

did he form the scheme before he sent them out, to defraud them? Because there must have been in each of these a plan to defraud; and then, in pursuance of that previously formed plan, he must have carried it into execution by use of the mails. You will then inquire, from this testimony, whether it is shown beyond a reasonable doubt that he formed the preconceived purpose of getting these advertisements published, with the intention of not paying for them. The government is bound, upon this branch of the case,—this third count,—as upon all the others, to make the proof out in so cogent a way that no reasonable doubt is left in your minds that these facts existed: That he formed the purpose of defrauding, and used the mails in furtherance of this scheme; and this same proposition runs through each and every count in the indictment: In the first place, that he should have formed the scheme to defraud by sending the circulars of this wheat; in the second count, that he formed the purpose to defraud by sending out the circulars for those berries, knowing what they were, what he intended to fill the orders with; and, thirdly, that he formed the scheme of defrauding these publishers by not paying them after the publication should have been duly inserted. Now, gentlemen, if upon either of these counts you find this respondent to be guilty, you will so announce. If you find him guilty upon all, you so declare in a general way; if not guilty upon any, so announce in a general way; but, if guilty in some and not in others, then divide, and indicate on what you find him guilty, and on what not. Now, as I have had frequent occasion to say, and of which you are probably aware without my repeating it again, in every criminal case it is incumbent upon the prosecution to make out the facts that go to constitute the crime beyond a reasonable doubt; the proof must be reasonably clear, and leave no reasonable doubt in your minds. You must come to the conclusion unhesitatingly. If the proof satisfies you to this extent in this case, as to each or any or all of these counts, you will find accordingly. If, on the other hand, it does not reach that degree of certainty, or sureness, then you should acquit the respondent. Or if, upon any of them, you find the proof is not sufficiently cogent to warrant his conviction, then you will so declare.

KEYES *et al.* v. EUREKA CON. MANUF'G Co.

(Circuit Court, N. D. California. January 26, 1891.)

1. PATENT—INFRINGEMENT—PRELIMINARY INJUNCTION.

In an action for infringement, brought only a few days before the expiration of the patent, it appeared that the invention was made and patented while the patentees were in the employment of defendant, though they soon afterwards left it; that defendant had, with plaintiffs' knowledge and approval, used the invention prior to the issue of the patent, and such use had continued to the commencement of the suit, without any contract for compensation, though one of the patentees had notified defendant's president that, after he left its employment, defendant must pay for the use of the invention at the same rate that others paid. *Held*,

that there was no ground for equitable interference to restrain such use for the few remaining days of the life of the patent by preliminary injunction.

2. **SAME—SUIT FOR ROYALTIES—NATIONAL JURISDICTION.**

The only ground of equitable jurisdiction being relief by injunction, and patent having expired before defendant was required to answer, so that no injunction could have been granted on final decree, the only remaining cause of action, being for royalties under an implied license for the use of the invention after the notice, is purely legal, and, in the absence of a proper showing as to citizenship, there is no element of national jurisdiction, and the suit must be dismissed.

In Equity.

John Flournoy, for complainants.

Naphtaly, Frederick & Ackerman and *John H. Miller*, for respondent.

Before **SAWYER**, Circuit Judge.

SAWYER, J. This is a suit for damages for infringement, and to enjoin further infringement of letters patent No. 121,385, granted to complainants, Winfield Scott Keyes, and Albert Arents, dated November 28, 1871. The bill was filed October 29, 1888, *29 days before the expiration of the patent*. The respondent was required by the subpoena to appear on the 3d day of December, 1888, *after the patent had expired*. The answer would not have been regularly due under the rules of the court, *till the first Monday of January, 1889*. No notice was given of an application for an injunction, *pendente lite*, and no such application was made. Consequently, before any action of the court could be had, and before respondent was required to appear in court, the term of the patent had expired, and the only possible remedy upon the bill filed, was damages for an infringement; and under the circumstances of the case, a recovery of the royalties established for the use of the patent. When the patent was applied for and issued, the complainants were both in the employment of the respondent,—the complainant, Keyes, as superintendent of respondent's mine, and the complainant, Arents, as assayer and smelter at respondent's mine and smelting works, each receiving a regular salary. While thus engaged in the respondent's employment, and managing its works, they made the invention covered by the patent. On April 19, 1871, the complainants put their improvement, afterwards patented, on the first furnace of respondent, before the application for a patent, and on April 24th, the date of the application for a patent, they put it on the second furnace. Those improvements were, continuously, used in respondent's works from that time on, while complainants remained in its employment, and, afterwards, till the commencement of this suit; and such use of these improvements constitute in part, at least, if not in whole, the infringement complained of in this suit. The complainant, Keyes, left respondent's employment, as superintendent, on September 1, 1872, and complainant, Arents, as assayer, and smelter, on November 10, 1872. The respondent continued to use these improvements after complainants left its employment, down to the time of the commencement of this suit. Complainants knew of this use. It does not appear that complainant, Keyes, ever had any communication with respondent upon the subject, of the use of this improvement. But complainant, Arents, notified the president of the respondent, in June, 1872, that the company could use

the improvement while he remained in its employ, but that after he left such employment he would require the company to pay what others had to pay for the use of the improvement. Mr. Arents, after he left, at various times, but when, not shown, made demands upon the secretary of company, respondent, for payment for the use of the improvement, and in the summer of 1888, made a similar demand upon the president of the company, respondent. From July to October, 1888, complainants endeavored to reach an amicable settlement with respondent for its said use of their improvement, and on failure to make a satisfactory settlement, this suit was instituted.

The respondent does not contest the validity of the patent, or deny the use of the improvement as stated, or set up any of the defenses specially authorized by the statute. The defense is, 1, that upon the facts as they appear, no case for equitable jurisdiction is presented, and, therefore, the bill must be dismissed, under section 721, Rev. St. 2: That under the facts as they appear, the defendant had an implied license to use the invention without compensation, while Arents continued in its employ, and after he left, for the same royalties charged other parties, and, consequently, there being a license, there is no legal infringement, and the remedy of plaintiffs is an ordinary action at law to recover the amount of the royalties accrued for use under the implied license; and over such an action, no diversity of citizenship appearing, the national courts have no jurisdiction.

On both grounds, I think the bill must be dismissed. The only ground for equitable jurisdiction is an injunction. As the patent expired before the respondent was required or could have been required to appear to the suit, no injunction could have been granted in the final decree. No injunction *pendente lite* was obtained or asked for. No preliminary restraining order was asked of the court, and no notice given to respondent that an injunction *pendente lite* would be asked. Had an application been made upon notice, and the facts now shown been made to appear in response to the motion, as they, undoubtedly, would have been, no court of equity, I apprehend, would have granted a temporary injunction for the few remaining days of the life of the patent; even if the application could have been brought to a hearing before its termination. The respondent had been using this improvement, introduced into its works by the complainants themselves, in part, at least, before the patent was applied for, and long before it was issued, with the knowledge and manifestly the tacit approval of the complainants, with the understanding that it could use it for the usual royalty charged others, down to within a few days of the expiration of the patent. Under such circumstances it would have been grossly inequitable to suddenly enjoin it from further use for the remaining few days the patent had to run, had such an injunction been, seasonably, asked. The laches and tacit, not to say express acquiescence of the complainants in the use of the improvements as shown by the record, estopped them from equitably demanding an injunction. Under the special circumstances of the case, complainants were not equitably entitled to an injunction *pendente lite*,

had one been demanded. And this is no impeachment of the general doctrine announced in many cases, including those cases cited by complainant's counsel, that a patentee is ordinarily entitled to an injunction when his patent is willfully infringed, without any fault of his own, or other circumstances affecting the equities of the case in favor of respondent for even a few remaining days of the life of his patent. Undoubtedly an injunction *pendente lite* during the life of the patent, should not be refused while the patent is in force, merely because before a final decree can be had in the ordinary course of proceeding, the term of the patent would expire. But other important circumstances affect the equities of this case, that take it out of the ordinary course.

I am also, of opinion, upon the undisputed facts disclosed, that there was an implied license, at least, to use this patent by the respondent, upon the same terms or royalties fixed for other parties, from the time complainants left the employment of respondents, and that the use of it in the manner shown, and so long acquiesced in, is not an infringement in the proper sense of that term. The remedy of complainants, therefore, is an action at law to recover the royalties accrued for the use in pursuance of such implied license. This being so, and no diversity of citizenship of the parties appearing, no element of jurisdiction in the national courts is shown, and on that ground, also, the bill must be dismissed.

Let the bill be dismissed upon the grounds stated, with costs.

SMITH v. PUTNAM.

(Circuit Court, D. Massachusetts. February 18, 1891.)

PATENTS FOR INVENTIONS—INFRINGEMENT.

Letters patent No. 183,716, granted October 24, 1876, to William Smith for an improved water-closet, consisting of combination claims, one element of which is two jets, are not infringed by a closet having only one jet.

In Equity.

Charles S. Burton and Thomas H. Wakefield, for complainant.

William W. Swan, for defendant.

COLT, J. There is one defense which is fatal to complainant's bill. The suit is for infringement of letters patent 183,716, granted October 24, 1876, to William Smith for an improved water-closet. The claims relied upon, and which the defendant is charged with infringing, are 1 and 5. These are combination claims, and one of the elements of the combination in each claim is the jet *g*. It is admitted that the defendant's apparatus does not have this element. The claims of the patent mention two jets, *f* and *g*. The closet of the defendant has only one jet. It has been repeatedly held that a combination is an entirety, and that

a patentee cannot abandon a part and claim the rest, nor can he be permitted to prove that a part is useless, and therefore immaterial, but he must stand by the claims as he has made them. If more or less than the whole of his ingredients are used by another, such party is not liable as an infringer, because he has not used the invention or discovery patented. Such is doctrine of the supreme court as laid down in *Schumacher v. Cornell*, 96 U. S. 549. See, also, *Keystone Bridge Co. v. Phoenix Iron Co.*, 95 U. S. 274; *Burns v. Meyer*, 100 U. S. 671; *Water Meter Co. v. Desper*, 101 U. S. 332; *Gage v. Herring*, 107 U. S. 640, 2 Sup. Ct. Rep. 819; *Fay v. Cordesman*, 109 U. S. 408, 3 Sup. Ct. Rep. 236; *Rowell v. Lindsay*, 113 U. S. 97, 5 Sup. Ct. Rep. 507; *Manufacturing Co. v. Sargent*, 117 U. S. 373, 6 Sup. Ct. Rep. 931.

Bill dismissed.

CLARK v. CITY OF MINNEAPOLIS.

(Circuit Court, D. Minnesota. January 9, 1891.)

PATENTS FOR INVENTIONS—INFRINGEMENT—ANTICIPATION.

Letters patent No. 401,618, issued April 16, 1889, to David S. White, for an improvement in hoisting and loading machines, consisting of an elevated portable platform, built so as to allow a car to be passed under it to receive the contents of a pivoted receptacle, with a hoisting apparatus on the platform adapted to raise the material up and over the platform, and a receptacle on the platform, fixed so as to receive the material elevated and emptied into the car, is not infringed by a machine known as "Green's Hoisting Apparatus," which consists of a platform on wheels, elevated so as to allow a car to pass under it, and an inclined projecting boom, up which a truck runs and a bucket is hoisted so that it may be emptied into a receptacle, since said Green's machine is substantially the same as the C. W. Hunt elevator, which was in use before the patented machine was invented.

In Equity.

Paul & Merwin, for complainant.

James F. Williamson, for defendant.

NELSON, J. This suit is brought against the city of Minneapolis by C. W. Clark, assignee of letters patent issued to David S. White, dated April 16, 1889, No. 401,618, "for an improvement in hoisting and loading machines." He claims an infringement by defendant in using what is called the "Green Loading and Unloading Mechanism for Sewer Excavating." Defendant, in its answer, pleads (1) no patentable novelty; (2) that the patentee is not the first inventor; (3) non-infringement. I shall consider only the issue raised by the defense of non-infringement, which, in my opinion, settles the cause. The specification of the patentee, White, states that "My invention relates particularly to improvements in machines for excavating sewers, though applicable in making many other excavations." The invention is not an excavator, but can be used in elevating the earth, and dumping it into a receptacle in connection with the excavating machines or hand digging; and so he further states that