The Report of the Parker Committee on Patent Law 1916

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The Report of the Parker Committee, formed in 1916 to consider potential reforms to patent law, was not published. It was concerned, in part, with the abuse of the British patent system by foreigners, proposing significant reforms to address the perceived issues. Ultimately, its proposals were the basis of the failed Patents and Designs Bill 1917. Significantly, the Committee considered issues around compulsory licences, licences of right and the patenting of medicinal products (that is, pharmaceuticals). The public records do not include a copy of the final report or all the key memoranda from which the Committee started its work. These are brought together here for the first time.

Keywords: *patent history, pharmaceutical patents, compulsory licensing, Patents and Designs Bill 1917*

INTRODUCTION

The Parker Committee was a Departmental Committee formed in 1916. It was one of six Departmental Committees which considered reform of the patent law during the twentieth century – Hopwood,¹ Fry,² Parker, Sargaent,³ Swann⁴ and Banks⁵ – but it was the only one whose report was not printed as a Command Paper. Worse than this, however, is the fact there is no copy of the final report in the possession of the Intellectual Property Office⁶ or, indeed, in the National Archive.⁷

The origin of the committee was a request to Lord Parker of Waddington⁸ from William Temple Franks, the Comptroller of Patents, to consider the amendments necessary to the Patents and Designs Act 1907. When Parker agreed to do so he was sent two

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1. (1900 Cd 210), Vol 26, p 821.

2. (1901 Cd 506), Vol 23, p 506; Appendices (1901 Cd 530), Vol 23, p 599; Solicitor-General's Report (1902 Cd 1030), Vol 83, p 729.

3. (1931 Cmd 3829), Vol 16, p 709.

4. First Interim Report (1944–5 Cmd 6618), Vol 5, p 421; Second Interim Report (1945–46 Cmd 6789), Vol 14, p 155; Final Report (1946–7 Cmd 7206), Vol 13, p 457.

5. (1970–71 Cmnd 4407), Vol 43, p 1.

6. Record of FOI request by an unnamed Australian academic to the Intellectual Property Office dated 20 December 2013.

7. The relevant file is BT 209/485. It includes earlier drafts, but not the final report.

8. He was a Lord of Appeal in the Ordinary.

Memoranda produced by Temple Franks.⁹ The first was a Memorandum on German use of 'our' Patent Laws (the German Use Memorandum) of 3 February 1916;¹⁰ and the second set out Amendments to the Patents, Designs and Trade Marks Law, divided into two Groups, 1 and 2, and was produced at the end of March 1916 (the 1916 Memorandum).¹¹ Only the 1916 Memorandum was originally sent to the other committee members.

The Committee comprised Lord Parker; William Temple Franks; Arthur J Walter KC,¹² representing the bar; Henry Cooke, a solicitor;¹³ William J Tennant,¹⁴ representing the Patent Agents; James Swinburne,¹⁵ representing industry; and AJ Martin, of the Patent Office, acting as the Secretary. They first met on 21 June 1916¹⁶ and met a further 11 times before reporting on 31 October 1916.

The Terms of Reference of the Committee¹⁷ were never formally set down but were described 'roughly' as:¹⁸

To enquire whether any and what amendments are required in the Patents Act or other Statutes with the object (1) of preventing the exploitation of the Patent Laws by foreigners to the detriment of British trade, (2) of affecting the better encouragement of invention and securing more adequate and certain remuneration to inventors, (3) of securing that in the public interest all useful inventions should be brought into use at the earliest possible moment.

The Committee did not hear witnesses and gather evidence, but rather they exchanged various notes and memoranda¹⁹ on the amendments included in the 1916 Memorandum, as well as proposing their own new amendments.²⁰ The remit of the Committee was not as wide ranging as some of the later committees, such as Sargaent, Swann or Banks; it was mainly intended to consider the amendments in the 1916 Memorandum which had 'practically [been] accepted by the Board of Trade'.²¹ The product of the committee was also more restricted. It initially produced

9. Letter to Lord Parker from Temple Franks dated 5 May 1916; also see Letter to Lord Parker from Temple Franks dated 12 June 1916: National Archive: BT 209/485.

10. This memorandum is mentioned in *H Lundbeck A/S v Generics (UK) Ltd & Ors* [2008] EWCA Civ 311 at [43].

11. The dating of the 1916 Memorandum comes from the Letter to Lord Parker from Temple Franks dated 5 May 1916: National Archive: BT 209/485. The dating of the German Use Memorandum comes from references made in the 1916 Memorandum.

12. His Chambers were at 5 Fig Tree Court (now 8 New Square).

13. Messrs Bristows, Cooke and Carpmael.

14. Boulton, Wade and Tennant.

15. Sir James Swinburne Bt, FRS, was a prominent electrical engineer and a past president of the Faraday Society.

16. See Letters to Members from Temple Franks dated 15 June 1916: National Archive: BT 209/485.

17. The Committee subsequently considered trade marks, but this seems to have been a follow-on activity rather than the original purpose.

18. See Letter to Sir Hubert Llewellyn Smith (Permanent Secretary, Board of Trade) from Temple Franks dated 24 May 1916: National Archive: BT 209/485.

19. This included a somewhat radical proposal by Lord Parker to allow anyone to work an invention within two years of the complete specification being lodged to help bring it into commercial use. The Memorandum was typed up and annexed in a letter from Martin to Lord Parker dated 22 June 1916. The proposal was not taken forward by the committee: National Archive: BT 209/485.

20. A significant amount of the debate was over the Patents and Designs Act 1907, s 24 (Compulsory licences and revocation).

21. Letter to Lord Parker from Temple Franks dated 12 June 1916: National Archive: BT 209/485.

an annotated version of the Patents and Designs Act 1907, setting out its recommended amendments, and only later produced a written report.²²

As mentioned previously, the report was unpublished; it appears that the only known copy of the final typewritten report is that which belonged to Arthur Walter KC. This has been donated²³ to the Queen Mary Intellectual Property Archive. While the copy of the report itself is complete it does not include the annotated version the 1907 Act. It also does not include the 1916 Memorandum from which the Committee began its work. However, it does include the German Use Memorandum presented to Lord Parker and another memorandum from the comptroller setting out proposals for amendments to the 1907 Act dated 1 October 1912 (the 1912 Memorandum). Both these additional documents were mentioned in the 1916 Memorandum and requested by committee members, but were initially not disclosed as they were said to be confidential.²⁴ It appears they were eventually tabled at one of the meetings and copies were retained by Walter. No copies of either document remain in the National Archive files.

The material reproduced here includes all three things contained in Walter's Report,²⁵ that is, the report itself, the German Use Memorandum and the 1912 Memorandum.²⁶ Also reproduced here is the 1916 Memorandum circulated to the committee, which is taken from the National Archive file. The amendments in the 1916 Memorandum, and particularly those in Group 2, were mainly a revised version of those included in the earlier 1912 Memorandum. Accordingly, where the text relating to a section in the later document is *exactly* the same²⁷ as in the earlier Memorandum it is not repeated, but cross-referenced. The spelling, grammar and punctuation have been retained and missing words have not been added.²⁸ Formatting has clearly changed, and underlined text has been italicized as this is how it was intended to be represented.²⁹

It appears that there is no longer any copy of the textual annotations to the 1907 Act made by the Committee and sent to the Permanent Secretary of the Board of Trade. These amendments were, in reality, the core the committee's work. However, the first draft of the Patents and Designs Bill 1917³⁰ (the Draft Bill) held in the National Archive was said by Parliamentary Counsel to 'reproduce practically verbatim the amendments suggested by the Committee'.³¹ The Draft Bill sustained only a

22. See letter to Llewellyn Smith from Temple Franks dated 1 November 1916: National Archive: BT 209/485.

23. By Sir Robin Jacob.

24. Letter from Cooke to Martin dated 16 June 1916; and Martin's reply dated 19 June 1916: National Archive: BT 209/90.

25. The two Memoranda are not actually part of the report of course.

26. The 1912 amendments, unlike the other documents, are printed rather than typewritten and so it was sometimes referred to as the printed memorandum.

27. Other than spacing, capitalization or punctuation.

28. The word 'section' was omitted for some reason before each of the Class A amendments in the report; other mistakes include saying 'Clause E' rather than 'Class E'. However, quotation marks have been added around proposed inserted text in the 1916 Memorandum.

29. As is clear from comparing similar passages in the typewritten 1916 Memorandum and the printed 1912 Memorandum.

30. Draft of a Bill to Amend the Patents and Designs Act 1907 (20 February 1917) Print 51-1: National Archive: BT 209/90.

31. Parliamentary Counsel's Memorandum: Patents and Designs Bill to accompany print: National Archive: BT 209/90.

few modifications³² before being presented as a Bill to Parliament (and so printed as a Parliamentary paper).³³ Two years later, the Bill which was presented to become the Patents and Designs Act 1919 had undergone some significant changes.

The Parker Committee itself progressed from looking at patents to considering amendments to the Trade Marks Act 1905. The Committee's work in this regard is much more limited. There is some material in the National Archive files mentioning ideas for trade marks particularly relating to trade marks for medicines,³⁴ but the only conclusions reached by the Committee are found in certain handwritten amendments³⁵ to a draft of the failed Trade Marks Bill 1917.³⁶ These amendments were incorporated, with some minor changes, in the presentation version of the Trade Marks Bill 1919,³⁷ which became the 1919 Act.

32. The differences between the Draft Bill and the final Bill (1917–18 HC Papers 106), Vol 2, p 257 in summary were:

- (1) Proposed s 27 inserted by the final Bill was s 24A in the Draft Bill;
- (2) Proposed ss 27(2)(a) and (d), (3)(a) and (b) and (11) had some modifications from their equivalent in s 24A of the Draft Bill;
- (3) Proposed s 24(1)(a) and (d) in the final Bill had some modifications from their equivalent in s 24 of the Draft Bill;
- (4) Proposed s 27A inserted by the final Bill was s 24B in the Draft Bill;
- (5) In the final Bill: Cl 1 inserted proposed s 27; Cl 2 inserted proposed Cl 24; and Cl 3 inserted proposed s 27A. In the Draft Bill, proposed ss 27 to 27B were all inserted by Cl 1;
- (6) Cl 6 of the final Bill was more straightforward in the Draft Bill (as Cl 4), it simply substituted the word “fifteen” for “fourteen” in s 17 and inserted ‘Notwithstanding anything contained in the statute of monopolies’;
- (7) Cl 7 of the final bill was moved from the Schedule of Minor Amendments in the Draft Bill and provision was added to exclude enemies;
- (8) Proposed s 38A in the Draft Bill read: “38A. No patent shall preclude the free manufacture whether by a patented process or otherwise, or the free sale or use of any article or substance for human food or medical purpose” (Cl 11 and 8);
- (9) Proposed s 71(4) had minor drafting differences between the two bills (Cl 15 and 12);
- (10) The definition of ‘Working on a commercial scale’ proposed for s 75 was not included in the Draft Bill (Cl 18 and 15);
- (11) Cls 4 and 8 to 21 in the final Bill were Cls 2 and 5 to 18 in the Draft Bill;
- (12) There was an additional amendment in the Schedule of Minor Amendments in the final Bill (that to s 94) and a minor drafting difference in the proposed amendment to s 21;
- (13) There were typographical corrections in the final Bill notable the incorrect spelling “controller” was sometimes used in the Draft Bill.

33. (1917–18 HC Papers 106), Vol 2, p 257. It was never expected that the Bill would progress: Letter to Lord Parker from Temple Franks dated 26 June 1917: National Archive: BT 209/90.

34. Various documents in the National Archive: BT 209/485.

35. These annotated versions of the 1917 Bill are included in the National Archive: BT 209/504 and BT 209/505.

36. (1917–18 HC Papers 105), Vol 2, p 829; Bills with these amendments marked are found in the National Archive: BT 209/504 and 505.

37. (1919 HC Papers 132), Vol 2, p 949.

THE REPORT

To the President,
The Board of Trade.

Proposed Amendments to the Patents and Designs Act 1907

This Committee which has held twelve sittings now begs to present the following Report upon its work.

Accompanying this Report is a copy of the Patents and Designs Act, 1907, with the amendments which we advise duly interleaved.

We do not recommend that the whole of the Patents and Designs Act, 1907, should be placed before the Houses of Parliament but that the Amendments should be incorporated in an Amending Act. For the purpose of making the nature of the Amendments clear, however, we have thought it best to present the Amendments in the form adopted.

The proposed Amendments are of 5 kinds

- A. Alteration in substance in the Law and procedure to be adopted in case of mis-use of the Patent Monopoly.
- B. Alteration in the Law relating to the grant of Patents which practical experience has shown to be desirable.
- C. Alterations in the Law relating to the enforcement of Patent Rights.
- D. Minor alterations in practice and procedure and amendments rendered necessary by the foregoing amendments.
- E. Alteration in the position of Patent Agents.

We have grouped under each head the amendments we propose but we desire in the first place to state that the language used in each amendment has been very carefully considered and the words adopted are those which from our practical acquaintance with the cases to be dealt with are in our opinion best adapted to carry out the objects aimed at.

Under head A may be placed the following amendments

- 1. the repeal of Sections 24 and 27 of the Act of 1907
- 2. the enactment of the new sections provisionally numbered 24 and 24A
- 3. the repeal of Section 58 of the 1907 Act and the substitution of the new Section numbered also 58.

The nature of these amendments will be dealt with more specifically at a later stage but we desire in the first instance to state generally the reasons which have guided us in our proposals.

The object of granting patents for new inventions is to benefit the trade or industry of the United Kingdom. For this purpose it is not enough to reward the inventor. It is also necessary to secure that new inventions be brought into commercial use without undue delay. To bring a new invention into commercial use requires in many cases the co-operation of the capitalist and the readiest way of securing this co-operation is the grant of a monopoly. A monopoly being contrary to common right can only be justified by some consideration moving to the public. The consideration justifying the grant

of a monopoly for a new invention is not only the disclosure to the public of information which they can use when the period of the monopoly expires but the benefit to trade by the new invention being brought into commercial use during that period. The public therefore are entitled to have the monopoly so framed and guarded that they are not deprived of this consideration. The real difficulty is to prevent the abuse of the patent monopoly without so restricting it as to deter the capitalist from financing the inventor.

There are therefore various conflicting interests to be considered. The inventor has to be rewarded and encouraged to exercise his inventive skill. The financier has to be induced to assist the inventor in bringing his invention into practical use, and lastly the public have to be protected from the abuse of the monopoly and the loss of the consideration which alone justifies its grant.

The chief abuses of the Patent monopoly may be summarised as follows

- (1) Preventing the use within the Realm of the patented invention from ulterior motives.
- (2) Using the Patent monopoly to encourage trade abroad and to hinder trade in the realm.
- (3) Hindering the trade of the realm by unfairly refusing to grant Licences.

We have endeavoured to deal with all these abuses and to provide a ready and convenient procedure by which any attempt to use monopoly rights to the harm of the public can be prevented without unduly interfering with any Patentee or financier where the patent rights are being legitimately used.

We have thought it inadvisable to draw any distinction between British Patentees and Foreign Patentees. In framing our proposed amendments we have, however, borne in mind that most of the cases in which abuses of the monopoly rights arise are cases of Foreign Patentees and we believe that the sections we have drawn will go a long way to prevent such abuses in future, and will tend to bring inventions into early use and develop manufacture within the realm.

Any special disabilities to be imposed on foreigners should be embodied in an Aliens Act, which should deal not only with such matters as Patents, Designs and Trade Marks, but with the whole relations of aliens to British trade and industry, including the ownership of land and other property, and the directorships of companies.

Ever since the year 1883 the Legislature has attempted to prevent the abuse of Patent rights but, as practical experience has shown, the procedure adopted and the standards of comparison set up have failed to deal successfully with the problem.

The procedure even in Section 24 of the Act of 1907 was too cumbrous to be successfully used and the standard of comparison between British and Foreign manufacture laid down by Section 27 of the Act of 1907 was one which could never be worked out in practice as the necessary data were not available.

We suggest the repealing of Sections 24 and 27 of the Act of 1907 and we have attempted in the new sections 24 and 24A to lay down a complete and comprehensive scheme for the purpose of both encouraging early manufacture within the realm and of preventing abuses of the Patent monopoly.

It must be borne in mind that inventions may be divided roughly into two classes viz. those which do and those which do not require for their practical development the

expenditure of considerable capital. In the case of some inventions capital to the extent of over £100,000 has been expended before any return has been received by the owners of the Patents. On the other hand there are many inventions which need but little capital to procure their commercial use. The new sections are so framed that adequate discrimination in this respect can be exercised by the tribunal in determining whether in any particular case there has been an abuse of the Patent monopoly.

There seems to have been an idea that revocation of a patent in case of abuse of the Patent monopoly was the best course to adopt in the interests of the realm. There may be cases in which the only punishment for abuse of the Patent monopoly should be revocation but in the majority of cases the best interests of the country will probably be served by making the grant of compulsory licences the punishment for abuses of the monopoly. It would frequently be to the advantage of a foreigner that a Patent – even his own Patent – should be revoked if it were not being worked within the realm. In spite of such revocation he could still import the patented article from abroad, and sell it at prices which would preclude its manufacture in the United Kingdom. This would not be possible if a compulsory licence were granted and the licensee were given power to enforce the patent monopoly.

It is not necessary to explain in detail the various terms of the proposed new Sections 24, 24A and 58 for they express on their face what we advise.

Section 24 is an endeavour to establish a voluntary system by which inventors and manufacturers may be brought in touch and by which the manufacturer will obtain the assistance of the Comptroller in fixing the royalty and prevent any extravagant value being placed by a Patentee upon his invention. If practice shows that such a Scheme proves of value it might hereafter be more extended.

Section 24A deals with all the known cases of abuse of Patent monopoly and Section 58 deals in like manner with the known cases of abuse of the Design monopoly.

In each case the question for determination comes before the Comptroller in the first instance with an appeal to the selected Judge as provided by the 1907 Act and with no appeal from such Judge unless the Patent has been revoked or the Design cancelled.

Class B

11(b)(c)(f) These amendments extend the scope of opposition and prevent the grant of Patents for what is obviously old.

17. In the majority of Continental Countries the term of a Patent is 15 years, and at the International Conferences on Industrial Property Great Britain has been urged to extend the term of British Patents. It is suggested therefore that the period should be extended to 15 years. This may also meet any objection raised by patentees as to the wider scope of the compulsory licence clauses.

19(3) The amendments of this Section are intended to provide that “patents of addition”, which have hitherto been dependent on the life of the principal patent, should hereafter have an independent status if for any reason the principal patent is revoked.

41A. As the Law at present stands an inventor can work his invention in secret for some years and then take out a patent. It is thought that he ought to elect at an early stage whether he will take out a patent and disclose his invention to the public, or work his invention in secret.

Class C

Section 29. Considerable doubts have arisen and much confusion exists as to the cases in which agents and contractors for the Government are authorised to use inventions. It is thought that the simplest and fairest course is to extend the privilege only to those authorised in writing.

It will be necessary, of course, to consult the Admiralty and War Office as to this proposal.

Section 31. The use of assessors in the trial of Patent actions is very rare and very seldom is of any advantage to the parties and it is felt that the right to have an assessor should be limited to the cases where both parties desire it or when the court itself orders it.

Section 32A. The Courts have for a long time felt that the issues in a Patent action are far too numerous and that it ought to be possible to try the real issue between the parties cheaply and expeditiously. This section, which is new, is an attempt to simplify the trial of a Patent action. It does not really in any way alter the rights of the parties but greatly simplifies procedure and saves cost. The same results as can be obtained under the proposed section can be obtained now by two Trials with an intermediate application to amend.

Section 34. Deprives the Plaintiff on an infringement action of the right to an account of profits. It is very seldom asked for and damages appear to us to be the proper and adequate remedy.

Section 35. All amendments consequent upon the enactment of the new Section 32A.

Section 36. Experience has shown that the terms of the present Section are not wide enough to hit improper threatening under a Patent particularly by Foreign patentees. The proposed amendments will prevent this abuse.

Section 38A. This is a new Section intended to bring the law in Great Britain into agreement with the laws of nearly all other Countries. It is felt to be in the public interest that there should be the right of free use of inventions for the manufacture of food and medicines, but as the Patented articles may be of use for other purposes it is thought that the best way of dealing with the position is to allow Patents to be taken out but not to be used to restrain manufacture or use for food or medicine.

Class D

The majority of these amendments are either rendered necessary by other alterations in the Act or are minor alterations found desirable in practice and procedure. Notes are appended only to those which require special attention.

Section 6(3) Proviso

Section 6(4)

Section 7(4), (6) and 8. Section 8 did not come into operation on the passing of the Act of 1907, but was deferred until such date as directed by Order of the Board of Trade (see Subsection 4). It came into operation on 1st January, 1909, consequently Subsection (4) is now obsolete and may be omitted. The further amendments are merely drafting amendments which remove ambiguities and consolidate the practice and procedure in the Patent Office.

Section 12(a). This new section appears to us to be necessary to deal with two classes of difficulties which frequently arise where disputes occur between co-applicants or co-patentees. It is most desirable that the Comptroller should be given power to deal with such cases.

Section 13. Merely verbal.

Section 15. This gives the Comptroller power in cases where the applicant or patentee has obtained the invention from the true and first inventor, to substitute the real inventor as grantee of the patent. This follows the practice where fraud is proved in the High Court.

Section 18. The War has prevented the exploitation and continued working of many patents and claims for indulgence on this account have been made on behalf of patentees. The amendments to this Section are designed to give the Court power to extend the term of a patent in proper cases, and where real hardship is shown.

Section 20(6). Mere redrafting.

Section 21(7). Incorporates Judicial practice into the Act.

Section 22. A desirable addition to the power of the Court to amend a specification and gives the Court the same power as the Comptroller.

Section 23. Makes definite an otherwise indefinite date.

Section 25 2(b). In view of the changes introduced by the new Section 24A which makes the grant of a compulsory licence the real relief it is highly undesirable that this subsection should remain. It introduces into ordinary revocation proceedings totally different considerations largely administrative and greatly complicates an otherwise simple procedure.

Section 38(4). For the reasons given under Section 25(2)(b) above this subsection should be repealed. It is also contrary to the rest of the Section for after declaring that a condition in a contract is null and void it purports to give a defence as though it was still valid.

Section 39. Re-drafting amendments necessitated by other amendments and giving the Comptroller power over costs.

Section 50. The proposed proviso prevents an improper extension of the Design rights for which the existing Act does not adequately provide.

Section 71. The amendment in effect makes registration compulsory in the case of assignments or other dealings with Patent rights. It is desirable that the Register should represent the actual state of the title.

Section 75. An appeal to the Law Officer is given here; there is such an appeal in practice and it is desirable to make the right statutory.

Section 92. This does not alter the Law but in view of the other alterations in the Act it was necessary to redraft this Section. If this amendment is adopted the Patents and Designs Act 1908 can be repealed.

Section 93. The proposed amendment of the definition of “design” brings the definition into harmony with the existing Judicial decisions and removes the ambiguity in the present definition. The amendment of the definition of “patentee” is consequent upon the amendment of Section 71.

Clause E

Section 84. It is felt that it is high time that all persons describing themselves or holding themselves out as Patent Agents should be compelled to register themselves as Patent Agents.

There are very few persons who so act who are not on the Register and an opportunity is given by the proposed new section for all these persons to go on the Register during 6 months after the passing of the Act.

The only persons who would not be admitted are those whom the Board of Trade would have struck off for grave professional misconduct had they been already on. The public has the right to be protected against such persons over whom there is no control as they chiefly rob the public by pretending to take out foreign Patents.

The definition of Patent Agent has therefore been extended to include persons carrying on business here who hold themselves out in this country as agents for obtaining foreign Patents.

The new section does not prevent a Solicitor in the course of his business taking out a Patent for a client if he does not describe or hold himself out as a Patent Agent and if he does he ought to be registered as a Patent Agent as in fact some solicitors are.

We have the honour to be,

Sir,

Your obedient Servants,

PARKER OF WADDINGTON

ARTHUR J. WALTER

HENRY COOKE

J. SWINBURNE

W^m. J. TENNANT

W. TEMPLE FRANKS.

A.J. Martin, Secretary,

31st October, 1916.

GERMAN USE MEMORANDUM

Memorandum on German use of our Patent Law &c, and suggested remedies

In the course of the hearings held at this Office under the Temporary Rules Acts, a considerable amount of information has been obtained with regard to the trade and dealings of German firms in this country, and, in particular, as regards their method of utilising and exploiting the various inventions patented by them in this country.

The question, I understand, is now raised as to how far these proceedings show the necessity for any amendment of the law connected with Patents, Trade Marks or Designs or for any new legislation.

1. At the outset, I think it may be said that the information brought before us in the course of these enquiries has shown that the Germans have carefully studied and most astutely used every provision of our Patents and Trade Marks Laws for the furtherance of their trade. Their main purpose has been throughout to secure, by means of their Patents and Trade Marks, monopoly in certain important lines of trade, to keep this trade in German hands, and, so far as possible, to satisfy the demand by importation and manufacture in Germany. To illustrate their use of our Patent and Trade Mark law, the following points may specially be noticed:-
  - (1) It may, I think, be said on the whole that a wider and more careful use is made of our Patents Act by the Germans than by our own countrymen. Every new discovery is carefully studied and is applied in all its bearings to commercial uses and Patents are applied for and taken out in every possible case. By these means important discoveries are seized upon and the only available practical uses are kept, by means of the Patent monopoly, as far as possible in German hands. So far as my knowledge goes, there is not the same careful use made of the Patents Act by inventors in this country. Discoveries and scientific information are given to the world before the practical uses have been carefully thought out; and in many cases a discovery made by English scientific men has been first turned to commercial use and patented by German agency. There is a tendency also among English firms to keep certain processes secret and unpatented, the consequence being that the trade remains a small one, even though a monopoly, and there is no basis upon which further inventions and improvements may be made by the general public. What has been described above is not the fault of the law but of the attitude of our own Commercial men.
  - (2) Where any invention of real commercial importance has received Patent protection, it is the general custom of German firms to patent some new improvement at frequent intervals. In a large number of cases at least one new patent a year is taken out connected in some way with the parent patent, and this series of patents tends to extend and strengthen the monopoly. It is difficult to say that such patents are in all cases merely obstructive patents. They are often genuine improvements which facilitate any industry which has been started. None the less, I think it may be said that it is the policy of German firms to secure a series of patents, if possible, in order to consolidate and extend their monopoly. One result is that it is almost impossible to say where infringement of such inventions begins or ends. Among a mass of patents there may always be one which will be infringed, if any attempt is made to exploit any similar invention.
  - (3) In a large number of cases it is commonly asserted that full information is not given by German patentees in their specifications. This, according to Patent

law, is a necessary condition to a patent's validity, but it is frequently impossible to discern by mere examination of the documents whether some real secret of successful working, has or has not been kept back. It is difficult to detect such an omission at this Office, provided the invention is sufficiently described in the specification and appears on the face of it to be workable; and it is not of course possible, at the application stage, to ascertain from the patentee whether information has been concealed. The result of concealment is in many cases that no one is able successfully to exploit the invention without assistance from the German patentee, or from the German firm owning the patent; and this in the same way tends to consolidate and confirm the monopoly of the invention and trade in German hands, by making it necessary for application to be made to the German patentee or owner in any case where an English firm for example, is desirous of working under the patent.

- (4) Another point to be noticed in connection with the use made by the Germans of our Patent procedure is their use of what are called "Product" claims. These claims are claims to any new product "per se" irrespective of the *process* by which it is made and are in the form, eg "as a new product the dyestuffs made as above or by any other process". The consequences of such claims especially in chemical manufacture is that the inventor of a process producing a new chemical product, is enabled to attack as infringements products produced not only by the process discovered by him but by any other method. These are, in my opinion, in the majority of instances, obstructive and injurious claims, and they very largely aid the establishment of a monopoly in the case of chemical manufacture as they prevent research and invention on analogous lines by other persons. The Germans do not allow these, for by Section I of the German Law of 1894 Patents may not be granted for "inventions relating to articles of food, medicine, or substances prepared by chemical processes, except as regards the *processes* for the manufacture thereof."

Trade Marks

- (5) The use made as above by the Germans of our patent law is aided by an astute and careful use of the Trade Mark law. In every case possible a suitable Trade Mark is devised and registered in connection with the patented article. The Trade Mark and the article are put before the world by a careful and extensive system of advertisement, and when the Trade Mark becomes identified with the goods the German firms obtain a complete and almost perpetual monopoly. According to Trade Mark law a Mark which is merely a name of a patented article is not valid after the expiration of the patent, but there is a great difficulty in deciding, in the majority of cases, whether a Trade Mark is not something more than a mere name, and does not in fact connote the actual manufacture of the firm. The difficulty of proving this deters firms from any attempt to remove such marks from the Register. A striking example of such Marks is the case of "Vaseline" which the Court of Appeal held to be valid as not being merely the name of the article but connoting the manufacture of a special firm.
- (6) As regards the practical working of the invention in this Country the German firm owning the patents usually establishes an English branch or agency

here under its full control. These branches or agencies are formed into English Limited Companies, and where this is the case no further licences are given to English firms. If manufacture goes on in this country it goes on in connection with manufacture in Germany, and an advantageous division of the work between the two countries is made. The result is that the whole industry is kept in German hands. Such briefly is the course commonly pursued by a large number of German inventors and German firms in this Country.

- II. As regards the *remedies* – It is not easy to suggest any specific remedies. The real evil, of the German policy in respect of patents is, as I have said, the keeping of the monopoly in German hands, and the encouragement of German manufacture in Germany. Section 27 of the Patents Act which was intended to some extent to meet these evils is largely inoperative to prevent the monopoly of the *exploitation* of the invention remaining in German hands. It has no doubt encouraged in certain cases the starting of works and manufactories here; but in a great number of cases the smallest possible manufacture is carried on, and where this is done, it is, – in most of the important trades, – done generally by purely German agencies in connection with the German houses and manufactories abroad. There is no dispersal of business connected with the patented article or process among purely English firms. This has been particularly so in the dye and drug industries. English workers may no doubt be employed, but the capital and the profits are kept in German hands.

Apart from the question as to whether purely German firms should be allowed to be registered at all as English Companies, I am inclined to think that the best possible remedy for the breaking up of mischievous monopolies is an easier system of compulsory licence. To compel working in this country has merely the result in a majority of cases of causing a half-hearted “working” over here by the German inventor or his agents. What seems required in British interest is to free the trade from the monopoly of *user* which an astute exploitation of our Patent system secures. This, I think, can best be done by allowing licences to be given freely to anyone who is anxious or willing to take up the patented invention. The inventor has sufficient reward if he is properly paid for the use of his invention; and if he retains this right to payment in the form of “royalty” for the period of fourteen years his reward is sufficient without giving him further the right to monopolise the invention, and retain the whole trade in a patented article or process in his own hands.

A Patentee’s monopoly has always been held to be subject to the public interests, and to allow him to hold up his invention, and refuse the public the right of manufacture and user is obviously detrimental to the community.

We have found in the course of these enquiries that there is no real difficulty in dealing with this question of licences; I have already on many occasions expressed the view that there is no reason for surrounding an application for a compulsory licence with every difficulty and every kind of obstacle as it is at present under the Act in force. *In October 1912* I proposed among many other amendments certain drastic alterations of Section 24 which deals with compulsory licences. I append herewith the documents and I am inclined to think that amendments on these lines would do much to free trade from the German bondage. If licences could be easily and cheaply granted under proper conditions to all English traders who desired to exploit and use patented

inventions I think it would do much to encourage trade and industry in this country and meet the evils mentioned under (2) and (6) above. Under the present law relating to compulsory licences this is in my view impossible; the process is expensive and cumbersome and some more simple and effective method ought to be devised. Upon further consideration I think the clause I then suggested might be still further amended by widening the definition of the reasonable requirements of the public. These should include the “general interests of the country, or a section of the community or a trade”, as in Rule 1 of the present Temporary Rules under which licences are granted. There is a danger that the clause as drafted in 1912, would permit a defence that some exclusive licence had been granted, which was sufficient, and would not enable the *general interests* of the country to be brought forward. The cases tried (see especially *Robin Electric Lamp Co.* 31. R.P.C. 341) show that the Courts take a very narrow view of the “public requirements,” and I think it might further be considered whether the Appeal from the Comptroller in the matter of compulsory licences should not be to the Board of Trade or some panel of Commercial arbitrators. The objection made to this tribunal by Sir E. Fry’s Committee on the ground of the pecuniary interests involved (to which I have alluded in the print) would be greatly weakened by the removal from the Section of all power to revoke a patent.

Apart from this amendment, which would I think meet many of the evils alluded to above, the following further suggestions are put forward for consideration.

- (a) I am strongly of opinion that we ought to follow the example of Germany and France and refuse patents for inventions relating to articles of food, medicines, or substances prepared by chemical processes except as regards the *processes for the manufacture thereof*. The result of this is that the “product” claims alluded to in (4) above would be *impossible* and it would only be possible to patent *a specific process* for the production of a drug or article; and not a wide claim to all and every method of producing certain results. Such a provision would prevent any valuable *substance* from becoming the sole monopoly of a person or firm. The processes by which it was produced would alone be patentable.
Foods, drugs and medicinal and chemical preparations are all of such extreme value to the public and the community that no obstructive patent ought to be allowed.
Switzerland and France – as well as Germany – have also restrictions on the patenting of pharmaceutical preparations and chemical substances for food.
- (b) I do not think we can, at present, add any provision to the law, to secure a fuller disclosure of all necessary particulars. Patents which fail on this ground are invalid and Section 2(2) of the patent law and Section 11(1) (c) deal with the matter.
- (c) I think also the suggestions I have made in the print as regards amendment of Section 71 might have a considerable effect in preventing any misuse of the patent system. It is most important that registration of all dealings with patents should be made at this Office and that they should be open to public inspection. At present registration is permissive only and its avoidance entails no penalty. The State has a right to know what is being done with the privileges granted to a patentee, and it is for consideration whether an even stronger penalty for neglect ought not to be exacted.

(d) **Trade Mark Law**

The real evil of the misuse of the Trade Mark Law as pointed out above is the use and registration of Trade Marks as the names of patented articles or preparations: or drugs and preparations of which the formula is known. I have pointed out the difficulty of dealing with the question – and the only remedy I can suggest is that of a simpler and cheaper remedy for the removal of such a Mark from registration. At present the Court can only deal with questions of removal from the Register or cancellation of registration. The procedure is expensive and is consequently avoided. I see no reason why the power to remove Marks from the Register should not be given to the Registrar – in proper cases with an appeal to the Courts. Further a special provision might be inserted in the Trade Marks Act making the registration of such Trade Marks invalid. At present this invalidity is merely the result of a series of judicial decisions.

I am rather inclined myself to go further; and I think in any case it may be considered whether any one should be allowed to appropriate or register as a Trade Mark the name of any article of medicinal value or of any drug. It is in the public interest that such articles should be freely made, and there is a precedent in Russia for such a course. By the Russian law no monopoly is allowed in the name of drugs or medicines. The names can be used by all, provided the name and address of the manufacturer is clearly given on the label &c. It might have to be considered whether the principle should not be applied to food preparations. The proper reward for the inventor is the royalty to be obtained by patenting the process. There would be no difficulty in framing an amendment, giving the Registrar the powers of the Court in Sections 35 and 37 of the Trade Marks Act.

At the moment I am unable to suggest any other amendments of the law for the purposes of protecting trade and British Consumers. I may add that no amendment of the law will I think be adequate in itself unless the British firms make further practical use of science and scientific discoveries, and are in some way protected for a period after the war from the enormous German monopolies that have been recently created, especially in the drug, dye and kindred trades. The Privy Council are, I believe engaged in discussing what part the State can properly take in research, and what help it can give pecuniarily and otherwise to further invention and discovery of importance to Trade and Commerce. I think myself that most important work can be done by the State in this direction, provided a proper use is made of the Patents Act to cover the inventions which may be involved. By means of the Patent System if the State itself become the proprietors of a patent, a perfectly proper discrimination could be made between nationals and foreigners. The invention is published to the world, and while licences could be given to nationals they could be refused to aliens, who would consequently be prohibited from the importation of infringements of any kind.

I have consulted Sir C N Dalton on all the points raised above and he has kindly assisted me in the preparation of this memo in which

(Sgd.) W. Temple Franks
3.2.16

Appendix A

The principle of compulsory licences to work patents has been in existence since the passing of the Patents Act of 1883. Section 22 of that Act gave the Board of Trade power, upon the petition of any person interested to order, under certain circumstances the patentee to grant licences upon such terms as the Board having regard to the nature of the invention and the circumstances of the case might deem just. In 1901 Sir Edward Fry's Committee which sat to consider *inter alia* whether any, and, if so what amendments were necessary in the provisions of the Section made certain recommendations and as the result Section 3 of the Patents Act 1902 was passed. This section repealed Section 22 of the Act of 1883 extended the rights of the public in the matter of compulsory licences and substituted the Judicial Committee of the Privy Council for the Board of Trade as the ultimate authority to decide whether or not a compulsory licence should be granted. In addition it gave the alternative power of revocation of the patent.

The provisions of both Section 22 of the Act of 1883 and Section 3 of the Act of 1902 were practically inoperative and an effort was made in 1907 to facilitate the proceedings for obtaining a compulsory license by substituting the High Court for the Judicial Committee of the Privy Council as the tribunal before which these cases should be heard. Since 1907 only one application has been made under the Section. This did not proceed to a trial as the matter was arranged between the parties before a hearing took place.

The reasons for the present suggested amendments are as follows. The Section is obviously at present a dead letter, and practically it would appear for the same reasons which made the former sections inoperative. Whenever the question of compulsory licenses has been discussed the complaint is always made that the proceedings are dilatory and expensive, and that what is required is a cheap and speedy procedure for determining the questions involved. Under the existing Section the preliminary inquiries before the Board of Trade must take an appreciable time if there is any serious opposition; and if there is a real dispute as to the facts a considerable amount of evidence would be necessary, and possibly also counsel would be employed. When this preliminary enquiry is settled, the whole case has again to be fought out before the Court, where clearly counsel would be employed and a considerable amount of evidence no doubt required. The only reason for retaining the Board of Trade to make a preliminary investigation would appear to be that there is a possibility of bringing the parties to terms at that stage. If a cheap tribunal is provided there would be just the same opportunities for attempting to bring about a settlement and with practically no greater expenses inasmuch as the preliminary fees have to be paid in either case. In a large number of the Patent cases tried before the Comptroller a settlement of some kind is brought about between the parties, and there would appear to be no reason to doubt that settlements might as readily be effected if the Comptroller were substituted as the tribunal, as under the present practice. There would appear to be an objection to having two stages of enquiry one before an administrative body and the other before the Court. As regards the substitution of the Comptroller for the Court, it is obvious that this would have the effect of cheapening the procedure, as the expenses before the Comptroller's court are comparatively low and I think from the representations that have been made to me that the change would be supported by the Patent Agents and legal profession. It may be pointed out that there is no greater difficulty in trying these cases than in trying the cases for revocation under Section 27.

As regards the abolition of the power to revoke it will be noted that under the amended clause sub-section 5a of the original clause has been largely altered. As it stood it would have been possible for the Court to revoke a Patent by reason of the default of the Patentees to manufacture to an adequate extent and supply on reasonable terms the patented article &c., provided any existing trade or industry was unfairly prejudiced, thus a power of revocation of a patent is given without the preliminary enquires enjoined by sub-section 1 of Section 27. It would appear to be better to confine the power of revocation to Section 27 and to allow it only for the reasons therein given, while leaving the compulsory licence the only remedy under Section 24. The whole scheme of Clause 24 is the giving of an interest in a patent to someone who is interested, and the reasons for this grant are different from the reasons which are thought to justify revocation under Section 27, the reasonable requirements of the public have to be more fully considered.

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PROPOSED AMENDMENTS OF THE PATENTS AND DESIGNS ACT, 1907.

Section 6.

Sub-Section (3), line 16, delete “treat the claim” and insert “allow an application.”

Sub-Section (3), line 17, after “specification” insert “to be treated.”

Delete Sub-Section (4) and insert “(4) An appeal shall lie from the decision of the comptroller under this section to the law officer.”

Note.— The amendments proposed in Sub-Section (3) are suggested in order that the office practice of requiring a fresh application in respect of the matter excised from the complete specification – as outside the scope of the invention contained in the provisional specification – may be specifically sanctioned by the Statute. The proposed amendment of Sub-Section (4) will give the right of appeal against *all* decisions of the Comptroller and not only in case of refusal.

Section 8.

Delete Sub-Section (1) and insert “(1) In addition to the investigation under the last preceding section an investigation shall be made for the purpose of ascertaining whether the invention claimed has been wholly or in part claimed in any specification published on or after the date of the application and deposited pursuant to a prior application.”

Sub-Section (2), lines 2 and 3, delete “in the specification deposited pursuant to an application is” and insert “has been.”

Sub-Section (2), line 5, after “applicant” insert “or the patentee as the case may be.”

Sub-Section (2), lines 5 and 6, delete “whether or not his specification has been accepted or a patent granted to him.”

Sub-Section (2), line 8, after “so” insert “to the satisfaction of the comptroller.”

After Sub-Section (2) insert—

“(3) An appeal shall lie from the decision of the comptroller under this section to the law officer.”

“(4) The investigations and reports required by this section shall not be held in any way to guarantee the validity of any patent, and no liability shall be incurred by the Board of Trade or any officer thereof by reason of, or in connection with, any such investigation or report, or any proceeding consequent thereon.”

Delete Sub-Section (4).

Note.— This Section did not come into operation on the passing of the Act of 1907, but was deferred until such date as directed by order of the Board of Trade (*see* Sub-Section (4)). It came into operation on 1st January 1909, consequently Sub-Section (4) is now obsolete and may be omitted. The further amendments proposed bring the Section into agreement with Section 7, making it self-contained. It is thought that this is desirable as it is doubtful how far the procedure under Section 7 is applicable to cases dealt with under Section 8.

Section 11.

Sub-Section (1), after paragraph (d), insert “(e) That in the case of an application under Section 91 of this Act the specification describes or claims an invention other than that for which protection has been applied for in the Foreign State or British Possession, and that such other invention forms the subject of an application made by the opponent in the interval between the leaving of the application in the Foreign State or British Possession and the leaving of the application in this country.”

Note.— In a recent case of an application to revoke a patent under Section 26 of the Act, which provides *inter alia* that any person who would have been entitled to oppose the grant of a patent may, within two years from the date of the patent, apply for the revocation of the patent on any one or more of the grounds on which the grant might have been opposed, it was held by the Comptroller that he could not consider the question of disconformity between the invention for which protection was applied for abroad and that for which protection was sought in this country (*see Serex’s Patent*, 29 R.P.C. 284). In view of the questions raised in the case referred to it is thought that provision ought to be made for opposition to the grant of a patent under Section 91 on the ground of disconformity between the foreign specification and the British specification when the invention not included in the foreign specification forms the subject of an application for a patent in this country filed during the interval between the foreign application and the application in this country. This amendment will, it is believed, have the support of the Institute and British inventors generally.

Section 12.

After Sub-Section (1) insert “(1)(a) When an applicant has agreed in writing to assign the patent when granted to a third party or joint applicant, the comptroller on proof of such agreement to his satisfaction may allow such third party or joint applicant only to proceed with the application and may grant the patent to him.”

Sub-Section (2)(b), after “officer” in line 4, insert “or the comptroller as the case may be.”

Sub-Section (2)(d), lines 1 and 2, delete “in consequence of the neglect or failure of the applicant to pay any fee.”

Sub-Section (2)(d), line 3, delete “the period” and insert “any of the periods.”

Note.— The effect of Sub-Section (1)(a) is to prevent an inventor who has a joint interest or who has assigned his rights from refusing to proceed with an application. Its object is to give protection to persons who have interested themselves in an application for a patent either financially or otherwise. Under the present practice it has been held that an inventor is not bound to take the grant of a patent against his will, and on more than one occasion where an inventor has quarrelled with his financial supporter or co-applicant, he has to the detriment of his partners, &c. declined to proceed with the application. The Patent Office has not, hitherto, been able to afford any remedy in such a case, but the proposed amendment, if adopted, will allow an application to be prosecuted by, and the grant issued to any person who may have obtained such right by agreement with the inventor.

The amendment suggested in Sub-Section (2)(b) is proposed with a view to relieving the Law Officer of a duty which is more or less of a formal character and can quite properly be dealt with by the Comptroller. At present any case in which the sealing is

delayed beyond the normal statutory period by an opposition to the grant of the patent must be submitted to the Law Officer before a patent can be sealed on the application.

The proposed amendment to Sub-Section (2)(d) would give the Comptroller power in all cases to extend the time for sealing a patent, when the normal period has been exceeded, instead of limiting it, as at present, to cases where the applicant has failed to pay any fee. Our experience of the working of the Act has shown that this wider power is desirable.

Section 13.

Line 4, delete “publication” and insert “acceptance.”

Note.— Technically the publication of a specification takes place on its acceptance; it is therefore thought desirable to insert the word “acceptance” instead of “publication” in order to definitely fix the date from which proceedings may be taken. This will bring the Section into conformity with Section 10, under which a patentee’s rights date from the acceptance of the complete specification.

Section 14.

After Sub-Section (2), add “(3) An appeal shall lie from the decision of the comptroller under this section to the law officer.”

Note.— It has been the practice of the Law Officer to hear appeals from any decision of the Comptroller under Sub-Section (2) of this Section; the object of the insertion of this Sub-Section is to legalise this practice.

Section 15.

Sub-Section (2), line 1, after “revoked” insert “by the court.”

Sub-Section (2), line 2, after “fraud” insert “or where the grant has been refused by the comptroller under the provisions of section 11(1)(a) or revoked on the same ground under the provisions of section 26.”

Sub-Section (2), line 4, after “patent” insert “for the whole or any part of the invention claimed therein.”

Note.— Cases have arisen under Section 11(1)(a) and Section 26 in which a patent has been refused, or a patent revoked by the Comptroller on the ground that the invention has been obtained from the Opponent (or the Applicant); and at present there does not appear to be any power to grant the patent to the person from whom the invention was obtained. The “obtaining” of the invention under Section 11 need not necessarily be fraudulent, and hence the Section as at present worded would not apply. The amendments proposed will remedy this defect.

Section 16.

Sub-Section (2), lines 3 and 4, delete “with respect to oppositions to the grant of patents.”

Note.— As at present worded this Sub-Section limits the consideration of the respective dates of the provisional specifications to oppositions to the grant of patents; it is necessary also to have regard to these respective dates in dealing with these cases in

connection with other provisions of the Act – for instance citations under Sections 7 and 8. It is therefore proposed that these words be deleted.

Section 17.

Sub-Section 1, line 3, delete “fourteen” and insert “fifteen” years.

Note.– The Statute of Monopolies limits the period of the grant of patent rights to 14 years, and this period has been adopted in Section 17. In the majority of other countries the period of protection exceeds 14 years, in some cases as much as 20 years is given. The application for a patent necessarily takes some time in its progress through the Office, and in a large majority of cases a year or more elapses as a rule before the patent is granted. The life of a patent is, therefore, as a matter of fact, cut down to 12 or 13 years at the most. Strong representations have been made from time to time that this period is too short. It is, therefore, suggested that the time should be extended to 15 years. If this is done it may be necessary to consider whether a further fee should not be imposed for the fifteenth year and the schedule altered accordingly.

Section 19.

After Sub-Section (3) insert “(3)(a). Provided always that if the original patent is revoked, then such patent of addition shall, if the court or comptroller so order, become an independent patent, and its duration, and the date on which the subsequent renewal fees thereon become payable shall be determined by the date of the original patent on which it was based.”

Note.– The provisions of this Act relating to Patents of Addition were first introduced into the patent law of this country in 1907. It has been the practice in other countries to grant Patents of Addition for improvements or for modifications of original inventions for many years. It is also the practice in these countries to allow a Patent of Addition to become a substantive patent, if so ordered, whenever the original patent has been revoked. I see no objection to this proposal, and as representations have been made to the Patent Office that such an amendment is desirable, I think it might be included in the Act.

Section 20.

After Sub-Section (5) insert “(6). An appeal shall lie from the decision of the comptroller under this section to the court.”

Note.– In a recent case under this Section an appeal was lodged from the Comptroller’s decision refusing to entertain an application prior to its advertisement. (*See Land’s Patent*, 27 R.P.C. 481.) Mr. Justice Parker, in considering the appeal, raised the question whether he had jurisdiction at all in the matter, inasmuch as under Sub-Section (3) there was no provision for appeal. In order to clear up this doubt the above amendment is proposed which will provide an appeal to the Court from any decision of the Comptroller under this Section.

Section 22.

Line 4, after “disclaimer” insert “correction or explanation.”

Note.— At the time of the passing of the 1907 Act this Section was limited to the amendment of a specification by the Court by way of disclaimer only, as was also Section 19 of the Act of 1883, on which the present Section was based. As all proposed amendments under this Section have to be submitted to the Comptroller, who is entitled to appear and be heard in the matter, there seems to be no reason why the same latitude for amendment should not be allowed as under Section 21.

Section 23.

Line 4, delete “disclaimer, correction, or explanation,” and insert “date of the decision allowing the amendment.”

Note.— The present wording of this Section is somewhat ambiguous, as no particular date is referred to. By the proposed amendment, a definite date will in all cases appear on the documents and specification.

Section 24.

Delete Section 24 and insert—

“24. (1) When the reasonable requirements of the public with respect to a patented invention have not been satisfied, any person interested may make application to the comptroller for the grant of a compulsory license.

“(2) After considering the application the comptroller may dismiss the application or order the patentee to grant a license on such terms and subject to such conditions as failing agreement between the parties may be determined by the comptroller.

“(3) On the hearing of any application under this section, the patentee and any person claiming an interest in the patent as exclusive licensee or otherwise, shall be made parties to the proceeding.

“(4) For the purposes of this section the reasonable requirements of the public shall not be deemed to have been satisfied—

“(a) If by reason of the default of the patentee to manufacture to an adequate extent and supply on reasonable terms the patented article or any parts thereof which are necessary for its efficient working, or to carry on the patented process to an adequate extent or to grant licenses on reasonable terms, any existing trade or industry, or the establishment of any new trade or industry in the United Kingdom is unfairly prejudiced, or the demand for the patented article or the article produced by the patented process is not reasonably met; or

“(b) If any trade or industry in the United Kingdom is unfairly prejudiced by the conditions attached by the patentee before or after the passing of this Act to the purchase, hire, or use of the patented article or to the using or working of the patented process.

“(5) An order directing the grant of any license under this section shall, without prejudice to any other method of enforcement, operate as if it were embodied in a deed granting a license and made between the parties to the proceeding.

“(6) Any decision of the comptroller under this section shall be subject to an appeal to the court.”

Note.— This Section, and the corresponding Section in the Act of 1883, have been practically inoperative. An effort was made in 1907 to facilitate proceedings under this Section by substituting the High Court for the Judicial Committee of the Privy Council as the tribunal before which these cases should be heard. Since 1907 only one application had been made under the Section. This did not proceed to a trial as the matter was arranged between the parties before a hearing took place.

It is suggested that proceedings should be brought before the Comptroller, who should sit in a judicial capacity, subject to an appeal to the Court. Further it is proposed that so far as this Section is concerned the power of revocation should not be given, but that the remedy should be confined to the granting of compulsory licenses. The amendments suggested will, it is believed, cheapen the procedure and encourage applications. It is also believed that the alterations will have the support of the Institute and the legal profession. The objection of Sir E. Fry's Committee to the jurisdiction of the Board of Trade under this Section, will not, it is submitted, apply to the jurisdiction of the Comptroller, who will sit as a judicial officer, subject to an appeal to the Court.

Section 26.

Sub-Section 1, line 4, delete “in the prescribed manner.”

Note.— These words are not necessary, and it has been suggested that their retention in this Sub-Section might result in an application for the revocation of a patent under the Section being rejected on a technical ground, such as that it had not been presented in the prescribed manner.

Section 27.

Sub-Section 2, delete from “revoking” in line 8, to “extent” in line 14 inclusive, and insert “(a) Revoking the patent forthwith or after such reasonable interval as may be specified in the order unless in the meantime it is shown to his satisfaction that the patented article or process is manufactured or carried on within the United Kingdom to an adequate extent”;

“(b) Directing the grant of a license upon such terms and subject to such conditions as may be determined by him.”

Note.— In a very large number of cases which have been tried under this Section the penalty imposed by the Section, namely, revocation of the patent, was felt to be too severe, and no order was made in consequence. In many of these cases the grant of a license would have met the case. Further, in some cases which have occurred under the Section, the applicant has been a foreigner who, if he is successful in his application, does not desire an opportunity of manufacturing in this country, but merely of importing the patented article. If the alternative of a compulsory license is given under the Section it would effectively prevent applications of this kind, while the moral effect of the Section would remain. The Comptroller is given the wider and more important power of revoking the patent, and there would appear to be no reason for not entrusting him with the lesser remedy.

Section 39.

Sub-Section (1), line 2, after “patent” insert “ or to the restoration of a lapsed patent.”

Sub-Section (1), line 3, after “specification” insert “for the grant of a compulsory license.”

Sub-Section (2), line 2, after “patent” insert “or to the restoration of a lapsed patent.”

Sub-Section (2), line 3, after “comptroller” insert “for the grant of a compulsory license.”

Note.— When this Section was drafted in 1907 the provisions of Section 20 relating to the restoration of lapsed patents had not been included in the Bill. By an oversight provision was not made for the awarding of costs in opposition to the restoration of lapsed patents. Cases of considerable hardship have occurred, and it is highly desirable that such provision should be made. If the jurisdiction suggested in the case of compulsory licenses is given to the Comptroller, provision as to the award of costs must also be made.

Section 62.

Delete Sub-Section 3 and insert “(3) All things required or authorised under this Act to be done by or to the Comptroller may be done by or to any officer authorised by the Board of Trade.”

Note.— This amendment will make the wording of the Sub-Section harmonise with that of Section 87(1). This is desirable, as in a recent case the question was raised as to whether an officer appointed by the Board of Trade to act for the Comptroller could properly give a certificate of an entry in a register under the Act, the giving of such certificate not being one of the things which the Comptroller is *directed* to do, but only one of the things which he *may* do.

Section 71.

Sub-Section (1), line 3, after “design” insert “he shall make application to the comptroller to register his title and”; delete “request” and insert “on receipt of such application.”

After Sub-Section (3) insert “(4). An assignment, transmission, mortgage, or license of a patent, or of the copyright in a registered design, shall not be admitted in evidence in any court in His Majesty’s Dominions unless it has been recorded on the register of patents or the register of designs, as the case may be.”

Note.— There are now many provisions in the Act which require the service of documents on the proprietors of patents and designs. It is therefore essential that the Register should be kept up to date. It has been found in many proceedings under the Act, — for example, Section 27, — that a patent has been assigned, but the subsequent proprietor has not taken the trouble to register his title in the Patent Office. It has been held by the Courts that under the present wording of this Section, a proprietor of a patent or design is not bound to register his title. The proposed amendment is made with the object of making the registration of title compulsory.

Section 75.

Insert at the end “An appeal shall lie from the decision of the comptroller under this section to the law officer.”

Note.— In practice the Law Officers have admitted and heard appeals from the Comptroller's decision under this Section; it is thought desirable that special provision should be made in the Act to legalise this practice.

Section 85.

Sub-Section 3, lines 2 and 3, delete “neither resides or has a place of business”, and insert “does not ordinarily reside.”

Note.— Difficulties have arisen in conducting the business of the Patent Office with foreign agents who have only an address for service in this country, with perhaps a small office, but whose real business is abroad; consequently all communication between the Office and such agents have to be forwarded abroad before they can be dealt with. It is highly desirable that every agent practising before the Office should have a responsible representative in this country who may attend the Office, if necessary, and be within the jurisdiction of the Courts of this country. The proposed amendment is made to meet this difficulty.

Section 91.

Sub-Section (1), line 5, after “state” insert “or his legal representative or assignee.”

Note.— This amendment is rendered necessary by the amendment of Article IV.(a) of the International Convention for the protection of Industrial Property which was agreed to at Washington last year. It will permit an application to be made under the Convention by the assignee or legal representative of the original applicant in the country of origin, in whom is vested the right to apply in this country. The procedure in respect of such applications may be left to be dealt with by Rules.

Section 92.

Sub-Section (2), lines 7 to 10, delete from “an” to “opposed” and insert “a decision of the court revoking a patent on any ground on which the grant of such patent might have been opposed or refusing an appeal from the decision of the comptroller ordering such revocation.”

Note.— At the time of the passing of the 1907 Act it was strongly urged that in any case in which a patent was ordered to be revoked by the Comptroller under Section 26, there ought to be an appeal to the House of Lords, and provision was consequently made for this. It seems anomalous that when the Comptroller orders a patent to be revoked there may be an appeal to the House of Lords, even though the Court should reverse his decision, whereas no provision is made for an appeal to the highest tribunal, if the Comptroller does not decide to revoke a patent, but the Court on appeal does so decide.

Section 93.

Line 9, delete “means” and insert “includes.”

Note.— It is submitted that the definition of “patentee” as the person for the time being entitled to the benefit of a patent is too limited, as in cases of equitable assignments, &c., it might exclude the legal owner of a patent. There are many cases in

which it is necessary to have both the legal and equitable owner before the Court, and it is therefore suggested that the definition should be altered to read as above.

New clause

(1) In any case where the comptroller directs the grant of a license under the provisions of Section 24 or 27 as amended herein—

- (a) if all parties interested consent;
- (b) if the proceedings require any prolonged examination of documents or any scientific or local investigation which cannot in the opinion of the comptroller conveniently be made before him,

the comptroller may at any time order the whole proceedings, or any question or issue of fact arising therein to be tried before an arbitrator agreed on by the parties, or in default of agreement, appointed by the comptroller.

(2) The report or award of such arbitrator shall be final.

Note.— Upon consideration I think the insertion of some such clause as this is advisable. In the case of a compulsory license, the fixing of a fair rent or reasonable royalty in respect of a grant of a compulsory license is a matter of great importance, and may necessitate an enquiry of a lengthy and technical description. In such cases it might be preferable that the terms under which the license should be granted should be settled by a special enquiry before a business man or an expert. The actual decision that the grant of a compulsory license should be made would in such cases still rest with the Comptroller. I think it is wise therefore to take powers to refer the matter to an arbitrator, either with the consent of the parties, or in the special cases suggested. There would be, of course, many cases where the fixing of a royalty would be a simple matter, and where a decision might be given by the Comptroller himself with the assistance of the parties. This clause will also possibly meet the objection (which may be made) to anyone in a judicial or quasi-judicial position fixing a fair rent or royalty. (*See Note by Sir Edward Fry to the Report on the Committee on the Working of the Patents Act, 1901.*) The clause is framed on Section 14 of the Arbitration Act, 1889.

1st October, 1912.

W. TEMPLE FRANKS.

1916 MEMORANDUM

Proposed Amendments to the Patents and Designs Act, 1907.

Group 1

Section 7.

(1) for “within fifty years next” substitute “within 25 years next”.

Note. The object of this amendment is to reduce the period during which search for anticipation is made in the office. Having regard to the duration of patent rights, namely 14 years, I think, upon careful consideration, it would be quite sufficient if the search for anticipation were made among specifications for 25 years past only. Owing to the great increase in the number of patents applied for in recent years the mass of material is becoming unwieldy, and the result of search is hardly commensurate with the labour entailed. This would also have the further effect of economy as regards the number of the staff. Any complaint that the other specifications may be important will, I think, be met by the new ground of opposition suggested in the next paragraph.

Section 11.

after Sub-section 11(1)(d) insert—

“(e) that the invention has been published or used in the United Kingdom prior to the application.”

Note This amendment will go some way to meet the very constant complaint that the investigation at this Office is not sufficiently wide. We are constantly asked to make what has been called a universal search, but for reasons that I have on several occasions put before the Board I think it will be unwise to undertake such a search at this Office. Such a search can never be thorough, and would entail a considerable increase both in the staff and in the expenses of the Office. The present amendment is in some sense a substitute; it allows prior publication and prior user to be brought before the Comptroller by any interested Opponent. In this way while the Office itself will not have the burden of investigating these matters, there will be a considerable incentive on the part of any rival inventor to bring prior publication and prior user before the Comptroller on Opposition proceedings. It is not proposed to make what is called subject matter, i.e. whether the invention is a proper subject matter for a patent, a ground for opposition proceedings; this as before, would be left to the courts.

Section 18.

Add—“(6) Where a petition is made for the prolongation of a patent under this Section, the Court shall/may consider whether the sale, use or manufacture of the patented article or process has been prevented or materially affected by the War, and if satisfied that such is the case may make an order prolonging the patent for a period not exceeding the duration of the War.”

Note. This clause has been framed to meet the constantly iterated claim of the inventor ‘that the period of the War should be eliminated from his 14 years. The Board I think are agreed that this should not be done generally. It is, I think, quite sufficient to give a specific power to the Court to extend the life of a patent where special hardship is proved.

Section 24.

Delete Section and insert—

“24(1) any person interested may make application to the Comptroller for the grant of a compulsory licence in respect of a patented invention on any one or more of the following grounds, namely:—

- (a) That the patentee, his agent or licensee has not supplied the patented article to the applicant or the public upon reasonable terms; or that the demand for the patented article, or the article produced by the patented process is not reasonably met by manufacture in the United Kingdom.
- (b) That the patentee has refused or failed to grant a licence to the applicant on reasonable terms; and that the applicant has bona fide reasons for requiring such licence in his trade or business.
- (c) That it is in the public interest, or in the interest of a trade or industry of the United Kingdom, that a licence should be granted to the applicant.
- (d) That the applicant or any trade or industry in the United Kingdom is unfairly prejudiced by the conditions attached by the patentee, his agent or licensee before or after the passing of this Act to the purchase, hire, or use of the patented article or to the using or working of the patented process.

(2) The Patentee and any person whose interest in the patent as exclusive licensee or otherwise appears on the Register shall have notice of the application and shall be entitled to appear and be heard at the hearing.

(3) Any decision of the Comptroller under this section shall be subject to an appeal of the Court.”

Note. This section effects complete simplification of the provision as regards compulsory licences on the lines discussed at the conference. It substitutes the Comptroller for the Court in the first instance, and allows the grant of compulsory licence in cases where public interests and the trade of the country would appear to justify it. The object of the section is to cheapen and simplify the procedure and to make it possible (as already suggested in my memorandum), to break up any unreasonable or harmful monopoly.

The attempt has been made to keep this clause distinct from Section 27 – and consequently no mention is made of “adequate working” as a ground for a licence. This is dealt with in Section 27.

Section 27.

Delete Sub-sections 1 and 2 and insert the following:—

“27(1) At any time not less than four years after the date of the patent any person interested may apply to the Comptroller for the revocation of a patent on the ground that the patented article or process is or has been manufactured abroad is not manufactured or carried on to a reasonable extent in the United Kingdom by the patentee or his licensees.

(2) Such application shall be made in writing and shall include a statement of the grounds upon which the application is made and shall be supported by such further evidence as the Comptroller may require. The Comptroller, if satisfied that the application is made in good faith and that there are *prima facie* grounds for the

application, shall cause a copy of the application, statement and evidence to be sent to the patentee, and may require from him such evidence in respect of the allegations as may be necessary for determining the issues raised.

(3) Upon completion of the evidence, the Comptroller shall hear the parties and if satisfied that the allegations in the application are correct, then subject to the provisions of this section and unless the patentee gives satisfactory reasons why the patented article or process is not so manufactured or carried on the Comptroller may make an order (a) revoking the patent forthwith or after such reasonable interval as may be specified in the order and unless in the meantime it is shown to his satisfaction that the patented article or process is manufactured or carried on within the United Kingdom to a reasonable extent, (b) directing the grant of a licence upon such terms and subject to such conditions as may be determined by him. Provided that no such order shall be made which is at variance with any treaty convention arrangement or engagement with any foreign country or British possession.

(4) In determining whether or not the patented article or process is manufactured or carried on to a reasonable extent, the Comptroller shall/may consider (inter alia) the conduct of the patentee in respect of his patent rights, the trade done abroad in the patented article or process and the requirements or interests of the public, or of any trade or industry in the United Kingdom.”

Note.— The amendments suggested make very considerable alterations in the present law; they may be summarised as follows. The necessity of proving that the article is mainly or exclusively manufactured abroad has been omitted; and it will be merely necessary for the applicant to give *prima facie* proof that the article is or has been manufactured abroad, and is not carried on to a reasonable extent in the United Kingdom. “Reasonable extent” has been substituted for “adequate extent” to escape the existing decisions. The effect of sub-section (2) is that provided that some *prima facie* and *bona fide* case is made out under sub-section (1) the Comptroller has then the power to call upon the patentee for full and complete proof in respect of the allegations made. The onus of proof though not ostensibly is really therefore practically shifted. I am inclined to think that this will very greatly simplify the procedure and will to a large extent meet the criticism that has been made against the section. In sub-section (3) the alternative power of directing the grant of a license has been included and sub-section (4) is intended to give some kind of definition of the matters which can properly be discussed in considering what is a “reasonable extent” of manufacture. It is hoped that this may prevent any long legal controversy as to what may properly be considered in the way of evidence. As a matter of fact it is thought that Section 27 will become of considerably less importance if the cheap and simple procedure for the grant of compulsory license is adopted.

Section 39.

Sub-section (1) line 3, after “specification” insert, “or the grant of a compulsory license”.

Sub-section (1) line 4 after “patent” insert “or the cancellation of the registration of a design”.

Sub-section (2) line 3 after “comptroller” insert “for the grant of a compulsory licence”.

Sub-Section (2) line 3 after “patent” insert “or for the cancellation of the registration of a design”.

Note. If the proposals made with regard to Sections 24 and 58 of the Act are accepted it will be necessary to make provision for awarding costs in cases heard under these Sections.

Section 58.

Delete Section 58 and insert:—

“58(1) At any time after the registration of a design any person interested may apply to the Comptroller for the cancellation of the registration on the following grounds:—

- (a) That the design was not new or original at the time of application for registration.
- (b) That the design is not manufactured to a reasonable extent in the United Kingdom, and where such an application is made the provisions of this Act with respect to the revocation of patents not manufactured to a reasonable extent in the United Kingdom shall apply with the necessary modifications except that there shall be no appeal from the decision of the Comptroller. This ground shall be available by way of a defence to an action for infringement of the copyright in the design.”

Note. This clause relates to designs and the amendment (b) applies to the amendment made under Section 27 to cancellation of designs under Section 58 and (a) gives the Comptroller a new power to cancel the registration of a design on the ground that it is not new or original. The latter power is, I think, important. The only check at present upon the registration of designs is in the case where a complete and almost identical thing is found upon the register and the consequence is, that a large number of worthless and non-original designs are registered which may be used to hamper trade. I think it highly desirable, therefore, that the Comptroller should have some such power. I have not included any amendments relating to “mechanical devices” (the German *Gebrauchsmuster*) for reasons given in my printed memo of October 1st, 1912.

Section 71.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 75 – Add.

“No patent shall be granted in respect of inventions relating to drugs or medicines, or in respect of products or substances prepared or produced by chemical processes; except so far as they relate to a definite process for the manufacture or preparation of such articles.”

Note. The reasons for this addition to the Law were given in my memorandum of the 3rd February, 1916. It is intended to prevent claims for “products” as distinct from “processes”. This follows the German, the Swiss and the other laws. This section should be considered in conjunction with the proposed amendment of the Trade Mark Law which is set out below; and both this amendment and the Trade Mark amendment are I think justified by the findings of the Select Committee on Patent

Medicines of the 4th August, 1915, (Parliamentary Paper 414), to which reference may be made.

New Clause

“(1) In any case where the Comptroller directs the grant of a license under the provisions of Section 24, 27 or 58 as amended herein—

- (a) if all parties interested consent;
- (b) if the proceedings require any prolonged examination of documents or any scientific or local investigation which cannot in the opinion of the Comptroller conveniently be made before him,

the Comptroller may at any time order the whole proceedings, or any question or issue of fact arising therein to be tried before an arbitrator agreed on by the parties, or in default of agreement, appointed by the Comptroller.

(2) When all parties consent the report or award of such arbitrator shall be final, but shall otherwise be subject to the same appeal as a decision of the Comptroller under Section 27.”

Note. Upon consideration I think the insertion of some such clause as this is advisable. In the case of a compulsory license, the fixing of a fair rent or reasonable royalty in respect of a grant of a compulsory license is a matter of great importance and may necessitate an enquiry of a lengthy and technical description. In such cases it might be preferable that the terms under which the license should be granted should be settled by a special enquiry before a business man or an expert. The actual decision that the grant of a compulsory license should be made would in such cases still rest with the Comptroller. I think it wise therefore to take powers to refer the matter to an arbitrator, either with the consent of the parties or in the special cases suggested. There would be, of course, many cases where the fixing of a royalty would be a simple matter, and where a decision might be given by the Comptroller himself with the assistance of the parties. This clause will also possibly meet the objection (which may be made) to anyone in a judicial or quasi-judicial position fixing a fair rent or royalty. (*See* Note by Sir Edward Fry to the Report of the Committee on the Working of the Patents Act, 1901. The clause is framed on Section 14 of the Arbitration Act, 1889.

Amendment to Trade Marks Act, 1905.

New Clause

“(1) The name of any patented article or any article manufactured under an expired patent or secret process or any word which is used or proposed to be used as the name of a known drug or of any chemical or medicinal preparation where the process of manufacture or ingredients are known to the trade or public shall not be deemed to be a distinctive mark for the purpose of registration.

(2) If at any time it shall be shown to the satisfaction of the Registrar that a Trade Mark is used as a name of any article as aforesaid he may remove such Trade Mark from the Register notwithstanding that the period of seven years referred to in Section 41 of the Trade Marks Act, 1905, may have expired. Any decision of the Registrar under this Section shall be subject to appeal to the Board of Trade or

to the Court at the option of the registered proprietor of the Trade Mark. Provided always that if any such Mark has been lawfully registered before the passing of this Act, no application for its removal shall be made under this section until after the expiration of a period of four years from the passing of this Act, but nothing in this proviso shall be taken to affect the powers of the Court to remove any Trade Mark from the Register.

The Registrar, or in the case of an appeal, the Board of Trade, shall have power in proceedings under this section to award to any party such costs as they may consider reasonable and to direct how and by what parties they are to be paid.”

Note. A justification for this clause may be found not only in the use which has been made by the Germans of our Trade Mark Law, (to which I have more particularly alluded in my memorandum of 3rd February, 1916), but also in the report of the Select Committee on Patent Medicines to which reference has already been made. The Committee point out on page vii the absurdities and anomalies of the present law and official practice and they recommend on (page xxviii) (1) that fancy names for recognised drugs be subject to regulation and (2) that the period of validity of a name used as a Trade Mark for a drug be limited as in the case of Patents and Copyrights. It is thought that the present section will effect these purposes. The intention of the section is to prevent continued monopoly in the name of any patented article or in the name of any known drug or chemical preparation; and clause (2) gives the Registrar power to remove any such Mark from the Register upon proper proof. A saving clause as regards the existing Trade Marks has, however, been added, and it is suggested that they should be allowed a period of four years before any such application should be made.

Proposed Amendments to the Patents Act, 1907.

Group 2

Section 6.

Sub-section (3) line 16, delete “treat the claim” and insert “allow the application”.

Sub-section (3), line 17, after “specification” insert “to be made and treated”.

Sub-section (4) lines 1 and 2, delete “A refusal of the comptroller to accept a complete specification shall be subject to appeal” and insert “An appeal shall lie from the decision of the comptroller under this section”.

Note. The amendments proposed in Sub-section (3) are suggested in order that the office practice of requiring a fresh application in respect of the matter excised from the complete specification – as outside the scope of the invention contained in the provisional specification – may be specifically sanctioned by the Statute.

The proposed amendment of Sub-section (4) will give the right of appeal against *all* decisions of the Comptroller and not only in the case of refusal. This amendment is merely one of form. In practice appeals have gone in all cases to the Law Officer as the Comptroller’s decision is generally worded as a refusal to accept in order to bring it within the terms of the Section.

Section 7.

Delete sub-section (6).

Section 8.

Delete Sub-section (1) and insert “(1) In addition to the investigation under the last preceding section an investigation shall be made for the purpose of ascertaining whether the invention claimed has been wholly or in part claimed in any specification published on or after the date of application and deposited pursuant to a prior application”.

Sub-section (2), line 1, delete “an extended” and insert “further”.

Sub-section (2), lines 2 and 3, delete “in the specification deposited pursuant to an application is” and insert “has been”.

After Sub-section (2) insert—

“(3) An appeal shall lie from the decision of the comptroller under this section to the law officer”

“(4) The investigations and reports required by this and the preceding section shall not be held in any way to guarantee the validity of any patent, and no liability shall be incurred by the Board of Trade or any officer thereof by reason of, or in connection with, any such investigation or report, or any proceeding consequent thereon”.

Delete Sub-section (4).

Note:- This Section did not come into operation on the passing of the Act of 1907, but was deferred until such date as directed by order of the Board of Trade (see Sub-section (4)). It came into operation on 1st January 1909, consequently Sub-section (4) is now obsolete and may be omitted. The further amendments proposed bring the Section into agreement with Section 7 making it self-contained. Further, sub-section (6) of Section 7 has been transferred to Section 8 and made applicable to both Sections in order to avoid unnecessary repetition. It is thought that this is desirable as it is doubtful how far the procedure under Section 7 is applicable to cases dealt with under Section 8.

Section 11.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 12.

After sub-section (1) insert “(1)(a) When an applicant has agreed in writing to assign the patent when granted to another party or joint applicant and refuses to proceed with the application the comptroller on proof of such agreement to his satisfaction may allow such other party or joint applicant to proceed with the application and may grant the patent to him. An appeal shall lie from the decision of the comptroller under this sub-section to the law officer”.

Sub-section (2)(b), after “officer” in line 4, insert “or the comptroller as the case may be”.

Sub-section (2)(d), lines 1 and 2, delete “in consequence of the neglect or failure of the applicant to pay any fee” and insert “for any reason”.

Sub-section (2)(d), line 3, delete “the period” and insert “any of the periods”.

Note.- The effect of Sub-section (1)(a) is to prevent an inventor who has a joint interest or who has assigned his rights from refusing to proceed with an application. Its object is to give protection to persons who have interested themselves in an application for a patent either financially or otherwise. Under the present practice it has been held that an inventor is not bound to take the grant of a patent against his will, and on more than one occasion where an inventor has quarrelled with his financial supporter or co-applicant, he has to the detriment of his partners, &c. declined to proceed with the application. The Patent Office has not, hitherto, been able to afford any remedy in such a case, but the proposed amendment, if adopted, will allow an application to be prosecuted by, and the grant issued to any person who may have obtained such right by agreement with the inventor. If this power is conferred on the Comptroller an appeal to the Law Officer should I think be provided.

The amendment suggested in Sub-section (2)(b) is proposed with a view to relieving the Law Officer of a duty which is more or less of a formal character and can quite properly be dealt with by the Comptroller. At present any case in which the sealing is delayed beyond the normal statutory period by an opposition to the grant of the patent must be submitted to the Law Officer before a patent can be sealed on the application.

The proposed amendment to Sub-Section (2)(d) would give the Comptroller power in all cases to extend the time for sealing a patent, when the normal period has been exceeded, instead of limiting it, as at present, to cases where the applicant has failed to pay any fee. Our experience of the working of the Act has shown that this wider power is desirable.

Section 13.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 15.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 16.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 19.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 20.

Sub-section (5), line 2, delete "subject to an appeal to the court."

After Sub-Section (5), insert "(6). An appeal shall lie from the decision of the comptroller under this section to the court."

Note.- In a recent case under this Section an appeal was lodged from the Comptroller's decision refusing to entertain an application prior to its advertisement. (See Land's Patent, 27 R.P.C. 481). Mr. Justice Parker, in considering the appeal, raised the question whether he had jurisdiction at all in the matter, inasmuch as under Sub-section (3) there was no provision for appeal. In order to clear up this doubt the above amendment is proposed

which will provide an appeal to the Court from any decision of the Comptroller under this Section. This amendment will render the words “subject to an appeal to the Court” in line 2 of sub-section (5) unnecessary.

Section 22.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 23.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 26.

Sub-section 1, line 4, delete “in the prescribed manner”.

Note.— These words are not necessary. They do not appear in similar Sections of the Act, c.f. Section 27, and it is thought undesirable to retain them here. They have rather more force in the Section of the Act than if they appeared only in the Rules, and it has been argued before the Comptroller that the slightest deviation from the proper form will vitiate the application under the Section. As regards the Rules themselves any modification in form may be allowed by the Comptroller in his discretion.

Section 39.

Sub-section (1), line 2, after “patent” insert “or to the restoration of a lapsed patent”.

Sub-section (2), line 2, after “patent” insert “or to the restoration of a lapsed patent”

Note.— When this Section was drafted in 1907, the provisions of Section 20 relating to the restoration of lapsed patents had not been included in the Bill. By an oversight provision was not made for the awarding of costs in opposition to the restoration of lapsed patents. Cases of considerable hardship have occurred, and it is highly desirable that such provision should be made.

Section 75.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 92.

[The Text is exactly the same as that in the 1912 Memorandum]

Section 93.

[The Text is exactly the same as that in the 1912 Memorandum]