
1923
Dec. 15.

THE PERMUTIT COMPANY.....PLAINTIFF;

VS.

G. L. BORROWMAN.....DEFENDANT.

Patents—Conflicting applications—Action to have declared who was first inventor—United States rule of reduction to practice—Applicability in Canada.

Held: Where the Commissioner of Patents, under section 20 of the Patent Act, has declared a conflict between two applications for patents for the same invention, and one of the applicants institutes proceedings in this court to have it declared who was the first inventor, the court ought to assume that the Commissioner of Patents has found that the patent applied for is meritorious and involves invention, and should restrict its finding solely to the issue of priority of invention between the parties.

2. That the American rule in *interference* cases of reduction to practice, requiring corroboration of the discovery by way of disclosure, drawings and even models, being based upon an elaborate code of patent office rules, has not been adopted in Canada, and ought not to be applied by the court in dealing with conflicting applications.

ACTION to have it declared who was the first inventor, as between two applicants for patents.

November 14th and 15th, 1923.

Action now heard before the Honourable Mr. Justice Audette at Ottawa.

Russell Smart and *J. Lorne McDougall* for plaintiff.

W. N. Tilley, K.C., and *W. L. Scott, K.C.*, for defendant.

The facts are stated in the reasons for judgment.

AUDETTE J., this 15th December, delivered judgment (2).

This is a case of conflicting applications for a patent (or of "interference" as it is called in the United States) such as is referred to in section 20 of the Patent Act (R.S.C., ch. 69). It comes before this court as a matter within its ordinary curial functions under section 23 of the Exchequer Court Act, see *Burnett* vs. *The Hutchins Car Roofing Company* (1).

The patent consists in a process of softening or purifying water by means of a zeolite, such as greensand or glauconite—a term which may be used interchangeably.

The question in controversy coming before the court for determination is narrowed down or limited to the question of priority of inventorship between the plaintiff or its assignor Spencer, and the defendant, each of whom is now seeking a patent for the same invention.

The consideration of this question of priority must be approached on the assumption that the Commissioner of Patents has found that the patent applied for is a meritorious one and involves invention.

Therefore, the determination or decision of the question of priority or interference depends on the date of conception of the process patent referred to in this case.

Having said so much it becomes unnecessary to go into the question of the validity of the patent. The conception of the invention as provided by section 7 of the Canadian Patent Act must be of an invention new the world

(1) [1917] 54 S.C.R. 610.

(2) An appeal has been taken to the Supreme Court of Canada.

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over, while under the American Patent Law, (section 4886 R.S.U.S.) it is limited to a process new in the United States.

Quite a number of cases were cited at bar, on behalf of the defence by Mr. Scott, in respect of the requirement of corroboration of the discovery by way of disclosure, drawings and even models. Apart from the patent that we are dealing with here; (a process patent, where drawings and models are out of the question) it is well to bear in mind that the cases cited are all American cases, and that in the United States the proceedings on interference are governed by an elaborate code of Patent Office Rules, which are as binding as the law itself. Walker on Patents, 5th edition 166. This doctrine of reduction to practice has no application in Canada and cannot have application until similar legislation has been enacted by the Canadian Parliament.

The fundamental question, capable of being stated in a few words, is who has priority, who first conceived the discovery or invention that hard water can be softened by being treated with greensand or glauconite, as mentioned in the applications by the respective parties?

The whole question resolves itself into a question of fact —a question of evidence establishing when the invention was conceived.

Walker, on Patents, 5th edition, page 167, says:—

> The first applicant has a *prima facie* case of priority which entitles him to a decision in his favour, unless it is overcome by a proper weight of evidence for a junior party.

Were I to go into the details of the evidence as adduced at the trial it would mean labouring through a very long and cumbersome series of facts upon this interesting but complex question, leading me simply to a determination as to whether I can rely on the evidence as adduced in finding the first inventor. Therefore, I will limit myself to finding who was the first to conceive of the process in question in this case and make it an invention.

The evidence is clear, preponderant and conclusive, leaving the court in no uncertainty.

Spencer invented this process long previous to Borrowman.

Spencer is a geologist, engaged in scientific researches. He has already taken out a patent for a process of recovering potash (Exhibit 11), wherein this question of glauconite

and hydrated zeolites are mentioned. His mind is employed in that direction. He tells us that previous to May 3rd, 1912, he conceived and invented the process in question.

In that he is corroborated and supported by his manuscript notes filed as Exhibits 7 and 8.

He is corroborated by Mr. McElroy, a patent solicitor of good standing who gave his evidence in a satisfactory manner.

He is further corroborated by Dr. Duggan, a refined gentleman, graduate of a college in England, and who has a record of scientific training.

He is further corroborated by Professor Jackson, a gentleman now occupying the position of Professor at Columbia University, whose rectitude could not be questioned.

I have had the advantage of seeing these gentlemen on the witness stand, to observe their demeanor and manner of testifying, and I have come to the conclusion to accept their testimony. There is not a tittle of evidence upon which I could in justice and in reason rely, in order to disregard their testimony; and I would have to do so to find in favour of the defendant.

Moreover, these four witnesses, who are men of standing and repute, did not in testifying rely exclusively upon their unaided memory; each and every one of them had a land-mark, so to speak, upon which they could rely to recall the facts as well as the dates. Spencer's manuscript, McElroy's letters and entries in his books, the bag of glauconite—are all a source of recollection from which their testimony is a natural effusion.—Roscoe on Evidence, 19th edition 41. Spencer besides the recollection of what had occurred in Mr. McElroy's office had also Mr. McElroy's letter, and moreover he had committed the matter to manuscripts duly testified to by a witness, namely: exhibits 7 and 8, which were prepared by him at the time. Witness McElroy had his books of account, and the accounts themselves sent to Spencer for the work done and his correspondence, all of which were made in the ordinary course of discharging his professional business. Dr. Duggan remembers the fact of making tests, remembers receiving the bag sent to him by witness McElroy, and remembers when the bag was in their office where it remained for a

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very long time. Professor Jackson fixing the dates, the time and place, by his return from Europe when the bag was shown to him of which he has a perfect recollection.

All of this cannot be deemed a scheme to deceive the court, and I unhesitatingly accept their testimony as the truth.

Therefore I have come to the conclusion to adjudge and declare that Spencer, the plaintiff's assignor, is the first inventor of the process above referred to. The whole with costs against the defendant.

Judgment accordingly.