

THE GOODYEAR TIRE & RUBBER }
COMPANY

PLAINTIFF;

1928
Dec. 3, 4 & 5.

VS.

THE RUBBER SERVICE LABORA- }
TORIES COMPANY

DEFENDANT.

1929
Jan. 23.

Patents—Conflict—Rule 343—Undesirability of moving to amend sealed statement—International convention—Abandonment and estoppel—Invention.

Held, That rule 343 of the General Rules and Orders of this Court requiring the parties, in a conflict action, within ten days after issues joined, to file, in a sealed envelope, a statement giving the date on which they claim to have invented the matter described in their application, was made to avoid placing a person between his duty and his interest, and whilst an application at trial to amend such statement, by giving a later date, was granted, the Court observed that such an application created an undesirable atmosphere.

- 2. That in a case of conflicting applications the Court has to decide who is the first inventor and not who first filed an application for a patent, and where the first inventor filed his application after a later inventor, a plea of abandonment or estoppel cannot be set up upon the ground of delay in making his application.
- 3. The words "not known or used by others before his invention" must be read alone, as they are without any qualification attached to them (*Wright v. Brake Service*, (1926) S.C.R. 434, referred to).
- 4. Under the International Convention, where inventors have filed applications for patents for invention in the United States and subsequently apply for patents in Canada for the same thing, they are entitled to have the priority of invention determined by the date of the filing of their applications in the United States.
- 5. That the true inventor is not he who first may say to himself that such and such a thing might be done, but he who works out the idea to completion and success and shows how it is done.

ACTION brought before this Court, under Section 22 of The Patent Act, for a declaration as to who, as between plaintiff and defendant, was the first inventor of the subject matter of their applications for patent, in respect to which the Commissioner of Patents had declared a conflict.

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

R. S. Smart, K.C., for plaintiff.

R. S. Cassels, K.C., and *H. Cassels* for defendant.

The facts are stated in the reasons for judgment.

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AUDETTE J., now (January 23, 1929), delivered judgment.

This is a case of conflicting applications for a patent relating to certain new and useful improvements in *Accelerators of Vulcanization* or otherwise called *Rubber Vulcanization Accelerators*.

An accelerator, as defined at trial, is a chemical compound which, when mixed with rubber, sulphur and zinc oxide causes the manufacture of rubber to take place in a shorter time than it would otherwise require and gives improved results as well. It increases the life of rubber compound in a great many cases, shortens the time of vulcanizing and gives improved results in the rubber.

Now the matter comes before this Court as a matter within its ordinary curial functions, and as set forth in sec. 22 of The Patent Act "for the determination of the conflict." The controversy is narrowed down or limited to the question of priority of inventorship between the parties. Who is the first inventor? And, under the numerous decisions of this Court, the Supreme Court and the Judicial Committee of the Privy Council (*The Permutit Company v. G. L. Borrowman*) (1), the consideration of the 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.

At the beginning of the trial, both counsel stated that the inventors, Messrs. Sebrell and Scott, would be heard as witnesses before the Court, and they in agreement asked leave to read and use at trial the evidence of several witnesses, on corroboration of the inventors, heard before the American Commissioner of Patents.

The application was refused; but, with much hesitancy and doubt, not to be used as a precedent, I allowed the parties to file an admission, to which such evidence was attached, stating that both parties agreed that Thomas W. Bartram, George L. Magoun, Herman K. Eckert, Paul T. Bricker, Charles R. Dawson, E. R. Waite and C. O. North, if called as witnesses in this case, would give the questions and answers set forth in the annexed printed record, and that the said record may be used with the same force and

(1) (1924) Ex. C.R. 8; (1926) 4 D.L.R. 285; 43 R.P.C. 353.

effect as if the witnesses had been called and had given the said evidence. The whole filed as exhibit B. (See also Exhibit 13.)

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Speaking generally, the subject of the inventions may be termed a reactive product or compound, formed from the chemical reaction between what is termed a mercaptan compound and a saturated organic base. This reaction product is described in Dr. Sebrell's laboratory note-book as of mercapto benzothiazole with ammonia, with ethylamine, with dimethylamine and amylamine, or with substances as theophenol, to cause it to react with a number of mercaptans, such as theophenol or mercaptobenzothiazole.

Both inventors being chemists engaged in the laboratories of the respective parties, seem to have proceeded in a similar manner to arrive at their discovery, which is the result of experiments in the laboratory, to be followed by the patent department of their company applying for a patent. That department in the plaintiff company—perhaps because of being a larger company having more business to discharge, was not as diligent as the department of the defendant company, in making the application for a patent. That, however, will be again hereinafter mentioned.

The status—if I may use this expression of the respective inventors, Sebrell and Scott—may be summarized as follows, viz:—

Sebrell

- Conception 30th November, 1923.
- Reduction to practice 4th March, 1924 (February and March, 1924).
- Commercial use June and December, 1925,
 on balloons and solid
 tire—involving sales.
- U.S. application 8th October, 1926.
- Canadian application 1st September, 1927.

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Scott

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Conception (by amendment). 25th September, 1924.
Reduction to practice in U.S.. 10th February, 1925—with
some work done in Aug.,
1925.

Commercial use December, 1925.

Application for patent in U.S. 9th October, 1925.

Application for patent in
Canada 6th October, 1926.

It will be realized that this is not one of the critical cases where the Court is called to decide between conception and reduction to practice, because the plaintiff is prior in conception, reduction to practice and commercial use.

Dr. Sebrell has obviously made a *primâ facie* case of priority.

There is more. Before entering into the consideration of the facts with the statute, it is well to say that Dr. Sebrell had, at previous times, been a co-inventor of this material of mercaptobenzothiazole for use as an accelerator of rubber vulcanization with Mr. C. W. Bedford. He had invented that material in 1920, so that in 1924, he had had several years of experience in working with mercaptobenzothiazole in different forms and under different conditions. (P. 35 of evidence.)

This matter is brought up in the course of the evidence when questions are put to him to explain letter exhibit A. In effect it amounts to this, that after having obtained a sample of Z⁸⁸, his preliminary analysis of the same revealed the presence of mercaptobenzothiazole. The rest of the compound of its exact composition was still then unknown to him for a much longer period of time; but, having as the result of this preliminary analysis, found this mercaptobenzothiazole, and thinking therefore it had been made according to his earlier United States patents, he assumed his previous patents infringed and that is the reason why these patents were mentioned in Exhibit A.

The final analysis of Z⁸⁸ was not completed by Sebrell until (much) long after the time the plaintiff's application was filed.

On the other hand, dealing with the defendant's case also, on preliminary facts, I must say that in compliance with rule 343, of the Rules and Orders of this Court, reading as follows:

343. In all cases of conflicting applications for a patent, each applicant shall, within ten days after the issues are joined upon the pleadings, file with the Registrar of the Court in a sealed envelope a statement in writing duly signed by him setting forth the date on which he claims to have invented the matter or thing alleged to have been invented by him in his application for a patent, and each party making disclosure as aforesaid shall be bound by the date of his alleged invention so established. that each party complied with the provisions of the same.

In this statement, the defendant sets forth that he has conceived and disclosed his invention in the United States on the 1st February, 1924.

However, when we come to trial, an application is made to amend the same and to declare the conception and disclosure of the invention in the United States is the 25th September, 1924. At the date of the compliance with rule 343 there was no interest to adhere to one date or the other because then he did not know the plaintiff's date, but at the time of the amendment he did. This places us in an undesirable atmosphere.

Indeed the rule was made with the very object of preventing the parties disclosing the date of their invention when they knew of the date of the invention in the conflicting application. All of this was to avoid placing a person between his duty and his interest.

I allowed the amendment because it moved the date back, but I dislike the atmosphere of this change of that date and would rather it had not occurred, especially in view of the fact that the evidence now before the Court does not justify the shadow of a reason for him to have named the 1st February, 1924, in his first disclosure.

Coming now to the consideration of the controversy under its legal aspect, it must be found that the true issue rests on the determination as to who is the first inventor of this reaction product of those mercaptan compounds with saturated organic basis, for the purpose of an accelerator in the manufacture of rubber.

There is no controversy as to what the parties actually did and we are met with the same class of evidence to prove the contention of the respective parties.

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The question, as defined by the statute, is who invented first, and not who first applied for the patent. And when the applications have been filed within the delay mentioned in the statute, it would seem subversive to the substance of the law, to contend that he who applied first should succeed. The question of abandonment or estoppel by laches of delay cannot arise in a case like the present one. The application was made within the statutory delay. When both applications are before the Patent Office without any determination upon either of them,—an abandonment or estoppel cannot be pleaded on the ground that one application came long after the other.

See upon this question *Mason v. Hepburn* (1), where the inventor did not disclose his invention for seven years and yet was found the first inventor.

See also *Esty v. Newton* (2); *McBerty v. Cook* (3); *Gaisman v. Gillette* (4); *Pierman v. Chisholm* (5); *Hubbard v. Berg* (6); *United States v. Bell Telephone Company* (7); *Chapman v. Wintroath* (8).

Furthermore one must distinguish this case from cases where a second applicant comes after the statutory delays or when a patent has already been granted and issued. This is not the case under consideration.

Section 7 of the Patent Act is as follows:

7. (1) Any person who has invented any new and useful art, process, machine, manufacture or composition of matter or any new and useful improvements thereof, not known or used by others before his invention thereof and not patented or described in any printed publication in this or any foreign country more than two years prior to his application and not in public use or on sale in this country for more than two years prior to his application may, on a petition to that effect, presented to the Commissioner, and on compliance with the other requirements of this Act, obtain a patent granting to such person an exclusive property in such invention.

Now the evidence establishes that Sebrell conceived or invented his reaction product, reduced it to practice and even to commercial use, in applying it upon balloon and

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| (1) (1898) 13 App. C., Dist. of Col. 86, at pp. 93, 94, 96. | (5) (1916) 44 App. C., Dist. of Col. 460. |
| (2) (1899) 14 App. C., Dist. of Col., 50 | (6) (1913) 40 App. C., Dist. of Col. 577, 585. |
| (3) (1900) 16 App. C., Dist. of Col. 133, 134. | (7) (1897) 167 U.S. 224 at 247. |
| (4) (1911) 36 App. C., Dist. of Col. 440. | (8) (1920) 252 U.S. 126 at 137. |

solid tires, before Scott (defendant) conceived the idea of his invention.

The words of sec. 7 "not known or used by others before his invention" obviously apply to Sebrell, while it cannot apply to Scott who is alleged to have invented not only after the plaintiff did invent, but even after his product had been reduced to practice and used commercially. The invented product claimed by Scott was known and used by Sebrell before he invented and the public will only know of the ingredients of the product from the specification when the patent is granted and becomes known.

These words "not known or used by others before his invention" commented in the case of *Wright v. Brake Service* (1) must be read alone as they are without any qualification attached to them. The *Laforce* case was also discussed in the latter case. And as said in the Judicial Committee of the Privy Council in the case of *The Pope Appliance Corporation v. The Spanish River Pulp and Paper Mills, Limited*, (1) (unreported),

After all what is invention? It is finding out something which has not been found by other people.

The Patent Office has decided what and where is the conflict and it is now for the Court to determine who is the first inventor of the subject matter in conflict,—since the Patent Office has no power or authority to decide the same.

The case of *Corona Cord Tire Co. v. Dovan Chemical Corporation* (2) dealing, as in the present case with rubber accelerators. is quite illustrative and apposite. At p. 387 (8), after stating that the accelerators had been reduced to practice in the production of cured or vulcanized rubber, as in the present case,—the Court says:—

This constitutes priority in this case. It was not followed by commercial use thereafter, because of the then cost of D.P.G. But this patent is for the mere discovery and application in the making of rubber of a particular accelerator. It was the fact that it would work with great activity as an accelerator that was the discovery, and that was all, and the necessary reduction to use is shown by instances making clear that it did so work, and was a completed discovery.

(1) (1926) S.C.R. 434.

(2) (1927) 48 S.C. Reporter 380.

Reporter's Note: (1) Judgment allowed on the 23rd November, 1928.

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Reduction to use, as in the present case, makes the discovery complete.

(9) It is said that these tests of — were mere abandoned laboratory experiments. There was no abandonment in the sense that — had given up what he was seeking for in demonstrating a new and effective accelerator in D.P.G. If he had been applying for a patent for the discovery he clearly could have maintained proof of a reduction to practice. A process is reduced to practice when it is successfully performed. A machine is reduced to practice when it is assembled, adjusted and used. A manufacture is reduced to practice when it is completely manufactured. A composition of matter is reduced to practice when it is completely composed.

* * * * *

It is a mistake to assume that reduction to use must necessarily be a commercial use. If — discovered, and completed, as we are convinced that he did, the first use of D.P.G. as an accelerator in making vulcanized rubber, he does not lose his right to use this discovery when he chooses to do so for scientific purposes or purposes of publication or because he does not subsequently sell the rubber thus vulcanized or use his discovery in trade or does not apply for a patent for it. It is not an abandoned experiment because he confines his use of the rubber thus produced to his laboratory or to his lecture room.

Although the Canadian applications are filed at the dates given, the applicant is entitled to have the priority determined under the United States date by reason of it having been filed under the International Convention. Therefore, it would seem that the date to be considered, is the date of the filing in the United States, and that applies to both parties. See Exhibit No. 1.

The facts establish, beyond controversy, that the idea of the compound for the purpose of accelerator in rubber, had flashed upon the mind of Sebrell, and that he reduced his discovery both to practice and commercial use, long before it appears to have been thought of by Scott. However, it may be added, an inventor is not the person who first may say to himself that there may be some way of using some given chemical compound to be used as rubber accelerator; but the true inventor is he who works out the idea to completion and success and shows how it is done. Sebrell in that true and genuine sense is the first inventor. His discovery is described with minute and convincing fidelity and is corroborated by a number of witnesses.

Therefore, I have come to the conclusion to adjudge and declare Sebrell, the plaintiff's assignor, and not Scott, the defendant's assignor, the first inventor of the subject-matters of his application for a patent, as above referred to. The whole with costs in favour of the plaintiff.

Judgment accordingly.