

wrongful acts would be. *Pentlarge v. Kirby, ante, 501.* This special matter, however, is plainly not stated in this complaint, as a separate cause of action, and no relief is prayed for in reference to it. As irrelevant matter, it might be stricken out on motion under the New York Code of Procedure, which regulates the practice here in common-law actions; but it cannot be objected to by demurrer.

3. In actions based upon this statute, the citizenship of the parties is immaterial; the action must be brought in the district where the offense is committed. *Pentlarge v. Kirby, supra.*

4. It is urged that the complaint does not state facts sufficient to constitute a cause of action, because it does not allege that the articles stamped were capable of being patented; and the case of *U. S. v. Morris, 2 Bond, 24; 3 Fisher, Pat. Cas. 72,* is cited in support of this view. If it appeared from the complaint itself that the articles were of such a nature that the public could not possibly be deceived by the mark "patent" put upon the articles, it might be that the complaint should be held insufficient; because the intent to deceive the public is a necessary ingredient in the offense. Beyond that, however, I cannot go; and in cases like the present, where there is nothing to indicate that the articles may not be patentable, and the public misled by the false and deceptive stamping alleged, I see no reason for shielding persons who seek to impose upon the public, from the penalties imposed upon them by the plain language of the law; or for requiring the plaintiff to allege, or to prove, more than the statute requires. Any defense of the kind referred to, in so far as it bears on the intent to deceive, is open to the defendant. This subject was fully considered by DEADY, J., in the case of *Oliphant v. Salem Flouring Mills, supra,* and I fully concur with the result which he reached, holding it unnecessary to allege or prove that the article stamped was patentable. See *Walker v. Hawkhurst, 5 Blatchf. 494.*

The demurrer should, therefore, be overruled; with liberty to the defendant to answer within 20 days, on payment of the costs of the demurrer.

GIANT POWDER CO. v. SAFETY NITRO POWDER CO.

(Circuit Court, D. California. February 18, 1884.)

1. PATENTS—REISSUE—WHEN ONLY PARTIALLY INOPERATIVE.

Whenever a patent is so far inoperative that it fails to secure all that the patentee was, by his specifications, entitled to claim, it is inoperative within the meaning of the statute, and the patentee is entitled to a reissue.

2. SAME—DECISION OF PATENT-OFFICE CONCLUSIVE UPON COLLATERAL QUESTIONS.

The decision of the commissioner of patents is conclusive upon all questions relating to the manner in which a patent was obtained, and the courts can only consider what appears upon the face of the patent.

3. SAME—REISSUE IN LANGUAGE OF ORIGINAL.

One who, under honest misapprehension, surrenders a valid patent, and takes a reissue which proves to be void, is entitled to a reissue of the first patent in the identical language originally used.

4. EQUITY PLEADING—PLEA—AMENDMENT—MULTIFARIOUS ISSUES—DELAY.

A plea in equity must be confined to a single issue, unless special leave is obtained to plead double; and an amendment of a plea so as to raise a multitude of issues will not generally be allowed, especially after long delay. The defendant must answer over.

Motion for Leave to File an Amended Plea.

Hall McAllister and *George Harding*, for complainant.

M. A. Wheaton, for respondent.

Before SAWYER and SABIN, JJ.

SAWYER, J., (*orally*.) In the case of *Giant Powder Co. v. Safety Nitro Co.*, a motion for leave to file an amended plea, setting up several distinct defenses, has been argued in connection with the argument as to the sufficiency of the plea already filed. The Giant Powder Company was the owner of original patent, No. 78,317. This patent was surrendered and reissued as patent No. 5,619. Afterwards, for the purpose of correcting a clerical error, patent No. 5,619 was surrendered and reissued as patent No. 5,799. A suit upon this last patent was decided by Mr. Justice FIELD in this court, in which it was held that the reissue was broader in its scope than the original invention as described in the original patent No. 78,317, being for a combination of nitro-glycerine with some non-explosive absorbent material, while the reissue embraced explosive as well as inexplusive absorbents; and Mr. Justice FIELD held that in that particular the reissue was broader than the originally-patented invention, and for that reason void. *Giant Powder Co. v. Cal. Vigorit P. Co.* 6 Sawy. 509; [S. C. 4 FED. REP. 721.] In consequence of this decision, patent No. 5,799 was surrendered and reissued again in patent No. 10,267, and in patent No. 10,267 both the specification and the claim are identical with those of the original patent No. 78,317, which had before been surrendered and reissued in the patents before mentioned.

These facts are set up in the plea, and it is claimed that patent No. 10,267 is void, it being identical with the original surrendered patent No. 78,317. That patent was surrendered as being inoperative; and as a reissue can only be had where the patent is inoperative, it is claimed that the original patent must have been held to be wholly inoperative. I think counsel are mistaken in that proposition. A patent may be inoperative, in my judgment, when it is inoperative in part. I do not think it must be absolutely inoperative in its entirety. If it is inoperative so far as not to cover all that the party is entitled to claim, and what he is entitled to claim appears in the specifications, it being inoperative to that extent, I think it would be inoperative within the meaning of the provisions of the statute, and entitle the party to a reissue, covering his entire invention. It does not necessarily follow that patent No. 78,317 was wholly in-

operative, or void, or useless. I am not aware that it has ever been held by any court to be utterly invalid in all its parts. It was not even claimed at the argument that the patent, as originally issued, was inoperative, in fact, as to the combination of nitro-glycerine with inexplusive absorbents.

The question of fraud in procuring the reissue, in my opinion, does not arise on this plea, because the question as to whether a mistake has been innocently made in not covering by the patent all that the party was entitled to cover—the question whether there is a fraud in the surrender and application for a reissue—is one of fact, for the officers of the patent-office alone to decide, and their determination is conclusive in a collateral proceeding. This court can only examine and pass upon what appears upon the face of the patent, and see whether there is anything to indicate its invalidity, or render it void upon its face. All questions of fact behind the patent are to be examined, heard, and conclusively determined by the commissioner of patents. This principle has been affirmed over and over again by the supreme court.

I do not think the fact that the patent was reissued in the identical terms of the original patent No. 78,317 renders it void. The specifications of the patent last surrendered were amended by omitting the objectionable parts. Patents are constantly reissued for portions of the specifications and claims in the identical language of the original patent. Each claim in its nature substantially and in effect covers a distinct and separate invention, and is an independent patent in substance and effect. It might be the subject of an independent patent; and if in any reissue, so far as the patents are identical, those claims are valid in the reissued patent having another or additional valid claim, or a modified claim, or some other change in the specification, I do not perceive why they would not be valid in a patent limited to them alone. If they can all stand together, I do not see why a reissued patent, covering the identical claims by themselves, may not stand and be valid. Patents may be reissued in divisions. It is not necessary that all claims in the reissue should be included in one patent. They are often issued in divisions, and I suppose that a patent might be reissued in divisions in the identical language as to some of the claims, the changes being included in another and separate division or patent; that is to say, all claims, or inventions, which are fully covered and operative, may be reissued by themselves in one division in the identical language of the original surrendered patent, and all other claims, on amendments to the the specifications, and covering the invention shown by the amended specifications, in another division or patent. I do not see why a part of the original claims may not be reissued in one division in identically the same language as in the original patent, and the rest in another. If this can be done without affecting the validity of the reissues, and a party finds that he has made a mistake and surrendered

a valid patent and obtained a void reissue, I do not perceive why he may not fall back upon his old patent and have it reissued on a newly-amended specification embracing that portion which is valid. If parts which are identical are valid in connection with other parts in a reissue, I do not perceive why they should not be valid in a reissue containing no additional matter.

In this particular class of cases it is quite extensively claimed by the bar, I think, that the supreme and some of the circuit courts have made something of a departure in some of their late decisions upon reissues, including the reissue in question. Mr. Justice FIELD held patent No. 5,799 to be void, while several of the circuit judges at the east held it to be valid, and the supreme court has recently repeatedly affirmed the principle of the decision of Mr. Justice FIELD on the circuit. Where courts make a mistake, it may, very properly, be conceded that a patentee may well make an honest mistake himself. On the argument of the plea, my attention was called for the first time to the case of *Gage v. Herring*, 107 U. S. 646, [S. C. 2 Sup. Ct. Rep. 824,] in which I think the principle involved in the plea is distinctly determined. The court says:

"The invalidity of the new claim in the reissue does not indeed impair the validity of the original claim, which is repeated and separately stated in the reissued patent. Under the provisions of the patent act, whenever, through inadvertence, accident, or mistake, and without any willful default or intent to defraud or mislead the public, a patentee in his specification has claimed more than that of which he was the original or first inventor or discoverer, his patent is valid for all that which is truly and justly his own, provided the same is a material and substantial part of the thing patented, and definitely distinguishable from the parts claimed without right; and the patentee, upon seasonably recording in the patent-office a disclaimer, in writing, of the parts which he did not invent, or to which he has no valid claim, may maintain a suit upon that part which he is entitled to hold, although in a suit brought before a disclaimer he cannot recover costs. Rev. St. §§ 4917, 4922; O'Reilly v. Morse, 15 How. 62, 120, 121; Vance v. Campbell, 1 Black, 823. A reissued patent is within the letter and the spirit of these provisions."

If a reissued patent is within the letter and spirit of these provisions, as stated, and "the invalidity of the new claim in the reissue does not indeed impair the validity of the original claim, which is repeated and separately stated in the reissued patent," it is not apparent to my comprehension why a second reissue, embracing the valid claim alone of the original patent, would not be valid. I cannot, therefore, say that the patent (No. 10,267) is void by reason of anything asserted in the plea upon the grounds set forth. The plea must therefore be overruled.

With reference to the filing of the proposed so-called amended plea, I think it is not within the reasonable discretion of the court to allow it to be filed at this late day. In view of the circumstances of this case, as they appeared before this court in the various stages of the proceedings, I think it would be an abuse of its discretion to allow the plea to be filed, if it were otherwise a proper plea. In fact, the proposed amended plea sets up all the defenses that can be made to

a patent, and it would involve the trial of the whole case, with the exception of the single question of infringement. The object of a plea, where there is some certain, single issue, requiring but little evidence that will dispose of the whole case if sustained, is to try that issue without putting the parties to the expense of the trial of the case at large; and pleas are limited to a single defense or issue unless, by permission of the court, the defendants are allowed to plead double. If the court allows this so-called amended plea to be filed, it would allow parties to try all the issues in the case with the exception of the one issue as to infringement, and it would be necessary to try the whole case on the merits by piecemeal. Besides, it comes too late. After this plea was originally filed it was stipulated that it stand for an answer so far as it was available as a defense. An answer and replications were filed, and the parties commenced taking testimony. In the course of taking the testimony the solicitor for the defendant ascertained the importance of having the case decided on his plea, provided it was good, and thought that he was at a disadvantage in his then position, as on the question of infringement he would be obliged to disclose the secrets of his composition. He therefore moved, upon affidavits, to be relieved from the stipulation, taking the plea for an answer. He claimed, among other things, to have misunderstood the practice of the court. After argument, the court, thinking that there might be something in the plea, as this exact point had never been decided, so far as it was aware, and, if good, it would save the expense of a trial, relieved the party from the stipulation, and allowed the plea to be set down for argument. It was supposed that the exact question had never been presented before, and when the argument was made upon the stipulation the court had not seen the case of *Gage v. Herring, supra*, which, it is thought, decides the principle. I thought that there was, perhaps, something in the plea. At all events, I thought that it was worthy of being carefully considered, for if the plea is good, and the patent absolutely void upon its face, I saw no occasion for putting the parties to the great expense of going to a trial of all the issues in the case. I therefore set aside the stipulation, and allow the defendant to withdraw its answer in the case, and set the plea down for a hearing. It was set down for a hearing, and continued from time to time, until finally it came up for argument, counsel from Philadelphia coming out to argue the case on the validity of the plea. When the plea was called for argument, it was found that there had been a change of solicitors, and an application was made by the substituted attorney at the moment for leave to file the proposed so-called amended plea, which presents all the issues in the case with the exception of the one issue of infringement. I think, under the circumstances, that it would be improper, and it would be an abuse of discretion to allow this so-called amended plea to be filed at this late day.

Leave to file the proposed amended plea is therefore denied.

NATIONAL CAR-BRAKE SHOE CO. v. TERRE HAUTE CAR & MANUF'G
Co. and others.

(Circuit Court, D. Indiana. January 30, 1884.)

1. **PATENTS FOR INVENTIONS—PARTIES IN ACTION AT LAW FOR INFRINGEMENT.**
In an action at law for infringement of a patent, all parties who participate in the infringement are liable, although some are simply acting as officers of a corporation; all parties who participate in a tort or trespass are liable, and a man cannot retreat behind a corporation and escape liability for infringements in which he actively participates.
2. **SAME—CONSTRUCTION OF PATENT.**
It is for the court, as a matter of law, to construe a patent, and for the jury, as a question of fact, to determine whether it has been infringed, and the amount of damages that should be allowed.
3. **SAME—BURDEN OF PROOF—DAMAGES.**
In an infringement suit, the burden is on the plaintiff to show the amount of damages he has suffered; and if he furnishes reasonably satisfactory evidence on that subject, he is entitled to substantial damages, otherwise to nominal damages.
4. **SAME—EVIDENCE OF DAMAGE—LICENSE.**
On the question of damages, it is competent for a patentee to prove the prices at which licenses were granted under the patent while it was in force; but in order to be competent evidence of value, the prices agreed upon must be prices fixed with regard to the future, when there is no liability between the parties, and the parties not being subject to suits are presumed to act voluntarily, and therefore to make up their minds deliberately as to what would be a fair price. Such arrangements, licenses thus granted, fees thus fixed, are competent evidence to consider in determining what the actual value of an invention is, and what the recovery ought to be for its use.
5. **SAME—PAYMENTS MADE IN SETTLEMENT.**
It is not competent for a patentee to prove the prices paid for infringements already perpetrated; such settlements are not at all admissible on the subject of value.
6. **SAME—AMOUNT OF DAMAGES.**
The value of an invention for which an infringer is liable is the value at the time of the infringement. A man who has got a patent owns it as property, and if anybody sees fit to infringe it he is bound to pay for its fair value; and the fact that there is something else just as good or better does not entirely destroy its value, but may affect it.
7. **SAME—CONFUSION OF GOODS.**
The doctrine of a confusion of goods has no application to a suit for infringement of a patent, especially where there is only a confusion of book-keeping and not a confusion of the articles themselves, the articles being incapable of mixture.
8. **SAME—CONCEALMENT—PRODUCTION OF BOOKS.**
If a party shows an unwillingness to let the truth out, and keeps back facts and the means of getting at facts, in his power, then the jury is warranted in drawing the strongest possible inferences against him, which may be drawn from the evidence actually given in favor of the other party. But if he comes forward with his books, furnishes all the evidence in his power, and is fairly candid in the matter, no inferences should be drawn against him, except such as are fairly drawn from the evidence adduced.
9. **SAME—RECORD OF PATENT—NOTICE.**
Every one is bound to take notice of the existence of a patent, and of the rights of parties under it; like the record of a deed to real estate, the record of a patent at Washington is notice thereof to all the world.

Action for Damages for Infringement.