

the court, in *Miller v. Brass Co.*, *supra*, say: "And when this is a matter apparent on the face of the instrument, upon a mere comparison of the original patent with the reissue, it is competent for the court to decide whether the delay is unreasonable, and whether the reissue was therefore contrary to law and void." The bill shows no excuse for the long delay in applying for the reissue. The complainant slept upon his rights, and I think the claims which the defendant is alleged to have infringed are void. The demurrer is therefore sustained, and the bill is dismissed for want of equity.

UNITED STATES v. GUNNING and another.

(Circuit Court, S. D. New York. December 26, 1884.)

1. PATENTS FOR INVENTIONS—SETTING ASIDE PATENT FRAUDULENTLY OBTAINED—EVIDENCE.

Upon examination of the evidence taken and filed by the United States, *held*, that the denials of the answer, unsupported by evidence on the part of the defendants, are overcome, and that a decree vacating and setting aside the patent thereunder be granted

2. SAME—COSTS.

It appearing that defendant Ingersoll has not participated in the fraud, and is a *bona fide* purchaser of an interest in the patent decreed fraudulent and set aside, costs will not be decreed against her.

In Equity.

G. E. P. Howard and *Louis C. Raegen*, Asst. U. S. Attys., for orator.

A. J. Todd, for defendant Ingersoll.

WHEELER, J. The question whether this bill to set aside the patent granted to the defendant Gunning as inventor, and the defendant Ingersoll as assignee of one-half of his interest in the invention, for fraud in procuring it to be granted, can be maintained by the United States as a party to the grant, imposed upon by the fraud, has been settled in this case, except upon appeal, by the decision of Judge WALLACE overruling the demurrer. *U. S. v. Gunning*, 18 FED. REP. 511. The only question now is whether the material allegations of the bill then adjudged to be sufficient, have been proved by sufficient evidence. The fraud is alleged to consist in setting up in the application that Gunning was an original and first inventor, when he was not, and knew he was not; and that the invention had not been in public use or on sale for two years prior to the application, when it had been, and he knew it had been. These allegations are denied by the answer. The orator has taken and filed testimony,—the defendants have not,—so it has been used. The answer being responsive, is to be overcome as evidence, and the allegations are to be made out. In analogy to the requirements of evidence for defeating patents, and for

setting aside or reforming solemn written instruments generally, it would seem that the substance of the allegations should be established by full proof, adequate to the removal of all fair doubt. On the evidence, however, it seems to be quite clear that Gunning was not an original inventor at all of the invention. It appears to have been shown to him by others, some time before his application, and that he did not then claim to have known of it before. This might be so, and he have invented it before that; but he has not shown by others, nor testified himself, that he had, and the circumstances strongly tend to the conclusion that he had not. That he knew he had not, and that he was not the first nor an original inventor, even, follows of course. This conclusion is too strong to be resisted, and this point seems to be made out beyond any fair doubt. And this makes it unnecessary to determine whether it was in public use or on sale for two years before the application, and so known by him to have been for that length of time as to make that representation sufficiently fraudulent to vitiate the grant of the patent; for the being the first inventor is the principal thing in obtaining a patent, and fraud as to that would be as material as any, and proving that sustains the allegation of fraud in the bill, as well as more would. The defendant Ingersoll is not shown to have participated in the fraud; neither is she shown to have undertaken to justify or enforce the patent as valid. There are some statements of Gunning as to her course and connection with it tending to show that she did, but they are mere narratives of past transactions, not a part of anything then going on, and not competent evidence to affect her. She may be, and for aught that appears is, a *bona fide* purchaser for value, without notice of any fault or defect; but, if she is, there is nothing about a patent, or the grant of a patent, to furnish ground for a superior right in the hands of such a purchaser, as against the United States. It is valid or void in that aspect, as it is or is not upheld by the law, and all have legal notice of that. But her position may have some proper bearing upon the question of costs, which are subjects of discretion in a court of equity. There is no good reason why she should be chargeable with any in this case as it stands.

Let there be a decree for the orator setting aside the patent according to the prayer of the bill, with costs against the defendant Gunning, and without costs against the defendant Ingersoll.

RAILWAY REGISTER MANUF'G CO. v. BROADWAY & SEVENTH AVENUE
R. Co.

SAME v. CENTRAL PARK, N. & E. R. R. Co.

(Circuit Court, S. D. New York. December 26, 1884.)

1. PATENTS FOR INVENTIONS—FARE REGISTER AND RECORDER—NOVELTY.

Patent No. 265,145, dated September 26, 1882, and granted to Newman A. Ransom, for a fare register and recorder, is not void for want of novelty, and is infringed by the defendant.

2. SAME—PATENT No. 260,526—PUBLIC USE.

The use of an invention for a fare register and recorder upon street-railway cars, in the only manner in which it could be conveniently used, for the purpose of actual experiment, to ascertain the best mode of construction, will not amount to a public use and invalidate the patent.

In Equity.

Edward N. Dickerson, Jr., for orator.

John Dane, Jr., for defendants.

WHEELER, J. These suits are brought upon letters patent No. 265,145, dated September 26, 1882, and granted to Newman A. Ransom, assignor to the orator, for a fare register and recorder, and No. 260,526, dated July 4, 1882, and granted to John B. Benton, assignor to the orator, for a fare register, for an alleged infringement of claims 12 to 17, of the former, inclusive, and all of the claims, five in number, of the latter. Want of novelty and denial of infringement are set up as to the former, and public use for more than two years prior to the application as to the latter. Many patents, English and American, and among the latter, one to the same inventor, are relied upon as anticipations. The application for this patent was on file when the prior patent to this inventor was granted, and therefore the description of this invention in that patent would not affect at all the validity of this one. *James v. Campbell*, 104 U. S. 356. None of the other patents show, in any description of any one instrument, the combination of any of these claims, but the several parts of the combinations are all shown in different contrivances for various purposes. It is argued, with as much plausibility, apparently, as the subject admits, that these combinations are, so far, mere aggregations of parts; that these parts, as shown in the prior descriptions, are anticipations of all that was patentable in combinations. These instruments are, however, each single machines for registering and retaining the number of fares received, and signaled trip by trip, for a number of trips, in such a manner that those for each trip must be begun at the same point, and all must be kept free from being tampered with until examined and compared with the fares by the proper person. All the parts act together for this purpose, and each has an influence in producing the result in a more perfect and reliable manner than was known before. This seems to

be more than the assembling of several parts, each doing something by itself unaffected by the others, and to amount to a new arrangement for working together of old devices into a patentable contrivance. According to this view the defense of want of novelty fails. The defendants appear, upon the evidence, to use these several parts, or their known equivalents, in the same arrangement, so that they really appropriate the patented invention of these several claims. The public use of the other invention was, according to the evidence, upon street-railway cars, in the only manner in which they could be conveniently used, for the purpose of actual experiment to ascertain the best mode of construction. This seems to have been allowable. *Elizabeth v. Pavement Co.* 97 U. S. 126.

Let there be a decree for the orator for an injunction and account in each case, as to all these claims, with costs.

ADAMS and another *v.* HOWARD and others.

(*Circuit Court, S. D. New York.* December 26, 1884.)

1. PATENTS FOR INVENTIONS—LICENSE—ASSIGNABILITY.

Generally, a license to make and use a patented invention is a privilege personal to the licensee, which is incapable of assignment; but where the license reserves no royalty to the owner of the patent, and grants the right, not only to the persons named as parties of the second part, but also to their executors, administrators, and assigns, it is assignable.

2. SAME—TITLE IN SEVERALTY.

Where such a license runs to the administrators and executors of the parties of the second part, as well as to their assigns, it is apportionable and divisible by assignment, and may be transferred in severalty by one of the licensees.

3. SAME—RECEIVER CONVEYING TITLE TO PATENT.

The rule that a receiver cannot convey title to a patent unless the owner of the legal title joins, does not apply to the transfer of a mere equitable title.

4. SAME—DEFECT OF PARTY—OBJECTION RAISED ON HEARING.

A defendant who has litigated a case on its merits will not be permitted to raise for the first time at the hearing the question of a defect of parties, unless indispensable parties are absent, and in that event the court will refuse to decree if the objection were not suggested.

On Motion for Rehearing. S. C. 19 FED. REP. 317.

Betts, Atterbury & Betts, for complainants.

James A. Whitney, for defendant Morse.

WALLACE, J. The defendant moves for a rehearing upon the ground that the interlocutory decree erroneously adjudges that the complainant Dietz is entitled to an injunction, and an accounting of damages and profits, as the owner of a license under the patent infringed by the defendant. It was held that Adams had acquired the title of the Chicago Manufacturing Company in the patent in suit, subject to an outstanding license which that company had granted to Archer and others to make and use the patented invention in the