

1928  
 Feb. 21-24.  
 Mar. 27.

THE ADAMS AND WESTLAKE COM- }  
 PANY ET AL..... } PLAINTIFFS;

vs.

E. T. WRIGHT, LIMITED..... DEFENDANT.

*Patents—Invention—Impeachment—Practical and beneficial results.*

The plaintiff's patent was for certain new and useful improvements in trainmen's lanterns, to permit of the use of kerosene oil instead of signal oil. The object of the invention was to provide, under all conditions, an adequate supply of air from the upper part of the lantern, to maintain combustion, when the currents through the body were reversed from their normal upward direction. It consisted broadly in a lantern body having air conductive ports above the upper end of the globe and a perforated shield located within the body and facing such ports. A trainman's lantern in which kerosene could be used, being cheaper and giving a brighter light, had long been desired, but, until the advent of the present lantern, none had been made giving satisfactory results. When the present lantern came on the market it was readily adopted by practically all Canadian railways and by 75 per cent of the railways of the United States, and proved satisfactory. The invention effects a saving of 80 per cent in operating cost.

*Held*, on the facts, that the lantern in question was new and useful, and that the changes made in the ventilation in the lantern to control the quantity and direction of the air currents was not the result of mere mechanical skill, but required thought, study and an inventive mind, and constituted invention.

2. That in order to avoid a patent for illegal importation, the thing imported must be the patented article itself, and not merely consist of material, which, while requiring but a trifling amount of labour or expense to transform them into the patented invention, yet do not in their separate state embody the principle of the invention.

(1) (1856) 3 Allen N.B.R. 387.

(3) (1927) 2 D.L.R. 793.

(2) (1864) 8 L.C.J. 130.

(4) (1927) S.C.R. 541.

(5) (1907) 11 Ex. C.R. 74.

Action by plaintiffs to restrain the defendant from infringing their patents.

The action was tried before the Honourable Mr. Justice Audette at Ottawa.

*W. L. Scott, K.C.*, for plaintiffs.

*F. B. Fetherstonhaugh, K.C.*, for defendant.

The facts are stated in the reasons for judgment.

AUDETTE J., now (March 27, 1928), delivered judgment.

This is an action for an alleged infringement of the plaintiffs' Canadian Patents No. 213,301, of the 13th September, 1921, filed as exhibit No. 1, and of No. 228,390 of the 30th January, 1923, and filed as exhibit No. 2.

The defendant, by his statement in defence, denies infringement and avers, in substance, among other things, that these two patents are null and void for want of subject matter; that the plaintiffs, contrary to the Act, did not manufacture within the period of two years from the date of Patent Exhibit No. 1; that they imported into Canada the patented article after the expiration of 12 months from the date of the patent; and lastly that "contrary to the condition of the patent, the patented article was manufactured outside of Canada to supply the Canadian market with the invention covered by patent No. 228,390, Exhibit No. 2."

However, counsel for the defendant, at the opening of the trial admitted that, if the patents are good, the defendant has infringed, admitting further that the plaintiffs' and the defendant's lanterns are identical in their construction. Furthermore, the defendant, on his examination taken on discovery admitted having actually copied the plaintiffs' double shield covered by patent exhibit No. 2.

The issues are therefore narrowed down first to the question of the validity of the patents, and second to the further question of manufacture and importation as above set forth.

The grant contained in the patents is for certain new and useful improvements, in lanterns especially adapted for the use of trainmen. The object of the invention, as set forth in exhibit No. 2, is to provide, under all conditions an

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adequate supply of air from the upper part of the lantern body to maintain combustion when the currents through the body are reversed from their normal upward direction; and it consists broadly in a lantern body having air conductive ports above the upper end of the globe and a perforated shield located within the body and facing such ports.

The evidence discloses that in the past the railway lanterns, although expensive and somewhat defective, were burning signal oil. Up to the day of these patents kerosene lamps for railway purposes could not be used as they would go out under the gyrations and the jerky movements necessary in the practice of signalling. The Great War, followed by proclamation by the State for the conservation of fats, induced the inventors to investigate and experiment intensively with kerosene oil. Signal oil is a mixture of one-third lard oil and two-thirds mineral oil and it gives a phlegmatic flame as compared to the bright light yielded by kerosene.

A railway man takes exceptionally good care of his hand lantern, because it is an instrument of vital importance for him in his work. Upon the proper and distinct signals made therewith depend life and death for him, his fellow-employees and the public.

This is a combination patent.

The patentee, having realized the unsuitability of the kerosene hand lantern for railway purposes, although much desired, using his long experience from an analytical standpoint, set to work to discover how the defects could be overcome. He shortened the globe in the dome which was obstructing the air, and he devised and invented a manner of taking care of the foul air rising from the burner up, and allowed better circulation of the air, controlling it to better purpose when it came from the port holes. The vitiated air,—that is the air that has the oxygen removed from it by combustion—has to rise and get out by the top outlet holes. Anything that causes this vitiated air to come back on the flame—either by the air or by being forced back by the circular movement of the lantern—will necessarily cause trouble. It is the ventilation that counts. By changing ring 26 in No. 10 and substituting rings 22 and 24, and spacing them apart, a passageway was made be-

tween these two rings that carried the air quicker to the point of combustion in greater volume. The whole was very clearly explained by witness Hamm.

The patentee on the one hand by his ingenuity realized the difficulty and overcome it scientifically, so to speak, and on the other hand he applied the mechanical devices to work out his invention. The patentee devised and invented—after studying the problems—a means of overcoming the difficulty and for that new and useful invention he is justly entitled to his patents. He has done ever so much more than was contended by defendant, namely exercising mechanical skill. He has solved a problem that was long wanted in the art and met a long felt want.

There is in this case a real invention producing a practical and beneficial result. The patent lies so much out of the track of the former use of lanterns that it required thought, study and an inventive mind to produce it, and under such circumstances no anticipation could be found. What the patentee has done had never been done before, although sought for—one should not be misled by the apparent simplicity of the invention. Experience has indeed shown that not a few inventions, some of which have revolutionized the industry of this country, have been of so simple a character that, when once they were known, it was difficult to understand how the idea had been so long in presenting itself. *Vickers v. Siddell* (1); *Consolidated Car Heating Co. v. Came* (2); *Gross v. Frank* (3); *O'Rourke Engineering Cons'n. Co. v. McMullen et al* (4).

The device made under patent exhibit No. 1 proved generally satisfactory, except that the lantern would blow out when near a locomotive blowing its signal whistle, and it was then that the patentee set again at work to overcome this new trouble. He removed ring 26 in the first patent and replaced it by two rings, Nos. 22 and 24 in the second patent, with other minor improvements, and the lantern became most satisfactory all around, and that is the device that the defendant copied, thus further emphasizing its excellence.

(1) (1890) 7 R.P.C. 292.

(2) (1903) A.C. 509.

(3) (1923) 293 Fed. Rep. 702.

(4) (1908) 160 Fed. Rep. 933 at 939.

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Now upon this question of the lantern Exhibit No. 10, blowing out when placed near a locomotive blowing its whistle, the evidence discloses that fact quite clearly. And in answer to this the defendant adduced evidence that pending the trial they experimented with Exhibit C—without the anti-whistle ring—similar to Exhibit No. 10, the whistle ring having been removed for the purpose of the test and that the lantern did not go out.

Now what was it that was done in the experiment by the defendant? They took a lantern No. 11, with the two rings; removed the top ring assuming thereby they had a similar patent as No. 10. But they were obviously in error because when the inventor told us he replaced ring No. 26 in No. 10 and that he replaced it by rings Nos. 22 and 24 in No. 11, he added that in making that change he cut ring No. 26 in Exhibit No. 10 half of its former height. Therefore the defendant in making his experiment with No. 30 did not have a lantern similar to No. 10 but a mutilated No. 10, with a ring No. 26 half its former height. To make a proper test and experiment it was a necessary condition to have a similar lantern, which they did not. Moreover, witness Hamm testified that such removal of the top ring would make the lamp less likely to be affected by the whistle—as it would have the same effect as opening at the top, for the reasons stated in his testimony.

Be all this as it may, it does not in one way or the other affect the indisputable fact that the plaintiff's device is a most desirable invention in the art and one that has proved most successful. So much so that the defendants declare it to be a very good lantern and they openly and admittedly copied it.

Upon these experiments there is but one conclusion to arrive at. Whether or not the experiment or test made by the defendant was properly made and with an identical lantern, yet without casting any discredit upon any one, I must find the plaintiffs' evidence respecting the blowing out of the lantern, as already referred to, is beyond controversy.

The dominant purpose the patentee had in mind was to produce a dependable lantern to give the appropriate signals when necessary, a consideration that would outweigh all other objects. Safety in operation was the object.

Besides the ingenuity of invention above referred to by, among other things, making the anti-whistle ring with an air space between, so that the air could get over into the globe or flame chamber quicker, it counteracted the suction in the lower part of the lantern, the patentee has also invented a new and useful device.

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On this question of novelty the evidence is all one way, establishing overwhelmingly that up to the time of the patents, the railways had been unable, for want of efficiency, to use these kerosene lamps.

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The invention is most useful as it saves 80 per cent in the cost of operating and the lamp has been adopted in almost all the Canadian railways and 75 per cent of the American railways. The invention has been a great success and a great boon to railways. As a test of the difference between success and failure, the evidence establishes that an enormous quantity of these lanterns have been sold to railways, and further that all previous attempts to manufacture such a lamp had failed.

There remains the question of importation and manufacture to deal with. On the question of importation it will suffice to say that the delay within which importation was allowed has been extended to the 13th March, 1923, and that there was no importation after that delay of the complete device.

On the question of manufacturing, the evidence discloses that the plaintiffs manufacture in Canada about 25 per cent of the whole device, including the assemblage. They also make the burner, and the globes resisting heat used are not made in Canada. The plaintiffs have in that respect satisfied the requirement of the law. As decided in *The Anderson Tire Co. v. The American Dunlop Tire Co.* (1) and many other cases, in order to avoid a patent for illegal importation, the thing imported must be the patented article itself, and not merely consist of materials which, while requiring but a trifling amount of labour and expense to transform them into the patented invention, yet do not in their separate state embody the principle of the invention. See Practice Exchequer Court, pp. 300 to 303.

(1) (1896) 5 Ex. C.R. 82.

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Correlating all the facts above reviewed to the law applicable to the case, I have reached the conclusion that the plaintiffs must succeed. There will be judgment adjudging and declaring that the two patents in question here are good and valid; that the defendant has infringed the said patents; that there will be the usual injunction restraining the defendant, his servants or agents from so infringing; that all products or articles in possession of the defendant which infringe the said patents be destroyed or delivered up by the defendant—unless otherwise arranged in this respect between the parties. Furthermore there will be a reference to the Registrar of this Court for enquiry and report upon the question of damages or accounts of profits, as the plaintiffs may elect. The whole with costs in favour of the plaintiffs.

*Judgment accordingly.*

Solicitors for plaintiffs: *Ewart, Scott, Kelly & Kelly.*

Solicitors for defendant: *Fetherstonhaugh & Fox.*