1925
May 18.

PAUL BERGEON ..... PLAINTIFF;

AND

THE DEKERMOR ELECTRIC HEATING CO., LTD. ..... DEFENDANT.

Patents—Practice—Action to impeach—Statement of claim—Interest—Scire facias—Information—Rule 16.

Held, that where it is sought to impeach or revoke a patent of invention by statement of claim, the plaintiff must establish a personal interest in the action as distinguished from that of the public interest against a monopoly. Failing to do so, he has no *locus standi* before the court, and his action should be dismissed.

2. Where the interest of a plaintiff is no more than that which is common to the public, then his right to impeach a patent is exercisable only by *scire facias*.

ACTION to impeach certain patents of invention granted to the defendant.

Ottawa March 9, 1925, and following days.

Action now tried before the Honourable Mr. Justice Audette.

Russel S. Smart and *J. Lorn McDougall* for plaintiff.

R. V. Sinclair, K.C. for defendant.

The facts are stated in the reasons for judgment.

AUDETTE J., now this 18th day of May, 1925, delivered judgment.

This is an action for the impeachment or revocation of the four Letters Patent of Invention mentioned in the plaintiff's Statement of Claim.

The case came on for trial in a regular way, at a date before which the hearing was actually proceeded with, when, however, the date of the actual trial was fixed. The questions of delay and date were, at the time, much debated. The defendant was asking for longer delay and the plaintiff was anxious to proceed at once. The defendant drew the attention of the court to the fact that there were seven Bergeon patents mentioned in the plaintiff's particulars of objection, that Bergeon was domiciled in France, and that a Rogatory Commission would have to be taken to examine him, etc. Thereupon counsel for the plaintiff declared he would not put any of these seven patents in evidence or offer any evidence of prior invention by Bergeon, concluding that with this undertaking the defendant should be able to proceed in a few days. Upon defend-

ant's counsel's request an order was then made giving effect to this declaration and the case was duly fixed for hearing and the trial proceeded with on such fixed date.

There were raised at the hearing an unusual number of substantial and intricate questions of law; but there is a most formidable one that lies at the very threshold of the case and which I shall have to decide before approaching any other. This question may be formulated as one based upon the well known fundamental doctrine of both civil and common law that no person can bring an action at law unless he has an interest therein.

The case was heard and closed without a tittle of evidence being adduced to establish or show that the plaintiff has any personal interest involved in this action, as distinguished from that of the public interest against a monopoly which prevents the manufacture of articles covered and protected by the patent for a limited period.

Therefore the defendant contends, and the plea is a very sound one—that the plaintiff has, by his declaration at the outset of the trial, abandoned all possible right of action, and therefore has no *locus standi* before this court. He is not an *interested* person.

Indeed to maintain an action instituted by Statement of Claim, there must be an existing and actual interest shewn and proved to permit the exercise of the right of action for the cancellation and avoidance of Letters Patent under the Great Seal. No action without interest is a maxim that sets forth a fundamental rule of law as well as of logic and has become axiomatic. The interest of the person who seeks to maintain an action must be vested in him originally or by transmission from another person. If in principle the interest asserted by a person does not belong to himself alone, but is common to the public, then the right of action is exercisable only in the name of the State.

Before considering our Canadian patent law, it will be well to ascertain what is the patent law in England upon the subject. There is no similar procedure in the United States. Walker on Patents, 3rd ed. 274.

Before 1883 the mode in England of revoking and cancelling a patent for invention was by a Sci-fa. in which a person complaining of the illegality of a patent was author-

1925

BERGEON v. THE DEKERMOR ELECTRIC HEATING CO., LTD.

Audette J.

ized by the *fiat* of the Attorney General to proceed in the *name of the Crown* for the repeal of the patent. The Crown has at common law an undoubted right to proceed by Sci-fa. to repeal and cancel a patent respecting which it has been deceived or by which *its subjects are prejudiced.* The King can avoid his own grant *jure regio.*

This cumbrous procedure by Sci-fa. has been abolished by sec. 26 of the Patent Act of 1883, and replaced by a petition to the court on behalf of certain person under specific circumstances. Then came the Patent Act of 1907 which, by sec. 25, authorizes various persons to present such a petition to the court:

> (*a*) by the Attorney General or any person authorized by him; or
> (*b*) by any person alleging,—
> (i) that the patent was obtained in fraud of his rights, or of the rights of any person under or through whom he claims; or
> (ii) that he, or any person under or through whom he claims, was the true inventor of any invention included in the claim of the patentee; or
> (iii) that he, or any person under or through whom he claims any interest in any trade, business or manufacture had publicly manufactured, used or sold, within the realm, before the date of the patent, anything claimed by the patentee as his invention.

If the petitioner is qualified under (*b*) he presents his petition *as of right;* any other person must obtain the fiat of the Attorney General authorizing the presentation of the petition. A *locus standi* can only be obtained under these two courses. And, as stated by Frost on Patents, 293, 4th ed., if there is any doubt as to whether a would-be petitioner is qualified *as of right*, he should take the precaution to arm himself with the fiat of the Attorney General, for the court will at the hearing refuse to go into the questions whether a patent is good or bad, if it appears that the petitioner has no *locus standi*, and that view is also borne out by the jurisprudence. See also Moulton on Patents, 211, 214.

Under sec. 32 of the Act of 1907, a defendant in an action of infringement may counter-claim for the revocation of a patent.

In the light of the English procedure let us now investigate what is the practice in force in Canada for the revocation of a patent.

The only section of the Canadian Patent Act (R.S.C. 1906, ch. 69) which deals specifically with the impeach-

ment of patents, is section 35 which provides for the revocation by way of Sci-fa. That is the only originating procedure provided by the Act, outside of sec. 45 which gives the Exchequer Court jurisdiction, upon the information of the Attorney General of Canada, or at the suit of any person *interested,* in respect of the seven preceding sections, dealing with importation and manufacture, a subject-matter not in question in this action. However, by sec. 34 thereof, the defendant, in an action of infringement, may also counter-claim for the revocation of the patent—as provided by the English Act.

By sec. 23 of The Exchequer Court Act, relied upon at trial, the Exchequer Court is given jurisdiction, as well between subject and subject as otherwise,

(*b*) in all cases in which it is sought to impeach or annul any patent of invention.

Now this section only makes cognizable in the Exchequer Court all such actions, and the Patent Act confers the substantive rights under a patent. All Canadian Patents granted, under the signature of the Commissioner, are so granted

subject to the conditions contained in the Patent Act.

Moreover, by Rule 16 of the Exchequer Court (made under the provisions of sec. 87 of the said Exchequer Court Act) and which has the force of statute, unless clashing with it, it is provided, viz:—

Impeachment of Letters Patent of Invention

Rule 16

Action to impeach or annul Patent of Invention

Any action or proceeding to impeach or annul any patent of invention may be instituted:—

(*a*) By information in the name of the Attorney General of Canada; or

(*b*) By a Statement of Claim filed by any person interested; or

(*c*) By a Writ of *scire facias* as provided in the 35th section of the Patent Act.

The present plaintiff originated the present action by a Statement of Claim; therefore he must be a person *interested.*

When an action is instituted either by information or by Sci-fa. it is quite different.

In the case of Sci-fa. the issue is made *jure regio* for the advancement of justice and right. It is not necessary to show interest.

1925

BERGEON v. THE DEKERMOR ELECTRIC HEATING CO., LTD.

Audette J

Hindmarch On Patent Privileges, relied upon by the plaintiff, does not apply to the present case, because Hindmarch only deals with Sci-fas. At p. 234 it sets forth the three cases in which the King will direct the issue of a Sci-fa. At the foot of page 234, he says:

> The action of *scire facias* is a remedy provided by law not only for the Crown on behalf of the public, but also for any of Her Majesty's subjects who can show that a void or illegal patent operates to his prejudice.

And further on, at p. 235, he proceeds to say that a patent is always, to a certain extent, prejudicial to every one of His Majesty's subjects, in that they must abstain from the use of the art or invention comprised in it, etc.

However, one must not overlook that in a case of Sci-fa. the subject can only sue after having obtained a fiat, etc., and that the whole structure of this procedure and the principle upon which it is founded differ materially from the one where the originating proceeding is by a Statement of Claim by a person *interested*. As already said, the issue of a Sci-fa. is not made by a person interested, but is made *jure regio* for the advancement of right and justice. Tidd's Practice, 1093.

The plaintiff cites and relies on the statement made with respect to Scottish decisions at page 248 in Fulton, Law of Patent, reading as follows:

> For instances of persons "having interest" see *Worthington Pump Co.* v. *Weir* (1) and *Montgomerie* v. *Peterson* (2). In this latter case it was held by the Court of Session that the owner of an invalid patent may yet obtain the revocation of another patent.

After reading the case last cited I find that it does not justify the broad statement made by the learned author. There is a total answer to this authority in that it cannot apply to or be used in support of this case which has been instituted by a Statement of Claim, at the instance of a person who should be a person *interested;* because the Scottish law is totally different from ours and even from the English law. In Scotland, under the provisions of sec. 94 of the English Patent Act, 1907, the corresponding proceedings for the revocation of a patent are in the form of an action of reduction at the instance of the Lord Advocate, *or at the instance of a party having interest with his concurrence* which concurrence may be given only on just cause shown. See sec. 94, Patent Act, 1907.

(1) [1894] 11 R.P.C. 657. (2) [1894] 11 R.P.C. 221, 633.

In the result, under the English law, the action for the revocation of a patent which was, before the Act of 1883, by Sci-fa. is now by a petition of the Attorney General, or by a person interested in specified and determined instances or cases.

Under our Canadian law, the action in revocation instituted in the Exchequer Court of Canada can be either by Information, Sci-fa. or by a Statement of Claim filed by any *person interested.*

The plaintiff failed to disclose any interest authorizing him to institute proceedings for revocation by a Statement of Claim. So far as the record now stands there is not a tittle of evidence showing that the plaintiff has any personal inherent *interest,* as distinguished from an interest common with the public at large, which would entitle him to prosecute the present proceedings. It is quite different from an action instituted by an Information or by Sci-fa. in the name of the King—as already above set forth.

The plaintiff who is a foreigner, and manufacturer of his devices in France, has, in the course of the trial tendered for production as exhibit 28, his Patent No. 243,069 for an Electrical Heating Apparatus, a patent distinct from the seven patents already mentioned in the particulars of objection. The application for the grant of this patent had been made on the 5th October, 1921, and the patent was issued and bears date the 23rd September, 1924.

It was issued to the plaintiff after the institution of the present action—(the Statement of Claim having been filed on the 9th June, 1924). He had no ascertained legal right in that patent at the time the action was instituted and no evidence whatsoever was adduced in respect of this patent,—either generally or specifically showing that it could be affected by the defendant's patents, and counsel for plaintiff stated he was only filing it to show the interest his client had " through having the patent " and that he was not relying upon it as an objection to the defendant's patents.

The production of this patent at trial was objected to by the defence, and, subject to his objection, reserving all his rights, I allowed it, stating at the time I could see no objection to its being filed and standing on the record for what it was worth, and evidence could be adduced or not

1925

BERGEON
v.
THE
DEKERMOR
ELECTRIC
HEATING
CO., LTD.

Audette J.

in support of it or leave it on the record in that bare way;— because I did not see that as a result of the undertaking already mentioned in regard to the seven Bergeon patents, mentioned in the Particulars, that the plaintiff could now be precluded from putting in that additional Bergeon patent for what it is worth. I can only find now that it is of no avail to the plaintiff for the purposes of establishing any interest that would justify him in instituting the present action by a Statement of Claim.

A person interested, under our Canadian Patent law, can institute, *as of right, an action* by a Statement of Claim to avoid a patent; but if there is any doubt as to whether or not he is as of right qualified as plaintiff he should have recourse to a Sci-fa. The proceedings on Sci-fa. are conducted through the agency of the Crown; but if it is initiated by a subject the *fiat* of the Attorney General must be obtained, as a condition precedent to the issue of the writ.

If a patent, or a Crown grant, stands as a prejudice to the Crown and affects its rights, an action for revocation will lie on the Information of the Attorney General of Canada.

For the reasons above mentioned I am of opinion that the plaintiff has no *locus standi* in the present case; that he has failed to show or prove any interest that would give him, as of right, any power or authority under our Canadian law, as it stands, to institute or maintain an action by Statement of Claim under Rule 16, for the revocation of a patent.

Having found as above mentioned it becomes unnecessary to consider the several other questions raised at trial.

The action is dismissed with costs.

Judgment accordingly.