 7, chap. 61, R. S. Can., 1886. *Dittgen* v. *Racine Paper Goods Co.*, (181 Fed. Rep. 394) referred to.

THIS was a case involving the infringement of a patented invention.

The facts are fully stated in the judgment.

The case was heard at Ottawa on May 25th, 26th and 27th, at Toronto on June 20th, 21st, 22nd, 23rd, 24th and 25th, and again at Ottawa on October 4th, 5th, 6th, 7th and 8th, 1910.

A. W. Anglin, K.C., and *R. C. H. Cassels*, for the plaintiffs;

R. C. Smith, K. C., and *Peers Davidson, K.C.*, for the defendants.

Mr. *Anglin*, for the plaintiffs, argued that the invention was perfected in January, 1906, and that within a year from the date of the invention a Canadian patent was applied for. The application for the first patent was in December, 1907. That satisfies the requirements of the statute as to the period within which the application for a Canadian patent must be made.

Mr. McQueen, the inventor, shews the state of the art down to the time of his invention. He shews that from the time when the use of circular masonry bins in the storage, as distinguished from the workhouse portion of the structure, developed, down to the time when he arrived at his invention, there was a generally recognized desire

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

to get at such a method of construction as would enable the introduction of circular tanks of masonry into the workhouse section of the elevator; and that he did more or less, but nothing of a definite kind, until the fall of 1905, when he made an outline plan for the Chicago, Burlington and Quincy Railway Company. Prior to that one Metcalfe had prepared plans of a structure for that railway company shewing square steel bin construction in the working house, and a circular masonry bin construction in the storage annex portion of the contemplated structure, with the result that the prices were so large as to make the cost of the structure as a whole practically prohibitive. Mr. McQueen made an offer to the railway company to erect for them a structure which would be of the same capacity, but with a working house of a different character, the whole costing a considerably smaller sum than Mr. Metcalfe's estimate. Following upon this verbal offer, a contract was entered into by Mr. McQueen with the railway company for the construction of an elevator. The date of this contract is October 4th, 1905, and attached to the contract is an outline plan of the structure. Supplementary plans, showing the substructure of the masonry as well as the bins, and specifications complementary to the plans were made, the whole matter of the plans and specifications being settled at a date in January, 1906, which would be the date of the invention.

As to the question of invention. The situation prior to McQueen's design seems to have been this: There was no practical application to the working house elevator, or to the working house portion of the composite elevator consisting of the working house and storage annex, of the circular masonry bin; nor had there been provided up to that time any construction which was suitable to the introduction of the circular masonry bin into the working house. Moreover, there was not up to that time any

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

structure used in which the elevator leg could be introduced into the angular portions of the intersticed bins so as to utilize and conserve the angular space not required by the leg itself for storage purposes. Then again, there was need of an arrangement which would overcome the necessity for the use of an excess of girder for the support of concrete bins. It was necessary to the whole structure that there should be such a relation between the arrangement of the elevator legs and that of their passage-ways and the substructure, that the one would not interfere with the other. It was further necessary that the substructure should be such as to leave requisite space on the so-called "working-floor" below the bins. By the method patented—the invention of McQueen—there was a saving of $135,000 on Metcalfe's proposed price of $570,000. It is not altogether, though it is very largely, in the matter of cost that the advantages resulting from the change or changes from the prior art to the patented structure consist. The construction is a better one. There is the greater durability of the concrete as against the other material. The bin is of a better class than that which had been previously admissible into the working house end of the elevator structure. There is, having regard to the leg feature, a saving of space. There is a saving on girder construction, which, perhaps, comes back to the item of expense to some extent, and there is—and it is a very important advantage—the conservation of a free working space on the working-floor permitting the introduction of the necessary machinery to properly operate the elevator, particularly with regard to the spouting of the grain.

The claim of the first patent is wide enough to apply to the use of these leg passages wherever circular bins are used.

[CASSELS, J.—The first patent seems to be confined to a storage elevator.]

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

They are all storage elevators in one sense.

[CASSELS, J.—They draw an apparent distinction in the second patent, which is for a working-house elevator.]

That is a broad use of the word there, not differentiating at all between what is more properly called the storage annex and that which is known as the working-house portion. But the whole thing is a storage elevator.

As to the leg casing, that is immaterial. The evidence shows that we do not alter, neither diminish nor enlarge, in any way our leg passages by reason of the presence or absence of the leg casing. It is of no materiality whether there is or is not a leg casing through the passage.

[CASSELS, J.—Is the casing not one of the elements "in combination with bifurcated elevator legs"?]

Not necessarily. There is no word as to the casing in the claim. The elevator leg exists in every reasonable sense of the term whether or not you have the casing through the bins. By the actual meaning of the term, an elevator leg does not include a casing as a part of the leg.

As to the question of girder construction, we submit upon the first two claims of the second patent that they do not either expressly or by intendment contain any limitation to a girder construction. The second patent is not for a method of support which is to be considered detached from that which it supports. The method of support is not merely the columns. It comprises in effect the whole structure claimed in the first claim, working in harmony to one end. The underlying idea of the invention is so to arrange and construct both the substructure and the bin section of the elevator that there will be a concentration of the load at two diametrically opposite points of each bin, or rather at two diametrically opposite points of each bin where alone in respect of each bin there are ultimate supports to the ground or subfoundation. Now that concentration of the load so arrived at is not

answered by any one portion of the structure taken alone. You cannot take off the bin section, and say you have everything that goes to the solution of the problem, or everything that goes into the combination which is claimed, or into the operation of the structure from the point of view of support and concentration of load. You start with your columns, of course, but you have to get up to and include your column extensions, and you have to take those column extensions as homogeneous or integral with the circular walls of the bins. If you do not do so, then you do not get into operation the combined effect of all these parts as it is the patentee's idea that they shall combine.

In the combination of these elements I submit that there is the very highest kind of invention, because space is conserved and the load is carried in a much easier and better way.

The burden of my argument in chief is that the defendants have taken the substance and essence of our patents.

Mr. *Smith*, for the defendants:

So far as the question of subject-matter is concerned, we submit that neither of the patents in suit discloses even a scintilla of invention. The first patent deals with a method of construction which instead of possessing any novel character at all, is a system perfectly well-known to the trade for a quarter of a century and more. Two rows of cylindrical bins arranged at right angles, have nothing new about them; and that interstitial spaces would naturally and incidentally result from such an arrangement is obvious to any one. The inventor, McQueen, and the plaintiffs' chief expert witness, Wilhelm, both admit that the whole essence of the invention as disclosed in the first patent was the building of a wall—a web-wall—across an angular portion of the interstice bin so as to cut off or separate that portion for a certain purpose. The web-

1916

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

wall was not for the purpose—primarily at least—of giving additional strength or rigidity to the bin, that is only a resulting incident. That function is not claimed in either of the two claims.

We further submit for the defence that the plain and ordinary meaning of the language used in the specification to the first patent in suit is that the leg casing is part of the combination. On the second page of the specification we read: "The numeral 3 indicates a bifurcated elevator leg of the usual construction, and in which works a power driven endless cup-equipped belt 4." That establishes at once that the leg is the casing in which the cup-equipped endless belt runs. The leg is not the belt. A separate number, a separate figure is assigned to it altogether. There is no doubt at all upon the facts that McQueen, the inventor, considered the essence of his invention as disclosed in the first patent to be in the so-called web-wall as forming a leg passage. Now I suppose I am right in saying that no absolutely comprehensive definition has been given of what constitutes invention. It would seem by the jurisprudence to result from a process of elimination rather than from a clear definition by the courts. It is evident that invention cannot be predicated upon the doing of that which is obvious. That I should think would be very elementary. In the second place invention cannot be predicated upon doing that which is a deduction or an inference. Invention is not an act of reasoning. If a thing can be accomplished by reasoning, by the process of deduction from data given, data already existing, I submit there is no invention in that at all. Nor can invention be said to exist where the thing done involves anything more than might be done by a skilled mechanic, one who knows his trade. Applying this principle to the case at bar, the plaintiff cannot shew invention. The problem confronting the inventor was to place the elevator

leg in a certain position. The space must be so cut off that the rest of the bin shall be available for grain storage. That was the problem confronting him. In what way could he do it? Can it be suggested for a moment that there was any other way in which it could be done but by building a wall? It could not be done by laying down a net. It could not be done by stringing ropes. The only possible way in which it could be done was by building a wall across the spaces, to build a fence to enclose the space he desired to enclose, be it large or small, according to the space that was required to be cut off.

[CASSELS, J.—I understand you to treat the wall as a protection to the leg.]

That is all it is; it is nothing else. It was not there for the purpose of giving space to the bin structure at all. It was for the purpose of cutting off an angular portion from the interstice bin to be used for a leg passage, leaving the rest of the bin for the storage of grain. It was so absolutely obvious that any one who wished to do it could do it, as it has always been done. There was nothing special about the shape of the wall; there was no invention in employing such a wall for the purpose required.

As to the second patent in suit, it is purely and simply a construction patent. It is not a good patent for the simple reason that it adopts ordinary every day methods of construction that are as old as the Pyramids. It is put forward by the plaintiffs that the essence of this invention consists in the placing of the columns underneath, and in alignment with, what has been called the body portions of the column extensions. That is the common practice of builders. Sometimes, it is true, you may find an arch interposed, but the natural and obvious place to put a column is over another column, and not on either side of it; and it is such an elementary principle of construction and of building that I should think it would

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

be using language with very great license indeed to call that invention. When you take the whole of the structure disclosed by the second patent, what is it? It is a system of columns, old as the art of construction; then a system of girders almost as old as columns, in fact so universally used as to form part of what is common knowledge in the building art, and then a bin floor on which the bins rest—the remainder of the construction being similar to what has been constructed many times before. But we are told that because one of the columns is under one of the extended body portions, or tangential thickenings of these cylindrical bins, that there is invention in putting the pillar there. I submit that there is no invention here within any of the authorities to be found in the books. (Cites *Electric Railway Co.* v. *Jamaica Railway Co.*, (1); *Saunders* v. *Ashton*, (2); Frost on Patents, (3); *Beavis* v. *Rylands*, (4); *Carter* v. *Leyson*, (5); *McNaught* v. *Dawson*, (6); *Wisner* v. *Coulthard*, (7); *Meldrum* v. *Wilson*, (8); *Garrett's* Case ,(9); *Hennebique Const. Co* v. *Meyers*, (10); *Galvin* v. *City of Grand Rapids*, (11); *National Tooth Co.* v. *McDonald*, (12); *Voightman* v. *Weis*, (13); *London Machinery Co.* v. *Jamesville Tool Co.*, (14); *Williams'* Case, (15); *Adams E. R. Co.* v. *Lindell Ry. Co.*, (16); *Thompson-Houston Electric Co.*, v. *Nassau Electric Ry. Co.*, (17); *Sloan Filter Co.* v. *Portland Gold Mining Co.*, (18); *American Car and Foundry Co.* v. *Morton Trust*, (19); Mervin on Inventions, (20); *Reckendorffer* v. *Faber*, (21): *Wills* v. *Scranton Cold Storage Warehouse Co.* (22).

(1) 61 Fed. Rep. 655.
(2) 13 B. & Ad. 881.
(3) 3rd Ed. pp. 42, 73,74.
(4) 17. R. P. C. 704.
(5) 19 R. P. C. 473.
(6) 23 R. P. C. 219.
(7) 22 S.C.R. 178.
(8) 7 Ex. C. R. 198.
(9) 120 Of. Gaz. (U. S.) 751.
(10) 172 Fed. Rep. 869.
(11) 115 Fed. Rep. 511; 53 C. C. A. 165.
(12) 117 Fed. Rep. 617.
(13) 133 Fed. Rep. 298.
(14) 141 Fed. Rep. 975.
(15) 130 Off. Gaz. (U. S.) 1692.
(16) 77 Fed. Rep. 432.
(17) 107 Fed. Rep. 277.
(18) 139 Fed. Rep. 23.
(19) 175 Fed. Rep. 568.
(20) Sec. 115,
(21) 92 U. S. R. 347.
(22) 153 Fed. Rep. 181.

My submission on the question of invention is that the mere taking of a column and placing it in a different position from where it is usually placed but where it performs precisely the same function it performed previously, is simply aggregation. I cannot conceive of any arrangement of columns and girders at this stage of the art of construction that could be more than aggregation. (Cites Walker on Patents, (1); *Deere Co.* v. *J. I. Case Plow Works*, (2); *P. P. Mast & Co.* v. *Rude Bros*, (3); *Eagle Lock Co.* v. *Corbin Lock Co.*, (4); *Hunter* v. *Carrick*, (5); *Ball* v. *Crompton Corset Co.*, (6); *Wisener* v. *Coulthard*, (7); *Goodyear Tire & Rubber Co.* v. *Rubber Tire Wheel Co.*, (8).

We submit, in the next place, that the second patent ought to be held void for indefiniteness and misstatement in fundamental particulars. To begin with it is said to be for improvement in storage bins. There is nothing whatever done to the bins. What they have endeavored to shew here is an improvement in a working-house elevator. The specification and accompanying drawings do not agree. There is variance between them. Sec. 13 of *The Patent Act* requires that the specification must fully and correctly describe the mode of operating the invention. It must be so that a skilled workman can understand the specification and make the machine described. (Cites Frost on Patents, (9); *Moore* vs. *Eggers*, (10); *Simpson* v. *Halliday* (11). On the whole I submit that as the patentee does not distinguish between what is new and what is old, but claims everything as new, and also claims as a main feature of his invention that the columns support the bins at two diametrically opposite

(1) Pp. 43, 73.
(2) 6 C. C. A. 157.
(3) 3 C. C. A. 477.
(4) 12 C. C. A. 418.
(5) 11 S. C. R. 300.
(6) 13 S. C. R. 469.
(7) 22 S. C. R. 178.
(8) 116 Fed. Rep. 363.
(9) P. 243.
(10) 107 Fed. Rep. 491.
(11) L.R. 1 H.L. 321.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

points only, which is contrary to fact, these facts taken together with the errors and misstatements in the specification and drawings, clearly render the patent void.

In the next place, the patent is void for anticipation. As far back as the year 1859 in the history of the art we have the circular bins in two rows at right angles, and the resulting interstice bins—which could be used for legs if a working elevator were desired. In the *Johnston* patent, in the year 1862, we have bins at right angles, with a small circular bin in the interstice, leaving four spaces for ventilating flumes. We have in that patent also columns supporting the bins by means of a floor composed of arches; and that is clearly the equivalent of the latest design, and of all that succeeded it. There is nothing in principle different in any of the patents in evidence, nor is there in the structures of the plaintiffs and defendants in this suit. It is simply a question of arrangement or equivalent. Then in the *McDonald* patent of 1900 we have the nested arrangement of bins, or, as it is sometimes called, the "staggered" arrangement. There is no essential difference between the nested arrangement and the rectangular arrangement. The space which is formed by this natural arrangement of the bins is also an incident—a natural and obvious result of their being positioned in that way. In this patent of 1900 we have walls which are the counterpart of the wall in this first patent in suit. There is nothing in the name "web-wall;" mechanics will tell you that any wall which spans a space will answer to that description in the plaintiffs' structure. Then, too, we have the column extension running up through the bin structure and giving lateral stiffness against the pressure of the grain, and at the same time carrying at least a portion of the vertical load. That feature of the plaintiffs' invention was much pressed in the early part of the case. That is also anticipated. Again,

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

in the *E. V. Johnston* patent of 1900 we have a similar device to the defendants structure in respect of column extension, by which the cylindrical bins are kept a certain distance apart. This disposes of the argument that ours was an ingeniously contrived difference to escaped infringement of the plaintiffs' structure. Then in the *Heidereich* patent of 1901, we have a monolithic structure composed of cylindrical bins at right angles and rigidly united at their outer surface. It does not show where the elevator legs go, but there is space enough to put the elevator leg where it is most convenient. They can be used in the interstice bin or in the cylindrical bin, or wherever convenience may dictate. The patentee does not claim the legs in combination, but he claims passages in combination through which elevator legs may be passed. There is here in one combination all the features practically of the plaintiffs' invention, with the exception of the legs and the supporting columns. Then, in the *Jamieson* patent of 1904, we have the body portion formed in identically the same way as in the patents in suit. In the Dakota structure, before the date of the first patent in suit, we have an elevator leg arrangement very much more like the defendants' structure than like the plaintiffs' structure. In the Galveston structure of 1901, which was Mr. Folwell's design, there is a great deal, particularly in the column and girder construction, which suggested all that followed in the way of column and girder construction. Then, when we come to the Montreal Harbour elevator, constructed in 1902 and 1903, we have an exact anticipation of both patents in suit. Then we have the Harlem elevator, which on the evidence is clearly shown to have been built according to the patents in suit, although the original plan was modified to a certain extent. It was built by the Barnett & Record Company on plans made by the manager, McQueen, the patentee here. These plans were accepted by

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

the railway company for which the elevator was built in January, 1906. The final payment was made in January, 1907. The application for the first patent was not made before December 9th, 1907 and for the second, April 6th, 1908. So that there was disclosure of the invention by the patentee more than one year before a patent was applied for in Canada. The plans were submitted to a public consumer, and accepted by that public consumer, in June, 1906; the substructure was built previous to the 1st December, 1906, and the top of the bins previous to February 1st, 1907.

[CASSELS, J.—Am I not bound, under the decision in *Smith* v. *Goldie* (1), to hold that public use or sale in the United States would not defeat the patent in Canada?]

I submit that no matter how the decision in *Smith* v. *Goldie* is viewed, the plain meaning of sec. 7 of ch. 61, R. S. C., 1886, is that the limitation refers to public use or sale with the consent of the inventor anywhere for more than one year previous to his application for a patent in Canada. *Smith* v. *Goldie* was decided on an enactment very different in its language from the statute as it is found in R. S. C. 1886. And the French version of the earlier statute lends itself to no other construction than that public use and sale in Canada is intended only. It must be presumed that the legislature had in view the decision in *Smith* v. *Goldie* and deliberately changed the law.

The patentee had abandoned to the public his invention before he applied for a patent in Canada. (Cites Frost on Patents (2), *Humpherson* v. *Syer* (3), *Crossdale* v. *Fisher* (4), *Fearson* v. *Low* (5). Exhibition by the inventor of his invention by means of drawings or plans will amount to having it on sale. (*Dunlop Pneumatic Tire Co.*

(1) 9 S. C. R. 46.
(2) Pp. 108, 109.
(3) 4 R. P. C. 407.
(4) 1 R. P. C. 21.
(5) 9 Ch. Div. 48.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

v. *British and Colonial Motor Co.*(1); *Herrberger* v. *Squire*,(2) *United Telephone Co.* v. *Harrison* (3).

In the case of an elevator, disclosure of the design would naturally be made by a model or drawings. No one would build one before he secured a contract for it. It is the only way the inventor can induce people to buy his invention. "On sale" means offered for sale.

On the question of infringement, we submit that we have not taken all the elements of the plaintiffs' invention, and that being so we are within the rule as laid down in *Consolidated Car Heating Co.* v. *Came* (4), and so have not infringed. That case brings the English law more in harmony with the American cases.

Mr. *Davidson* followed for the defendants, contending that McQueen was not the inventor inasmuch as the plans of the Galveston elevator were not made by him, and that the plans made by him for the Harlem elevator, upon which he founds his invention in 1906, were based upon, and the ideas in them taken from, the Galveston plans. True, the Galveston elevator was not built, but the plans remained in the possession of the railway company for nine years, and are produced in evidence in this suit. I submit, then, that under the principle laid down by Burbidge, J., in *American Dunlop Tire Co.* v. *Goold Bicyle Co.*, (5) "where one who says he is the inventor of anything has had an opportunity of hearing of it from other sources, and especially where delay has occurred on his part in obtaining his patent, his claim that he is an inventor ought to be very carefully weighed."

McQueen accompanied Folwell, and others, to the railway office when the Galveston plans were submitted, and he had opportunities to see the details. (Cites Frost on Patents) (6).

(1) 18 R. P. C. 313.
(2) 6 R. P. C. 194.
(3) 21 Ch. Div. 720.
(4) (1903) A. C. 509.
(5) 6 Ex. C. R. 223.
(6) P. 7.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

As to invention, I submit that the first patent having been a patent for the bins with upper extension columns and this web-wall, leaving it open to put in any kind of foundation to support it, the second patent by merely placing the columns in a certain position for performing the function of support, is not invention. The invention in the second patent is destroyed by the first patent. We must take the fact of the patentee having left the construction of a superstructure, for either a working-house or a storehouse, to the art, as being a declaration by him that no invention would be involved in the construction of such a substructure. (Cites *American Car and Foundry Co.* v. *Morton Trust Co.* (1).

On the question of the abandonment to the public of McQueen's invention by the Harlem elevator contract, it must be remembered that there were two distinct proposals for the construction of two separate and distinct parts of the elevator, the workinghouse and the storage annex, and that the second contract was entered into some six months subsequently to the commencement of the work on the first structure. The first structure was finished prior to the 5th December, 1906, and the second structure was finished in the autumn of 1907. A structure which embodied and contained the patented elements was in fact completed under the terms of the contract prior to the 5th December, 1906, and more than one year prior to the date of the patentee's application for the first Canadian patent.

As to infringement, there is one point which I desire to lay some stress upon. In the defendants' structure it will be noticed that all the bins are not connected together by web-walls some distance from the tangential connection. Now, in that connection the defendants have utilized the principle of the *E. V. Johnston* patent (which is prior in date to the plaintiffs' first patent in Canada) namely, two

(1) 175 Fed. Rep. 568.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

walls between all bins, but yet have departed from the *Johnston* patent by separating the two walls. The result is that instead of a four-sided interstice bin, the angles of which are cut off for the purpose of providing leg passages, the defendants have one space only, the whole of which is given up to the elevator legs. In this respect the defendants' structure is similar in principle to the Montreal Harbour elevator and other earlier structures.

Mr. *Anglin*, in reply: In regard to the Galveston plan, which did not eventuate as a structure, it is only important in the light of an anticipation. It was not an anticipation. McQueen's proposal was relative to both working-house and storage annex. The railway company determined for the time not to proceed with the annex but only to go on with the working-house. That led to a severance of the two things. A composite structure was not proceeded with.

As to the question of subject-matter, I am free to admit that taking the elements of these patents separately and apart from the way in which they have been combined, they are not new. No one would contend for a moment to the contrary. It is old elements in combination, resulting in something that was not achieved before in the same way, that we rely upon for invention. The merit of a structure may lie very largely in arriving at a conception that it is desirable to arrange parts in a certain way, and that by such arrangement you will arrive at certain results. To use the language of Lindley, L. J., in delivering judgment in *Fawcett* v. *Homan* (1):—

"The merit of an inventor very often consists in clearly realizing some particular useful end to be attained, or, to use Dr. *Hopkinson's* language, 'in apprehending a *desidertum*.' If an inventor does this, and also shows how to attain the desired effect by some new contrivance, his

(1) 13 R. P. C. 405.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

invention is patentable, although his contrivance involves the use of things, or parts of things, previously used by other people. Were it otherwise, no patent for a new thing composed of well known parts would ever be sustained."

[CASSELS, J.—What do you say as to the patentee in this case 'apprehending a desideratum'?]

He gets what was never got before; he gets the ability, first of all, to put his leg passages where he likes throughout this type of structure. He gets the ability to do that in a structure, not a nested bin arrangement at all, but a bin arrangement which gives the practical four-sided square bins. He gets the ability to put those legs in any of the intersticed four-sided spaces, in the angular portions where they will take up the least room and be the most easily protected, and he gets the ablility to do that without any sacrifice of storage space beyond the amount of space which is occupied by the elevator leg. And this was never done before. The common practice in the old art was to take the square bin, build two walls across the middle section of it, slightly separated, dividing it into two rectangular spaces at the sides, and a third narrower rectangular space in the centre. Now the net result of the structure here is the conservation of space, plus the very complete protection of the leg. But there is still another feature, viz., that such arrangement is peculiarly suitable and adapted to the kind of support indicated in the first patent. By the first patent we get a structure which enables the putting of the legs where they will be suitable for the kind of support which goes into the combination of the second patent. In all this there is invention. (Cites *Fawcett* v. *Homan* (1); *Consolidated Car Heating Co.* v. *Came* (2); *Dowagiac Manufacturing Co.* v, *Minnesota Plow Co.* (3); *McSherry Mfg. Co.* v. *Dowagiac Mfg Co.* (4); *Continental Paper Bag Co.* v.

(1) 13 R. P. C. at p. 410.
(2) 1903 A. C. 509.
(3) 118 Fed. Rep. 136.
(4) 101 Fed. Rep. 716.

Eastern Paper Bag Co. (1); *Grip* v. *Butterfield* (2); *Dayton Fan and Motor Co.* v. *Westinghouse Electric and Mfg. Co.* (3); *Eastern Paper Bag Co.* v. *Standard Paper Bag Co.* (4); *Anderson* v. *Collins* (5).

As to the point of lack of invention because of the obviousness of the improvement, I would cite *Dubois* v. *Kirk* (6); *Overend* v. *Burrough Stewart & Co.* (7); *Vickers* v. *Siddell* (8); *Elizabeth* v. *Pavement Company* (9); *Luxfer Prism Co.* v. *Webster* (10); *Topliff* v. *Topliff* (11); *Anderson* v. *Collins* (12); Terrell on Patents (13); *Westmoreland* v. *Hogan* (14); *Frost* v. *Cohen* (15); *Smith* v. *Goodyear Dental &c. Co.* (16); *Lyon* v. *Goddard* (17).

On the question of error and misstatement in the specification, we have expert evidence that there was no difficulty in understanding it. The drawings are only illustrative of the specification. (Cites *Watson Laidlaw Co.* v. *Pott* (18); *Anderson Tire Co.* v. *American Dunlop Tire Co.* (19); Walker on Patents (20)).

Then, dealing with the point that the offer by McQueen to build the Harlem elevator on the patented plans amounted to putting the invention on sale, I submit that the statute of 1886 (R.S.C., 1896, c. 61, sec. 7) did not change the law as it was interpreted in *Smith* v. *Goldie* (21). If Parliament intended to change the law from what it was settled to be, apt language for such purpose would have been employed. Then, again, "sale" is a different thing from "publication" in patent law. The invention could not be said to be in "public use" upon the facts even in the United States

(1) 210 U. S. R. 405.
(2) 11 O. A. R. 145; 11 S. C. R. 291.
(3) 118 Fed. Rep. 562.
(4) 30 Fed. Rep. 63.
(5) 122 Fed. Rep. 451.
(6) 158 U. S. R. 58.
(7) 19 O. L. R. 642.
(8) 7 R. P. C. 304.
(9) 97 U. S. R. 126.
(10) 8 Ex. C. R. 59.
(11) 145 U. S. R. 156.
(12) 122 Fed. Rep. 451.
(13) Ed. 1906, p. 54.
(14) 167 Fed. Rep. 327.
(15) 119 Fed. Rep. 505.
(16) 93 U. S. R. 486.
(17) 10 R. P. C. 345.
(18) 27 R. P. C. 541.
(19) 5 Ex. C. R. 82.
(20) Sec. 175.
(21) 9 S C. R. 46.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Argument of Counsel.

before the application for the Canadian patent; much less was it "on sale." Foreign use is of no consequence in England, nor is it now in the United States. It must be use in the country where the patent is applied for. When you find "publication" dealt with specially, it gives a complexion to the word "use" which it would not otherwise have. What I submit is that it must be use of the concrete thing produced and completed. It must be use of the elevator as a completed structure. That is the law in the United States. Dealing with the question of sale, an invention is not "on sale" until it is completed, delivered and accepted. Walker on Patents (1); *Campbell* v. *Mayor of New York* (2). A "sale" is an act which involves a passing of property for a price. The facts here at most would not amount to more than an agreement for sale, which is not a sale. The whole course of dealing in the Harlem elevator matter did not amount to more than an experimental use of the invention. (Cites *Elizabeth* v. *Pavement Co.* (3); *Conway* v. *Ottawa Electric Ry. Co.* (4); *Newell* v. *Elliott* (5).

Upon the whole case, we submit that the facts show that our patents are valid and subsisting and that the defendants have infringed them.

CASSELS, J., now (November 18th, 1910), delivered judgment.

This was an action by the plaintiffs asking for an injunction restraining the defendants from infringing two patents.

The case occupied, inclusive of the argument, the greater part of fourteen days, and was very ably and fully presented by counsel for both parties.

During the course of the trial I had an opportunity of considering the various questions in issue, but I thought

(1) Sec. 99.
(2) 36 Fed. Rep. 261.
(3) 97 U. S. R. 126.
(4) 8 Ex. C. R. 432.
(5) 4 C. B. N. S. 269.

it due to counsel, as they had spent so much time in presenting their various contentions, to postpone the delivery of judgment and to peruse the evidence transcribed and consider the various authorities cited. This I have done.

The first patent in suit is one dated 14th April, 1908, No. 111,315. The application for this patent was filed on the 9th December, 1907.

The second patent in suit is one dated 18th August, 1908, No. 113,624. The application for this patent was filed 6th April, 1908.

The defences raised to the right of the plaintiffs to recover are the usual defences,—lack of subject-matter,—no invention,—no infringement, —abandonment, &c.

I propose to deal with the two patents separately.

The first patent, No. 111,315, dated 14th April, 1908, was granted to Finlay R. McQueen, for improvements in Grain Storage Elevators.

In his specification the patentee states:—

"My present invention relates to grain storage elevators and particularly to concrete or concrete steel, or other fire-proof structures, wherein a multiplicity of cylindrical bins are employed, the said bins being placed in close juxta-position with the space between the cylindrical bins arranged to serve as supplemental storage bins."

After referring to the drawings he proceeds:—

"The numeral 1 indicates the cylindrical grain bins, which bins are arranged in rows in two directions, and are formed monolithic, or otherwise rigidly united at their adjoining peripheral portions, so that there is left, between each four bins, a supplemental bin or storage space.

2. It will be noted that by arrangement of the cylindrical bins in rows in two directions, the intersecting rows extending approximately at right angles to each other, a four-sided supplemental bin is formed between

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

each four adjoining cylindrical bins. The numeral 3 indicates a bifurcated elevator leg of the usual construction and in which works a power-driven, endless, cup-equipped belt 4. The branches of this elevator leg 3 are passed vertically through the adjacent supplemental bins 2; and the said supplemental bins through which the said leg passes are formed with vertical webs or partitions 5 that form leg passages 6 from top to bottom of the bins, and separate the said leg passages from the respective supplemental bins 2. Any desired number of the supplemental bins may be thus formed with the leg passages 6.

With the construction above described, the elevator leg is thoroughly protected from lateral pressure of the grain in the bins, and the said leg may be removed, at any time, or repaired without opening up any of the said grain bins. Furthermore, the vertical webs or partitions 5 increase the rigidity of the entire bin structure.

It will of course be understood that the bins above described may be constructed either of concrete, brick or other material, and the same usually will, in practice, be reinforced by embedded steel members.

The term masonry is herein used in a sense broad enough to include either concrete, brick, tile or similar material.

In the arrangement of the bins illustrated in the drawings, the said bins are assumed to be supported with their lower ends above the ground. The main bins 1, as well as the supplemental bins 2, will, of course, be provided with hopper bottoms of the usual or any suitable construction."

The claims of the patent are as follows:—

"1. A plurality of grain bins 1 arranged in rows in two directions, and having their adjoining sides rigidly united so as to form supplemental bins 2, certain of said bins 1 being tied together by vertical partitions or webs 5 that extend across angular portions of certain of said supple-

mental bins 2, and form vertical leg passages 6, in combination with bifurcated elevator legs having their branches extended vertically through adjacent passages 6 substantially as described.

2. A plurality of cylindrical grain bins forming a monolithic structure and having their adjacent peripheral portions rigidly connected, and forming supplemental storage bins in the intervening spaces, vertical webs extending through adjacent supplemental bins to form leg passages, in combination with bifurcated elevator legs extending from below said bins through adjacent leg passages, substantially as described."

It is conceded that the two claims are practically for the same invention, the difference apparently being that whereas in the first claim it is stated that the grain bins have their adjoining sides rigidly united, the words of the second claim refer to the bins as forming a monolithic structure and having their adjacent peripheral portions rigidly connected.

While contending that these claims are invalid for want of subject-matter and lack of invention, the defendants claim that the structure erected by them does not infringe, as there is absent from their structure what is called the leg casing, an element of the claims as they contend. I will deal with this latter point later.

There are other reasons put forward on the part of the defendants as grounds in support of their defence of non-infringement in addition to the one mentioned above.

It must be borne in mind that in his specification the patentee assumes that the said bins will be supported with their lower ends above the ground. No particular form of support is referred to.

Mr. Wilhelm, the main expert witness on behalf of the plaintiffs, testifies that in his opinion the essence of the invention is the cutting off of the corner so as to allow

1910

THE BARNETT. MCQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

free space for the leg. This cutting off is by what is termed vertical webs or partitions 5.

The specification states "furthermore the vertical webs "or partitions 5 increase the rigidity of the entire bin "structure."

While it has some effect in increasing the rigidity of the bin structure it is not required for that purpose, and this becomes apparent when it is perceived how few of the bins have this web-wall. It is apparent that the only use and object of the web-wall is to protect the elevator leg from the pressure of the grain in the bin. Power driven endless cup-equipped belts were long prior to the plaintiffs' alleged invention used in the various workhouse and storage elevators, and wherever placed had to be protected from the pressure of the grain by a wall or partition of some kind.

In the plaintiffs' construction portions of two interstice bins are cut off by two walls, one in each interstice bin, forming, with a portion of the sides of the bin, protected chambers through which the elevator legs pass.

In the defendants' construction a portion of one interstice binis cut off by two walls, both legs passing up through this space and leaving on each side the remaining portion of the interstice bin for storage purposes.

It may be that the placing in position of the elevator legs where the plaintiffs place them saves some space, but to my mind this is not material from a patent standpoint.

There can be no contention that the elevator legs placed as they are by the patentee operate in any other manner or have any different function than elevator legs in other storage and workhouse elevators. It is merely a question of convenience of arrangement having regard to the class of construction. Cutting off a space by means of a wall to form a protection was well known in the art. If the claims in question are combination claims as distinguished

from aggregations, then in my opinion there is no novelty whatever. Previous references to the art show that such a combination, if such it can be termed, was well-known long prior to the alleged invention.

To avoid repetition I will deal with the previous anticipations in considering the second patent in suit.

Before proceeding to discuss the second patent, the essential feature of which is the location of the column support, I repeat the dates. The application for the second patent was filed 6th April, 1908. The first patent was granted 14th April, 1908. The application for the second patent was prior to the grant of the first patent.

By the specification of the first patent the patentee had stated that "the said bins are assumed to be supported with their lower ends above the ground."

I agree with Mr. Anglin's view that, having regard to the dates, the patentee has the same right as a stranger would have to apply for and obtain a patent for a particular means of support, provided always that there was invention and subject-matter.

The second patent, No. 113,624, is dated 18th August, 1908. The statement in the grant is that McQueen has petitioned for the grant of a patent for an alleged new and useful improvement in "Storage Bins."

In his specification the patentee states:—

"My invention relates to so-called 'working' elevators, to wit, that type of elevator in which grain is not only adapted to be stored, but is adapted to be weighed, cleaned, graded or otherwise worked. In this type of elevator a workhouse is located below the storage bins. Particularly, this invention relates to fire-proof elevator construction in which masonry work is reinforced with steel or iron."

The specification then states as follows:—

"The storage bins 1 are cylindrical with conical bottoms having discharge passages 2 that open through a reinforced floor 3. These bins are of masonry and may be

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment

either monolithic reinforced concrete or of reinforced brick or tile, and they are placed in parallel row in two directions and are closely positioned so that their tangentially abutting portions are united by metal reinforced vertically extended connecting bodies of masonry 4, which, as will presently appear, constitute extensions or upward continuations of the bin supporting columns and serve to rigidly tie together the adjacent bins. The bin supporting floor 3 is preferably of monolithic concrete having formed as part thereof metal reinforced girders 5 and 6 that intersect each other at a right angle. At their points of intersection, the girders 5 and 6 unite with the upper ends of heavy metal reinforced columns 7, preferably of concrete, and the lower ends of which terminate in heavy footings 7*a*, which, as shown, rest upon a heavy concrete basement floor 8 below which, when required, piles (not shown) may be driven. These columns 7 are located directly in line one with each of the column extensions 4. As shown, they are reinforced by longitudinally extended rods 9 and hoops 10. As best shown in Fig. 4, the upper ends of the columns 7 are expanded at 7*b* so that they directly support and unite with quite large areas of the floor 3. The space under the bins is enclosed by side walls 11, preferably of concrete or other masonry, and this space is divided into a workhouse 12 and basement 13 by a suitable workhouse floor 14 shown as made up of transversely extended I-beams and a suitable flooring, the said I-beams being supported by the columns 7 and walls 11. The bin space is enclosed by walls 11*a* that constitute extensions of the walls 11."

Having described the tower, he states:—

"With this arrangement, the main weight of the machine and other load within the tower, and of the tower itself, is transmitted directly through the column extensions 4 of the bin structure to the main supporting column 7

without adding weight to or putting additional strains upon the bins proper. Furthermore, by the arrangement of the columns 7 and column extensions 4, the bins are reinforced and strengthened and are supported at their strongest portions by the said columns 7."

He then describes the bins and interspace bins with the elevator legs as described in his first patent.

Before dealing with the claims of the patent, it will be well to understand what the patentee asserts to be the invention described in the specification. Wilhelm, the main expert witness for the plaintiffs, states it in this way:—

"The bin arrangement which is shown in the second patent is the same as shewn in the first patent. The bins are arranged in two rows at right angles to each other, and they are circular bins, and they have intermediate four-sided bins between the circular bins for the storage of grain, and the principal feature of this patent consists in the way in which the bins are supported. They are supported by columns which are arranged on the two diametrically opposite sides of each bin only. The general arrangement of the working-house structure is shown in figure 1 of the patent, and the columns are there marked 7, and they are arranged as shown in figure 6. Figure 6 is a plan of the bins with the columns shown in cross-section, and they are arranged on diametrically opposite sides of each bin only, and there are no columns at any other points in the circumference of the bins. The column arrangement is shown on the larger elevation on figure 2.

"HIS LORDSHIP—Q. Is that not a patent purely for the method of support? A. It is mainly for supporting the bins in that way.

"Q. If his first patent is valid, if he has these bins and supplemental bins, with a space for the leg, it makes no difference how they are supported? A. So far as the first patent.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

"Q. Assume for the present he has a good patent, whether he chooses to utilize the space below does not make any difference; and the second patent is a method of support to give the greatest space below for that kind of structure? A. Yes; and to not interfere in any way with the elevators. What is covered by the second patent, as it appears from the four claims, is first this method of support which your Lordship has mentioned there, and that is the subject-matter of the first claim of the patent. Then the second claim of the patent combines with that method of support the construction of the elevator wells which are described in the first patent. This is an element of the second claim, and the third and fourth claims deal with that method of support in connection with the girder construction, which is also used for supporting part of the weight. The last clause of the second claim recites the tie walls, which are the subject, matter of the first patent. The first claim is for the method of support purely and simply, and the second claim is for that method of support in connection with the tie walls. The cylindrical bins, with the four-sided intermediate spaces, and the columns placed at diametrically opposite points, and furthermore there is an element in that structure, and which is identified in that claim, and which is called the column extension; that is the extension which extends upwardly from the column between the bins, and extends up to the top of the bins."

Again he states:—

"HIS LORDSHIP—Q. As I understand your evidence it is simply this: Taking the circular bin, either steel or concrete reinforced or any other material, with the supplemental bins, whether you put the leg there or not, the patent relates simply to the support? A Yes, and column extensions rising up from the—

Q. The patent simply being the method of supporting it? A. Yes, that is my idea."

In his specification the patentee states:—

"As best shown in figure 4, the upper ends of the columns 7 (the supporting columns) are expanded at 7*b* so that they directly support and unite with quite large areas of the floor 3."

It has to be borne in mind that the load which has to be carried when the bins are filled is enormous. A certain portion of the load is carried by the bottom of the bin and a very large portion by the sides of the bin. The evidence of Ezra Wardell explains this.

What are called extension columns, therefore, not merely carry the weight of the cupola, but have also to so strengthen the parts of the two bins connected by the column extensions as to enable the side of the bins with the so-called column extensions to carry a great portion of the load.

The load is transmitted to the floor and girder construction and then transmitted to the column supports.

It is not correct to state that each bin receives its sole support from two columns, and I do not understand such a contention to be put forward on the part of the plaintiffs.

The first claim reads as follows:—

"1. The combination with a multiplicity of bins having their axes arranged in rows in two directions and on lines that intersect each other approximately at a right angle and having tangentially engaging sides united by vertically extended body portions, certain of which constitute column extensions, of supporting columns below said bins vertically aligned and united with said tangential column extension portions of said bins, and supporting said bins only at two diametrically opposite points, substantially as described."

The words "and supporting the said bins only at two diametrically opposite points" are repeated in the second and third claims.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

Mr. Smith argued forcibly that this statement is untrue—that the sole support of each bin was not on two columns only; but I do not think this is the proper way to interpret the claim. I think it refers to the location of the columns. The load must be transmitted to the floor and girder arrangement. The bins each rest on at least five girders. By means of the floor and girders the load is transmitted to the column supports.

The second claim is as follows:—

"2. The combination with a multiplicity of bins having their axes arranged in rows in two directions and on lines that intersect each other approximately at a right angle and having tangentially engaging sides united by vertically extended masonry body portions, certain of which constitute column extensions, of supporting columns below said bins, vertically aligned and united with said tangential column extension portions of said bins and supporting said bins at two diametrically opposite points only, and certain of which bins are further connected by transverse tie walls that extend from top to bottom of said bins and form, on opposite sides of the tangentially connected portions of the bins, spaces through which elevator legs may be passed, substantially as described."

The third claim is as follows:—

"3. The combination with a multiplicity of masonry bins having their axes arranged in rows in two directions and on lines that intersect approximately at a right angle, said bins having their tangentially engaged sides united by masonry body portions, certain of which constitute column extensions, of transversely intersecting metal reinforced concrete or masonry girders located below said bins, certain thereof being extended directly under and united with the tangential column extension forming portions thereof, and metal reinforced concrete or masonry columns below said bins united at their upper ends to said

girders and to the said bins at points vertically below the joining portions of said girders and column extension portions of the bins, the said columns supporting said bins at two diametrically opposite points only, substantially as described."

The fourth claim is as follows:—

"4. The combination with a multiplicity of masonry bins having their axes arranged in rows in two directions and having their tangentially engaged sides united by masonry body portions, certain of which constitute column extensions, of metal reinforced concrete or masonry main girders extending tangentially below and united with the column extension forming portions of said bins, which latter are located at diametrically opposite points, and transverse metal reinforced concrete or masonry girders united with the said main girders, substantially as described."

As I understand, the rule to be adopted in construing claims of a patent is that where one combination claim embraces a particular element and a second combination claim omits the element, each claim should be construed by itself, and that the element omitted in the one claim cannot be drawn into the claim by reason of the words "substantially as described" being added to the end of the claim.

The girder and floor arrangement is omitted from the first claim. I do not think such a combination as described in this claim would be of any practical value. This claim also omits the elevator legs, assuming no doubt that they would be placed somewhere. The so called web-wall is not a feature.

The second claim also omits the floor and girder construction and inserts as an element the web-wall to cut off the space for the elevator legs.

The third claim embraces the girder and floor construction, but omits the web-wall.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

Before dealing with the prior art, it should be pointed out that nowhere in the specification are any dimensions given for the bins or for the column support. Stress is laid on the benefit of the floor space below the bins. This space must depend to a great extent upon the size of the bins and the size of the supporting columns.

The patentee McQueen has, I think, as claimed by Mr. Anglin, established the date of his invention as being some time in the fall of 1905, or January, 1906. I will discuss this point later on.

In my opinion the supposed invention of the patentee is completely anticipated by what is called in the evidence the Montreal Harbour Elevator. This elevator was constructed during the years 1902 and 1903. It was in complete working order in 1903, and has been operated ever since with success. It may be that the elevators constructed by McQueen or his company, known as the Harlem and Peavey elevators shew better workmanship than in that of the Montreal Harbour Elevator, but as far as patentable design is concerned there is no difference.

Wait, a witness for the defence, describes this Montreal Harbour elevator. He designed this elevator and superintended its construction. Plans are produced. Exhibit D-9 is a book showing the structure, prepared from photographs taken at the instance of the Public Works Department. This elevator has a capacity of one million bushels. It comprises 78 bins—38 cylindrical bins with intersticed and outside spaces. The bins are arranged in rows at right angles. The bins are in close juxtaposition. The bins so arranged form supplementary bins. These supplementary bins, with the exception of four, are used for storage purposes. The four supplementary bins not used for storage are used for leg passages for the elevator legs. The two legs, the ascending and descending legs, are in the same supplementary bin. This difference seems

to me not material. There is a working floor under the bins. This working floor is used for the passage of two car tracks, and on the working floor is located the cleaners, and the transformer room, and the belts that distribute the grain to the various carriers. The bins are of steel. They are supported above the working floor on a series of columns and girders. There is a system of girders and reinforced concrete floor supporting the bin structure. The supporting columns are placed on opposite sides of the circular bins at two diametrically opposite points and directly under the connection between the two bins. Superimposed upon the column is a column extension. It extends up between the bins in precisely the same manner as the extension column claimed by the plaintiffs' patent. The construction of this extension column is slightly different, but is there for the same purpose and performs the same function as the column extensions in the patent in suit.

This extension column in the Montreal Harbour elevator consists of two rolled channels placed back to back, bolted through the trunk shell, connected by splice plates and angles at their joints, and running continuously from the bottom of the bin walls to the top of the bin walls, the space between the two channels being filled with concrete. The concrete between these channels rests on the bin supporting floor, and it rests directly over the centre column both ways. These column extensions of concrete and steel are utilized for carrying the column loads from the cupola structure, the cupola column coming down directly on these column extensions.

These column extensions necessarily assist in supporting the bins, and must of necessity aid the bin walls in carrying a part of the load.

Metcalfe, another witness for the defence, corroborates Wait

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

Wilhelm, the expert for the plaintiffs, in giving evidence in chief at the opening of the case, asked in reference to this Montreal Harbour elevator, states as follows:—

"Q. Here is a book of plans of the Montreal Harbour Commissioners elevator, constructed by the Steel Storage Construction and Elevator Company (Exhibit 9). Will you look at the printed pamphlet, containing a reprint of the drawings for the elevator in the Harbour of Montreal, which has been fyled as exhibit D. 9, and look at sheet number 12, and tell His Lordship what you find there with regard to arrangement of bin elevator leg passages, &c..

Mr. ANGLIN. This is subject to proof of date, of course.

Mr. SMITH. Yes.

A. The bin arrangement is that of circular bins arranged in two rows at right angles to each other and of intermediate four-sided bins apparently, and apparently the elevator legs are arranged in certain of the intermediate bins. If those long rectangular figures indicate the elevator legs, and there are lines drawn across some of these, then I do not know what they represent. They may be tie plates.

Q. You observe on the exterior rows of bins a web-wall making an auxilliary bin in each case.

A. Yes.

Q. And you also observe that the elevator legs occupy the angular portions of certain of the intersticed bins?

A. Yes, if those are legs, and I suppose they are.

Q. Then in this construction of the Harbour Commissioners, is it not a fact that you have identically the same arrangement of bins, the formation of the interstice bins and the leg passages in identically the same positions as the first patent in suit? A. Well, we have the legs in the same position, but no leg passages.'

Later on in reply, Wilhelm states as follows:—

"Q. The bins in the Montreal elevator are cylindrical bins, arranged in two rows at right angles?

A. They are.

Q. They are tied together?

A. They are.

Q. And the legs are placed, as you have just told us, in the angular portion in each case between two cylindrical bins?

A. I believe they are—yes, they are in the angular portion of the interspaced bins.

Q. At each of the tangential connections of these cylindrical bins there is a thickening, is there not, in the case of the Montreal elevator—call it a column or call it anything you like?

A. Oh, there is an upright connection consisting of channel plates, which extend from one bin to the other and run up and down between the bins.

Q. Through the whole bin section? A. Yes.

Q. And they are filled with what? A. I understand some cement concrete material, some rigid material.

Q. So they form pillars or columns between the bins? A. They do.

Q. Is it not a fact that these columns are over the piers, and whatever you like to call it, below? A. They are.

Q. The foundation piers? A. Yes.

Q. Now, if you had columns the same shape as the columns in the second patent you would then call these columns, extensions would you not?

A. These connections would at least stand where the column extensions stand in the second patent, although they might not be of the same proportion as the column extension of the second patent."

I fail to see any material difference from a patent point of view between this structure of the Montreal Harbour elevator and that of the plaintiffs' patent. Stress seems to be laid on the fact that the plaintiffs' structure is monolithic. There was nothing new in the art as to monolithic

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

structures. The patentee is not confined to what would be technically a monolithic structure. The Montreal structure is for practical purposes monolithic; at all events the bins are rigidly united at their adjoining peripheral portions. The load is carried in the same manner—distributed by the floor and girders in the same manner, and the load is carried by column extensions or their equivalent, placed and situated in the same relative position in line with the column extension.

I have perused all the cases cited by Mr. Anglin. Each case has to depend upon the facts of the particular case under review, and while it may be that very slight invention, especially where the result is beneficial and useful, will support a patent, I cannot think that in the case I am considering there is any invention.

I have not lost sight in considering the case, of the other previous anticipations which go a long way to destroy the plaintiffs' patent. Neither have I overlooked the contention of the defendants that having regard to the state of the art and prior disclosure the patents, even if valid, would have to receive such a restricted construction as to require me to hold that the defendants' construction is not an infringement.

In the view I take of this case it may be unnecessary to consider the other questions very fully and ably argued, but as I have been asked by counsel to do so, I will express my opinion on one or two of the points raised.

In dealing with combination claims a good deal of confusion has arisen, I think, from a misuse of language.

In England prior to 1883 a claim was not requisite to the specification, although it was usual to insert a claim as part of the specification. Under our practice a claim is required. It is also required by the English practice, although the House of Lords in one case held this provision to be declaratory only.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

It is unnecessary in this particular case to deal with the question of the effect on a specification where no claim forms part of the specification. The purpose of the claim is (according to the late Sir George Jessel) to disclaim all that is not claimed. (*See Hinks* v. *Safety Lighting Co.* (1); *Plimpton* v. *Spiller* (2). This definition of Sir George Jessel has been found fault with by later judges. The present view seems to be that the purpose of the claim is to delimit the scope of the patentee's invention. (See *British United Shoe Machinery Co., Ltd.*, v. *Fussell & Sons, Ltd.* (3).

It is not of much consequence which language is used; the result is the same. The claim in the case before me is a claim for a combination of old elements; although being for a combination it is not of materiality so far as the construction of the claim is concerned, whether one element is new or not. If an element is new, and the patentee is entitled to a patent for the novel element or elements, he should claim this separately. Any new invention which the patentee sets out in his specification, if not claimed, is given to the public. It is the fault of the inventor in not claiming it, and he must suffer. The combination of old elements is the invention, provided it is the subject-matter of a patent and the court finds invention.

In construing the claim for a combination reference must, of course, be had to the preceding specification and the state of the art, and the patentee is entitled to a fair and liberal construction. If, however, the patentee has chosen in unambiguous terms to incorporate an element as a part of his combination, then the mere fact that subsequently he may find out that he might have omitted this element does not help him.

I venture to think that a careful consideration of the English authorities shew that in reality there is no distinc-

(1) L. R. 4 Ch. D. 612. (2) L. R. 6 Ch. D. 412.
(3) 25 R. P. C. 631.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

tion between the law as regards combination claims and the infringement thereof as decided in England, from the law as decided in the United States. The first question to ascertain is what is the combination claimed as the invention. If, on a proper construction of the claim and specification, having regard to the state of the art, it be determined that an element forms part of the combination the patentee cannot get rid of this element as being an immaterial or non-essential element. No such thing as an immaterial or non-essential element in a combination is recognized in the patent law. Having regard to the essentials of a combination, the admission that an element is not material is an admission that the combination claimed is an invalid combination, and the claim is bad. It follows that if the alleged infringer omits one element of the combination, he does not infringe the combination. Of course if instead of omitting an element he substitutes a well known equivalent, he in fact uses the combination. I will deal later on with this latter aspect in considering the defendants' construction. Patent authorities are so numerous, it is impossible to cite more than a few.

Dealing first with the United States:—

Prouty v. *Ruggles*, a decision of the Supreme Court of the United States, (1). It has been followed in numerous cases.

Vance v. *Campbell* (2) decided in 1861. At page 429:—

"A combination is an entirety; if one of the elements be given up the thing claimed disappears." The patentee cannot prove any part of the combination immaterial or useless.

Eames v. *Godfrey* (3):—

(1) 16 Pet. 341. (2) 1 Black S.C.U.S. 427.
(3) (1863), 1 Wall. 78.

There is no infringement of a patent which claims mechanical powers in combination, unless all the parts have been substantially used.

The use of a part less than the whole is not an infringement. *Gould* v. *Rees* (1).

If three elements be claimed in combination, the use of two is not an infringement. *Rowell* v. *Lindsay*., (2).

The patent being for a combination there can be no infringement unless the combination is infringed." *Adams* v. *Folger* (3).

It is well settled that there is no infringement if any one of the material parts of the combination is omitted, and that a patentee will not be heard to deny the materiality of any element included in his combination claim. If a patentee claims eight elements to produce a certain result when seven will do, anybody may use the seven without infringing the claim, and the patentee has practically lost his invention by declaring the materiality of an element that was in fact immaterial.

See Walker on Patents (4th Ed. 1904) (4).

In considering the English authorities care must be exercised in dealing with cases such as *Foxwell* v. *Bostock* (5) where there being no specific claim the patentee has set out in his specification his invention, and it is a question of fact what the invention is. If the specification be doubtful and one element might be claimed but is non-essential, the court might lean to a construction favourable to the patentee and conclude that this element being non-essential did not form part of the combination claimed.

The case of *Foxwell* v. *Bostock* is probably overruled. Mr. Terrell, in his book on Patents (6) discusses this case, and also the case of *Harrison* v. *Anderston Foun-*

(1) (1872), 15 Wall 187.
(2) (1884), 113 S. U. S. R. 102.
(3) (1903), 7th Circuit, 120 Fed. Rep. 264.
(4) Secs. 32 and 33.
(5) 4 De G. J. & S. 298.
(6) 5th Ed. 1909, p. 130.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

dry Co. (1) decided by the House of Lords in 1876. The law laid down by the House of Lords is the same as decided in the United States.

The case of *Consolidated Car Heating Co.* v. *Came* (2) has to be carefully considered. The claim sued upon in that case is as follows:—

"In a two-part hose coupling, composed of like halves or portions, each of which has a free and unobstructed passage through it from end to end, which passages co-operate together to form a longitudinal unobstructed passage directly through the hose coupling, combined with locking devices as described, upon each side to lock the said halves or portions together as set forth"

It will be noticed that the wording of the claim is "combined with locking devices as described," &c.

To get at the true meaning of the claim and what formed the locking devices as described, resort was necessarily had to the previous part of the specification (of course having regard to the previous state of the art to assist in its construction), and placing a fair construction on the claim their lordships were of opinion that certain features were embraced in and formed part of the locking device, and the defendants not having used them there was no infringement. There is nothing inconsistent between the decision in this case and the decision in the case of *Harrison* v. *Anderston Foundry Co.* (3)

Reference may also be made to the following authorities:—

Terrell on Patents (4)

Fulton on Patents (5)

and the case of *Bunge* v. *Higginbottom & Co., Ltd.* (6) This is a case holding that the plaintiff was limited by his specification. The brushes were fastened to the inner walls, and

(1) L.R. 1 App. Cas. 574.
(2) [1903] App. Cas. 509.
(3) L.R. 1 App. Cas. 574.
(4) 5 ed. pp 58, 59, 130.
(5) 4th ed. 43, 47, 53.
(6) 19 R.P.C. 187.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

the court held that the patentee had made this construction a part of his invention. The invention in this case was a meritorious one.

See also *Stone & Co.* v. *Broadfoot* (1), a decision of the Court of Sessions, Scotland.

The Canadian courts have, as a rule, invariably followed the decisions of the United States Supreme Court in dealing with this question.

There are a few decisions that give ground-work for an argument that an element in a combination which turns out to be a non-essential element may be discarded.

Generally speaking, these authorities were adjudged on the particular facts of the case under review.

There is also the case of *Gwynne* v. *Drysdale* (2). This case is referred to with approval in the case of *Consolidated Car Heating Co.* v. *Came* (supra) at page 517.

See also Thornton on Patents (1910) (3.)

I think, the patentee, McQueen, in his claim in the first patent must be held to have included as an element of his combination the leg passages 6. I do not see how any reasonable construction of the specification can lead to any other conclusion.

The drawings which are added are merely to illustrate the invention claimed. Figure 2 of the drawings makes it quite clear, and the specification on page 2 is equally unambiguous. I think, however, Mr. Anglin's contention put forward in reply is correct, and that the defendants have the leg passages or their equivalent. The model of the defendants' structure produced shews leg passages both below and above the bin, but does not shew the construction between the bins. The plan of the structure which is admitted shows a guide for any grain that may drop from the buckets directing such grain to the leg passage below. It is obvious that between the bins the only use of the leg

(1) 26 R.P.C. 379.

(2) 3 R.P.C., 65.

(3) P. 21.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

casing is to guide the grain, and I think the defendants' structure is practically the same, the change being merely a change to a mechanical equivalent affecting the same result.

Another question of considerable importance was argued before me. Counsel for the defendants contend that the patentee, McQueen, was disentitled to a patent (if otherwise entitled) by reason of the fact that his invention was in public use or on sale in the United States of America for more than one year previous to his application for a patent in Canada.

The contention of the defendants is that the law as decided in the leading case of *Smith* v. *Goldie* (1) has been changed by the revised Statutes of 1886, and that now the words "public use" or "on sale" should not be limited to "in Canada." I am informed by counsel on both sides that this question has not yet been decided by any court. I am not aware of any decision.

In approaching the consideration of this question I construe the statutes as if the punctuation were omitted. (See Maxwell on Statutes (2) *Duke of Devonshire* v. *O'Connor* (3). It is well to consider what was actually decided by *Smith* v. *Goldie*. This case is reported in 9 S. C. R. 46. Part of the head-note in this case reads as follows:—

"1. 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.

(1) S.C.R 46. (2) 4th ed. p. 62. (3) 24 Q.B.D. 478.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

2. The words in the 6th section of the Patent Act, 1872, 'not being in public use or on sale for more than one year 'previous to his application in Canada,' are to read as meaning 'not being in public use or on sale in Canada for 'more than one year previous to his application.'"

A perusal of the written opinions of the Judges who composed the Supreme Court at the time of this decision would fail to disclose the fact that these two important points stated in the head-note had been passed upon by the court. None of the Judges who then composed the Supreme Court are now members of the court.

As I was counsel in the case, and very familiar with the facts, I think it well to clear up the question.

Both the propositions of law stated in the head-note were in fact decided in the manner stated. They had to be so decided, otherwise the plaintiff Smith could not have succeeded. A careful consideration of the facts shows this.

The case was originally tried by the late Chancellor Spragge, who dismissed the suit on the ground that contrary to the terms of the statute the patentee had imported the patented invention into Canada.

The Court of Appeal dismissed the appeal on the ground that under the evidence adduced there was no invention. They were of opinion that the question of importation was not open as a defence. Apparently both in the Court of Appeal and in the Supreme Court the conclusion was that the decision of Dr. Tache was one *in rem* and not open to revision. (See *Power* v. *Griffin*) (1). While the appeal to the Court of Appeal was dismissed on the ground stated the Judges of that Court, especially Mr. Justice Patterson, discussed fully and passed upon the questions reported to have been decided by the head-note referred to.

The Supreme Court of Canada reversed thed ecision

(1) 33 S C. R. 39.

1910

THE BARNETT-MCQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

of the Court of Appeal and pronounced judgment in favour of the plaintiff.

As I have stated, the court could not have decided in favour of the plaintiff unless they adopted the views of Mr. Justice Patterson on the two questions now under consideration. I extract the dates from the judgment of the Court of Appeal.

Smith's application for a patent in Canada was dated 11th January, 1873. His Canadian patent bears date 18th April, 1873. (1)

Sherman and Lacroix each had Canadian patents issued in 1872 (See page 635). The machine in question, the invention of Smith, was in complete working order in the United States in April, 1871. (See page 633). His application in the United States was in July, 1871. (See page 633). On page 641 Mr. Justice Patterson points out that had the law not being changed "the patentees of the rival "machines who obtained their patents at Ottawa in 1872 "must as against the plaintiff Smith have been held to be "the first inventors."

At pages 640, 641 Mr. Justice Patterson reviews the changes in the Canadian law. Referring to the Consolidated Statutes of Canada, Chap. 34, Sec. 3, it is pointed out that under that law no one was entitled to a patent except a subject of Her Majesty. This Act authorized the granting of a patent, &c., "the same not being known "or used *in this Province* by others before his discovery "or invention thereof".

In 1869, by 32-33 Vic. Chap. 11, the privilege was extended to any person who had been a resident of Canada for one year before his application. See Section 6 of this statute.

In 1872 (not 1875 as erroneously printed on page 641 of the Appeal Court report) by 35 Vic. Cap. 26 the

(1) See page 629 of 7 Ont. A.R.

restriction as to residence was removed, and quoting Mr. Justice Patterson, page 641 "thus in all respects placing "foreigners on the same footing with subjects, but at the "same time, and as a complement of this extension of the "privilege, required absolute novelty—not merely novelty "within the Dominion, in the invention."

This decision in *Smith* v. *Goldie* (supra) has been followed in all the cases subsequently decided, with the exception of one case, in which the learned Judge drew a distinction in favour of a Canadian inventor who had obtained a patent in Canada earlier in point of date than an American inventor who was held to be a prior inventor to the Canadian inventor, but who obtained his patent in Canada on a date subsequent to that of the Canadian inventor (1). There is no justification for such a decision when the law as adjudged in *Smith* v. *Goldie* is understood. The case referred to was settled prior to the hearing of an appeal taken to the Supreme Court.

In considering the Canadian statutes, care must be exercised in reviewing the English and American authorities on this question to note the differences that exist between the English and the American statutes and the Canadian law.

In *Summers* v. *Abell* (2) the language of VanKoughnet, C. and Spragge, V.C. may be referred to.

On this question of invention the Canadian Statute is very similar to that of the United States prior to 1836. The statute of 1790 of the United States reads as follows:—

"Any person setting forth that he, she or they hath or "have invented or discovered any useful art, manu- "facture, engine, machine or device, &c., not before "known or used."

This Act of 1790 was amended in 1793, which latter Act provided that the invention must have been one "not known or used before the application."

(1) *The Queen* v. *Laforce*, 4 Ex. C. R. 14.

(2) 15 Gr. 532, 536, 537,

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment

Under the Act of 1790 there was no limit to the time or place of user. Under the Act of 1793 there was no limit of place. Under these two statutes the courts held that the inventor must be the first inventor as to all the world in order to be entitled to a patent. This is practically what the present Canadian law requires. It was thought in the United States that this pressed hardly on inventors, and a change was made in 1836 providing that the Commissioner might grant a patent "if it shall not appear to the "Commissioner that the same had been invented "or discovered by any other person *in this country* prior to the alleged invention or discovery thereof by the applicant."

Cases in which the American courts dealt with the question of prior invention under the Acts prior to 1836 may be considered. *Gayler* v. *Wilder* (1); *Coffin* v. *Ogden*(2).

Considering now the second question, namely, whether Parliament has altered the law as laid dawn in *Smith* v. *Goldie* (supra) and whether use or sale in the United States for more than a year prior to the application for a patent in Canada disentitles the applicant to a patent : No doubt can exist that *Smith* v. *Goldie* distinctly laid down the law that use or sale under the statute then in force must be confined to use or sale in Canada. It was argued in that case that if the inventor must be the inventor the world over that use or sale with the consent of the inventor anywhere for more than a year prior to the application for a patent in Canada should defeat the right to a patent. It might be that the right of an inventor to a patent in the United States had been lost by a user or sale for more than two years in the United States. Nevertheless he might apply for and obtain a patent in Canada with the result that it was public property in the United States, but a monopoly in Canada. The determination of

(1) 10 How. 477

(2) 18 Wall. 120.

this point depended on a construction of the statute then in force, and it was held that the words "in Canada" referred to the use or sale, and not to the application for a patent. See judgment in Court of Appeal, page 641.

The words of the statute of 1872 in the English version read:—

"and not being in public use or on sale for more than one year previous to his application in Canada" &c.

The words of the French version of this statute read "et ne sera pas dans le domaine public ou en vente en Canada, du consentment ou par la tolérance de l'auteur de l'invention, depuis plus d'un an" &c., &c.

In the revision of 1886 (R. S. C. 1886) cap. 61, the English version reads:—

"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 a patent therefor in Canada," &c.

The French version reads as follows:—

"et si elle n'a pas été d'un usage public ou en vente, de son consentment ou par sa tolérance, pendant plus d'une année avant sa demande de brevet pour cette invention en Canada," &c.

In the Revised Statutes of Canada, 1906, Cap. 69, Sec. 7, the language used in the English version is the same as quoted above from the Revised Statutes of Canada, 1886.

The French version in the Revised Statutes of Canada 1906, is identical in language with that quoted above from the Revised Statutes of Canada, 1886.

It might be argued that as the statute is only dealing with patents and applications for patents in Canada, therefore the words "in Canada" should be taken to refer to public use or sale. The statute R. S. C. 1906, Cap. 69, however, in other sections uses the words "in Canada" as referable to the application for a patent. For instance in Section 8 we find the following expressions:—

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO

Reasons for Judgment.

"before obtaining a patent for the same invention in Canada"....."may obtain a patent in Canada"...."of his intention to apply for a patent in Canada"....."after the inventor has obtained a patent therefor in Canada."

Section 8 of Cap. 4, 49 Vict. respecting the Revised Statutes of Canada, 1886, reads as follows:—

"The said Revised Statutes shall not be held to operate as new laws, but shall be construed and have effect as a consolidation and as declaratory of the law as contained in the said Acts or parts of Acts so repealed, and for which the said Revised Statutes are substituted.

2. But if upon any point the provisions of the said Revised Statutes are not in effect the same as those of the repealed Acts and parts of Acts for which they are substituted, then as respects all transactions, matters and things subsequent to the time when the said Revised Statutes take effect, the provisions contained in them shall prevail, but as respects all transactions, matters and things anterior to the said time, the provisions of the said repealed Acts and parts of Acts shall prevail."

My opinion is that there is a marked difference between the provisions of the Revised Statutes of 1886 and the statute of 1872 under which *Smith* v. *Goldie* was decided. I do not think the words "in Canada" can be held under the later statute as referable to "public use or on sale", but they are referable to the application for the patent.

Parliament has continued the policy differing from both English and American legislation of requiring an inventor to be an inventor anywhere, and the same rule of construction as requires the words "not known or used by others" to be construed as applicable beyond the Dominion, I think calls for the same construction to be placed on the words "not being in public use or on sale."

There is no reason why an inventor should have a monopoly in Canada for an invention which prior to his

application for a patent in Canada he has abandoned to the public of the United States by user or sale.

This being the view I entertain as to the proper construction of the statute, it becomes necessary to consider the question whether the invention had been in public use or on sale with the consent of the inventor in the United States of America for more than one year previous to his application for a patent therefor in Canada.

The two cases put forward on behalf of the defendants in support of their contention that the patentee had abandoned his right to obtain a patent by reason of the invention having been in public use or on sale with the consent of the inventor, are what are called in the evidence the Harlem elevator and the Peavey elevator in Duluth. The evidence in regard to the latter is meagre.

In considering this question, care must be exercised in dealing with both the English and American authorities. The law of England differs from the law of the United States, as do the laws in England and in the United States differ from the Canadian statute. In the United States the statute provides : "And not in public use or on sale in this country for more than two years prior to his application."

The following propositions are decided in *In re Mills* (1) :—

1. A single unrestricted sale of the invention is a public sale and puts it on sale.

2. A single sale of the invention by the inventor for experimental purposes, where he is unable otherwise to make proper tests, does not put the invention on sale.

3. Where a clear case of "on sale" is made the onus is on the inventor to prove the sale was for the purpose of testing.

A further point must be borne in mind in considering the question, that is, the difference between what is called

(1) Off. Gaz. U.S. Pat. Off., Vol. 117, page 904.

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

a "trader's" experiment and an "inventor's" experiment. *Smith and Davis Mfg. Co.* v. *Mellon* (1).

The facts in each case have to be carefully considered to ascertain whether the inventor was in fact experimenting with the view of perfecting his invention. The decision in *Elizabeth* v. *Pavement Co.* (the pavement case) is relied on (2). The court in that case held that use in public for several years did not prevent the patentee from obtaining a patent. The court in that case, however, held that there was no question as to the *bona fides* of the inventor that it was merely experimental. They found that "Nicholson did not sell it, nor allow others to use or sell it." "He did not let it go beyond his own control" &c.

In England it has been held that an offer to sell, even though no sale, is evidence of prior publication. (Terrell on Patents (3) ; *Oxley* v. *Holden* (4).

It was also decided in England that an invention may be anticipated by a drawing unaccompanied by explanation provided any machinist could understand it. (Terrell on Patents, (5) *Electric Construction Co.* v. *Imperial Tramways Co.* (6)

In a case of *Wheat* v. *Brown* (7) the words of the statute are "exposed for sale by retail" (referring to margarine). The court held that the words "exposed for sale" are well understood terms, and cannot be limited so as to only mean "exposed to view."

To deal with the facts of this case: It is contended by Mr. Anglin, and the contention is sustained, that McQueen's so called invention was not later than January, 1906. It was probably earlier by a few months. The contract for the Harlem elevator is dated 26th October, 1905. I will set out in full the evidence of McQueen

(1) 58 Fed. Rep. 705.
(2) 97 U.S.R. 126.
(3) 5th Ed. 74.
(4) 8 C.B.N.S. 704.
(5) 5th Ed. p. 80.
(6) 17 R. P. C. 539.
(7) [1892] 1 Q.B. 418.

relating to the Harlem elevator; also as to the Peavey elevator at Duluth:—

"Q. Now just to go on with your history of the development of the invention, at this time when you made this price of $360,000 to the Chicago, Burlington & Quincy Railway for a fire proof storing house of equal capacity with the square bin steel house, which was to cost $485,000 with the same machinery, did you furnish them plans with the proposition, or how was that? A. No, I made the proposition verbally to them.

Q. Just that you would do this? A. Yes.

Q. At that price? A. Yes.

Q. Did they or did they not accept the proposition? A. They accepted the proposition some days later with the outline plan.

Q. What date in 1905 was that, approximately? A. It was the latter part of the year 1905.

Q. Getting on in the fall of 1905? A. Yes.

Q. Were there any detail plans in existence? You said you had not submitted them? Were there any? A. No.

Q. How far had you got yourself with your ideas at that time A. Just far enough to know that I could place the columns under the centre of the bins in one direction and support them with two columns only, and provide a passageway for the legs up through the bins at the opposite contact point.

Q. And that progress to that point had been the result of your thinking out of the situation? A. Yes.

Q. But you had not committed that to plans at that time A. In an outline that would not disclose to anyone but myself what it meant.

Q. Have we that outline here, do you know? A. I think we have; it is attached to the contract.

Q. Just go on with the story of the Harlem construction?

A. My intention was — and our contract was drawn that way—to use a structural steel frame work of vertical

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

columns and horizontal girders to support these masonry bins, but after getting into the calculations more deeply we found that it would not work good, and had our contract supplemented and changed to allow us to use a reinforced concrete column and frame work.

Q. So that down to the time of the making of this bargain with the C. B. & Q. people you had not arrived at a concrete construction below the bin floor? A. No; our first thought was steel frame.

Q. And after you had arrived at your bargain with them you got further on, and got to the concrete throughout construction? A. Yes.

Q. Did you make plans, and if so, have you got them, shewing the whole of that construction? A. Yes, sir; some time three months later than the date of the contract.

Q. That would carry us on to the midwinter of 1905-6? A. Yes.

Q. There are here three sheets? A. Yes.

(Plans Exhibits 7*a*, 7*b* and 7*c*.)

Q. In this exhibit 7 will you shortly state to the court what construction is shown? A. These plans show a reinforced concrete construction.

Q. These show a reinforced concrete construction from top to bottom? A. They show a reinforced concrete construction of columns, girders and supports for tile bins.

Q. Were the bins subsequently built of tile? A. Yes.

Q. So that what is shown here and what was afterwards built is a structure of concrete, except as to the bins, which are of tile? A. Yes.

Q. Then when were these plans 7*a*, *b* and *c*. made? A. They were made along in the first part of 1906.

Q. I see one of them has December 12th, 1906, with "January" written over; what is the fact as to that? A. January would be proper on that. There was

a mistake made in that. That lettering was done by the railway engineers. They have initialed those plans and they have corrected that.

Q. That was corrected by the railway engineers; and what is this in ink written upon the plan? A. Approved, C. H. Cartiledge, bridge engineer, C. B. & Q.

Q. What date? A. Approved, January 30th, 1906, Calvert, Chief Engineer.

HIS LORDSHIP—Q. When was that built? A. 1906 and 1907.

Q. What date were they finished? A. We got an acceptance about August, 1907.

HIS LORDSHIP—What was the date of your application for the patent?

MR. ANGLIN—There were two applications. The last of them was April, 1908; one December, 1907, and the other April, 1908.

HIS LORDSHIP—The first patent had no connection with the storage?

MR. ANGLIN—Neither patent has any connection with what is strictly called storage house. The second is for the working-house.

HIS LORDSHIP—The first is not for a working-house?

MR. ANGLIN—Yes, it is also for a working-house.

HIS LORDSHIP—It does not say so.

MR. ANGLIN—It is incidentally shown. I do not want to anticipate it.

Q. So that these plans were made in January, 1906, or December, 1905, and were approved in January, 1906?

A. Approved January 30th, 1906.

Q. All three of them? A. Yes.

Q. His Lordship asked a question as to the construction of the elevator that you mentioned, that it was accepted some time in 1907. We might get the record of that. You have here, I understand, the letter to your

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

company, the Barnett & Record Company, asking for acceptance, and their letter in reply, and a subsequent letter from you, and the letter in reply to that; the last, which is the letter of the railway company, stating that "it now seems to be finished up in satisfactory shape," being dated October 11th, 1907? A. Yes.

MR. DAVIDSON—I suppose those copies will be taken under reserve?

HIS LORDSHIP—Yes; if you wish.

MR. DAVIDSON—I have not seen them. I do not know what they contain.

MR. ANGLIN—Q. Two of these are the actual original letters? A. Yes.

Q. The letter of August 23rd, 1907, and the letter of October 11th, 1907, are the original letters written by the railway company to your American company? A. Yes.

Q. And the others, I believe, are carbon copies? A. Copies of our letters to them.

Q. Are they duplicates made at the time, or are they carbon copies. A. They are carbon copies made at the time.

MR. ANGLIN—There are two original letters, with two copies. (Exhibit 8). Q. What was your reason for going into this construction of this Harlem house in the way you did, without plans or development, and then working it out later? A. I was very anxious to be given a chance to demonstrate this type of construction; that was one of the principal reasons, and I made a proposition to the railway officials that was so favourable, that they thought so favourably of, that they accepted and let me go under contract.

Q. Did they impose any special terms upon you in connection with the work? A. Yes, with our company; they made the company guarantee the construction.

Q. In what direction? A. Guarantee it as to stability and performing the services of a grain elevator for two years after their acceptance.

Q. Is that the ordinary time? A. No; we had a six months' guarantee on the machinery and equipment, and two years on the building structure governing this particular type of construction; they also exacted surety companies' bonds covering the guarantee.

Q. Why was that? A. They did not know what type of an elevator or kind of construction we proposed giving them, and went entirely on our reputation that we would do as we agreed to do.

Q. Now, as you got on with the work of this plan,—you have explained to me your change in plans from a steel construction below the bins to concrete construction—as you got on with the working out of these plans, did other changes occur, and if so, what and why? A. We did not get the house worked out in all its details for some time after the date of those plans. It required a study clear to the end of the construction, and we found it necessary or advisable to change some from this type of construction to the next design we made.

Q. That is the next work? A. Yes.

Q. But so far as the construction is concerned, that went through on these plans that are fyled, with various detail plans which were worked out, as you went to make a complete construction of it in detail? A. Yes.

Q. But the general construction is shewn by these three plans? A. Yes.

Q. And you say the changes you were referring to a moment ago, which resulted from this, were carried into other subsequent structures? A. Yes.

Q. Did these changes which were carried into subsequent structures result from observation of the results which flowed from the working out of the structure under

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

the plans of the Harlem elevator and the operation of that structure when it was operated? A. Yes.

Q. What was your next design of house, or rather what house did you next design? A. The Peavey Duluth Terminal at Duluth.

Q. I understand the Peavey people are about the largest handlers of grain in the west? A. They are one of the largest.

Q. And this was their terminal elevator at Duluth? A. Yes.

Q. When was that? Have you the papers relating to that? A. The contract and outline plan.

Q. Does that plan show the Peavey Duluth construction? A. Yes, in an outline manner; some changes in it. (Contract, Exhibit 9).

Q. Does it show it sufficiently for the purpose of permitting the court to say from it that the patented inventions were embodied in the structure? A. Yes.

Q. We do not require to put in any more? A. No.

Q. This plan is dated March 6th, 1906? A. Yes.

Q. And was prepared at that time? A. Yes.

HIS LORDSHIP—Q. Where are the legs in that plan? A. They do not show in that plan. That just shows the details of the girder and column construction.

Q. Where do the legs go in the construction? A. It is shown in the Peavey plan.

HIS LORDSHIP—What is the date of the earlier patent?

MR. ANGLIN—December 7th, 1907.

Q. Look on the Peavey Duluth Plan, Exhibit 9, and point out where the legs go? A. They are here.

Q. This elevator for the Peavey Duluth Company was constructed, I believe? A. Yes.

Q. And you spoke of some changes which your experimental work on the Harlem construction induced you to introduce into the Peavey construction; what were those?

A. Principally in the girder and column frame. We found by actual calculations that we had a heavier construction at the Harlem than we required.

Q. What do you say? A. We found we had a heavier construction than we required.

Q. You found you had put a heavier substructure into the Harlem elevator than was really required? A. Yes.

Q. What changes did you make following on what your Harlem work shewed you? A. We reduced the section of girder, and I think the shape of the columns somewhat.

Q. The shape of the columns under the girder? A. Yes, and some other features of the construction.

Q. These were all structural details which, as I understand it, did not affect the question of the patented invention? A. No.

Q. Except in the working out of it in the actual practical structure? A. Yes.

Q. Nothing else that you remember of in the way of change in this? A. No.

Q. This elevator was built, I understand, but not completed, until along late in 1907? A. Some time in 1907, June or July, somewhere along 1907."

The contract for the construction of the Harlem elevator is produced. It is very specific and complete. The plans referred to, Exhibits 7*a*, 7*b*, 7*c*, were substituted so far as material of a portion of the work was concerned. These were approved on 30th January, 1906. It is clear, and so contended, that these plans were a complete disclosure of the invention, and the elevator was to be constructed according to the plans.

The specifications refer to various matters, viz.:—

"*Commencement and completion.*

Contractor shall commence the work on being given possession of the site, and shall so conduct his work as to

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO

Reasons for Judgment.

give the plant to the owner ready to operate at full capacity in receiving and shipping or cleaning of grain, on or before July 1st, 1906."

"*Testing and Accepting Elevator Plant.*

Everything necessary to make the plant complete as hereinafter described having been put in place, the plant shall be turned over to the owner for business, and he shall at once place a competent superintendent in charge with the full operating force, and proceed to operate the same or a period of fifteen days or such time as may be required to test the different parts of the plant, and the contractor shall keep an experienced man in charge of the building. During this time any reasonable test may be required by the owner to prove efficiency of the work. If everything about the plant performs its office as intended by these specifications the plant shall then be accepted. If any points of the building or machinery are found defective during the test, the contractor shall at once proceed to make such corrections as may be necessary. After such corrections shall have been properly made the plant shall then be accepted."

"The workhouse shall be 60 x 180 feet on the ground divided into fifteen bays. The construction of this house will be outside brick walls resting on the concrete foundation up to the bin bottoms. The bins will be supported with a frame work of steel columns and girders and on top of these steel girders will be a slab of reinforced concrete covering the entire area. On top of this concrete slab will start the bin walls. They shall consist of forty-eight circular tile bins and thirty-three intermediate bins, making a total of eighty-one bins and a storage capacity of 450,000 bushels."

"*Elevator Frame.*

This will consist of steel columns, beams and girders as shown on plan. The steel columns shall be provided with cast iron base-plates and have steel knee braces."

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

"*Leg Casings.*

Leg casings for the receiving and shipping elevators will be made of No. 14 steel and put together with angle iron at the corners. These legs will be equipped with proper openings for getting at the belts. The leg casings of the small standard elevators will be made from No. 16 steel."

"*Elevator Legs.*

There will be four stands of receiving elevator legs and four stands of shipping elevator legs. These elevators will be equipped with 20-in. x 72½-in. x 7-in. buckets, made in accordance with the detail drawings. Each one of these stands of elevator legs will be supplied with a 1,600 bushel garner and a 1,600 bushel scale. The other ten stands of small elevators will be equipped with 12-in. x 6-in. x 6-in. buckets."

Clause 5 of the contract reads as follows:—

"5. It is mutually agreed that the Chief Engineer for the owner shall be the arbitrator to decide as to the quality of material furnished and work performed by the contractor under this contract, and as to any extension of time claimed by the contractor, and his decision shall have the force of an award and be final and conclusive to both parties. But the contractor is the originator and designer of the aforesaid works, he shall have the right to decide all matters pertaining to design or form of construction of the work and be responsible to the owner for the correctness of the same."

Clauses 8 and 9 of the contract are as follows:—

"8. The Contractor shall execute and deliver to the Owner a bond to secure the Owner in the faithful performance of this contract by said Contractor, in the penal sum of thirty thousand dollars ($30,000.00) with a surety company as surety thereon, by use of the bond hereto attached, the surety to be such as may be approved by the Treasurer of the Owner."

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment

"9. The Owner shall pay and the Contractor shall accept, the sum of three hundred and sixty thousand dollars ($360,000.00) in full payment for the materials and labour herein agreed to be furnished by the Contractor for the construction and completion of the works hereinbefore described, and for the full and complete performance by the Contractor of all the covenants herein contained and specifications herein referred to; payment thereof to be made in the manner and within the time set forth in the attached specifications under the head of Estimates and Payments, except as the same may be modified by the foregoing provisions of this indenture."

The work was proceeded with and sums on account amounting to over $280,000 paid prior to 23rd October, 1906.

A second contract was entered into between the same parties bearing date 26th November, 1906, for the erection of a storage house, as stated in the contract "adjoining their present elevator and connected thereto at Harlem."

In the specifications under "General Description" is the following:—

"The work shall consist of a tile storage house, resting on a reinforced concrete foundation and connected to present working elevator, with three concrete tunnels to basement and three enclosed steel bridges at cupola."

The final payment for the Harlem Elevator was made on the 21st January, 1907. The application for the second patent was on the 6th April, 1908.

Certain correspondence was produced from which it was contended that there was no acceptance of the Harlem Elevator until August, 1907. This correspondence relates to the storage elevator, the subject-matter of the second contract of 26th November, 1906.

The Peavey plan for the elevator at Duluth is dated 6th March, 1906, and in the evidence quoted it is stated

1910

THE BARNETT-McQUEEN CO. v. THE CANADIAN STEWART CO.

Reasons for Judgment.

that this plan shewed the whole invention. I think the Harlem elevator was constructed and in use prior to the 26th November, 1906. It was paid for in full more than a year prior to the application for a patent in Canada for the main invention.

It is said guarantee bonds are executed. One such bond is attached to the contract. It is merely to guarantee the performance of the work. If a further bond was given it is not produced, and in my opinion does not affect the case.

I think it cannot be held that the inventor was experimenting with the view to perfecting his invention. The fact that he took a contract for the erection of the Peavey structure would demonstrate this. Moreover, I think it was on sale within the meaning of the statute. If an inventor attended a fair and produced a model of his invention soliciting orders for its construction, would it not be on sale. In this case, in lieu of a model complete plans were exhibited and contracts entered into for its erection. He could not manufacture a grain storage elevator and have it on view.

In a very recent case, *Dittgen* v. *Racine Paper Goods Co.* (1) the Circuit Court of the Eastern District of Wisconsin had occasion to construe the provisions of section 4886 of the Revised Statutes of the United States (2).

I think the plaintiffs' action fails. There will be the usual declaration, declaring the patents invalid; the plaintiffs to pay defendants' costs.

Judgment accordingly

Solicitors for plaintiffs: *Blake, Lash, Anglin & Cassels.*

Solicitors for defendants: *Davidson & Wainwright.*

(1) Fed. R. 394.

(2) See U.S. Comp. St., 1901, p. 3382.