Reasons for the Report of the Lords of the Judicial Committee of the Privy Council on the Petition of the British Aluminium Company, Limited, for the Extension of Henderson's Patent, No. 7,426, of 1887; delivered 13th July 1901.

Present at the Hearing:

LORD MACNAGHTEN.
LORD DAVEY.
LORD ROBERTSON.
LORD LINDLEY.
SIR FORD NORTH.

[*Delivered by Lord Davey.*]

The letters patent which are the subject of this petition bear date the 21st May 1887 and are for the invention of "An Improved Process "for the Preparation of Aluminium by Electro-"lysis." The inventor was a French gentleman named Héroult who also obtained patents for his invention in France and in Belgium. Both of these patents have expired.

The French patent was sold to a French Company called in the petition the Froges Company. The British patent was sold to a Swiss Company who afterwards sold it to another Swiss Company called the Neuhausen Company. The Belgian patent has never been worked. Until the purchase of the British patent by the present Petitioners it was not worked in this country and no serious attempt was made to introduce the invention into this country.

The present Petitioners who are an English Company purchased the patent from the

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Neuhausen Company in the year 1894 as a commercial speculation. They have since erected works for the manufacture on a large scale of aluminium and have manufactured and sold that article but it is alleged that the financial results have not come up to their legitimate expectations. The inventor of the patented invention has no interest direct or indirect in the success of the Petitioners' business but it is stated in the petition that in the event of His Majesty being graciously pleased to prolong the letters patent the Petitioners intend to make some provision for the future remuneration of the inventor out of their future profits.

It is admitted that the invention is one of great merit and would be not unworthy of exceptional consideration if the circumstances of the case were more favourable. The Attorney-General has stated several objections to the prolongation of the letters patent which are in substance as follows:—

(1.) The position of the Petitioners as assignees and purchasers of the patent as a commercial speculation.

(2.) That the statements in the petition and accompanying accounts do not supply any clear account of the profits made by the inventor or even of those made by the Petitioners themselves.

(3.) That no real attempt was made to introduce the patented article into this country for the first seven years of the life of the letters patent.

(4.) The expiration of the foreign patents.

Their Lordships think that these objections are well founded and they have already intimated that this is not a case in which they can properly or consistently with established principles advise His Majesty to grant any prolongation of the letters patent.

The position of assignees who petition for a prolongation of letters patent has frequently been the subject of decision by this Board and the circumstances in which alone such an application will be entertained are not doubtful. In the recent cases of the Bower Barff Patent (1895) A.C. 675 and Hopkinson's Patent (1897) A.C. 249 their Lordships following earlier decisions of this Board affirmed the principle that an assignee who has acquired a patent as the subject of commercial adventure is not entitled to a prolongation when the inventor himself could have no legitimate interest in making such an application. And in the latter case their Lordships referred to judgments of this Board delivered by Lord Langdale and Lord Romilly pointing out the distinction between an assignee who has assisted a patentee with funds to enable him to bring out his invention and one who has merely purchased the patent as a commercial adventure.

Their Lordships need not consider whether it is sufficient for the Petitioners merely to state in their petition that they are willing to do something for the inventor as an inducement to the Board to advise the grant of a prolongation or (in other words) as the price they are willing to pay for the grant. They need not do so because they are of opinion that there is no clear or satisfactory evidence before them that the inventor has not been adequately remunerated. Persons who apply to this Board for the prolongation of letters patent cannot be too frequently reminded of the law as laid down by Lord Cairns in Saxby's Patent (L. R. 3 P. C. 292):—"It is the duty of every patentee who "comes for the prolongation of his patent to take "upon himself the *onus* of satisfying this Com- "mittee in a manner which admits of no "controversy what has been the amount of

" remuneration which in every point of view the " invention has brought to him, in order that " their Lordships may be able to come to a " conclusion whether that remuneration may " fairly be considered as a sufficient reward for " his invention, or not. It is not for this " Committee to send back the accounts for " further particulars, nor to dissect the accounts " for the purpose of surmising what might be " their real outcome if they were differently " cast; it is for the applicant to bring his " accounts before the Committee in a shape " which will leave no doubt as to what the " remuneration has been which he has received."

The words of Lord Cairns are equally applicable where as in the present case the Petitioners are bound to prove that the inventor has not been adequately remunerated. It may be surmised from the materials before their Lordships that the inventor has received or became entitled to receive something like 600,000 frs. or (say) 24,000*l*. for his patent rights besides other advantages in the form of shares which may or may not be of value. But whether that be so or not it is sufficient for the present purpose to say that the accounts are not before their Lorships in a shape which enables them to form any clear opinion on the subject.

What has been said renders it unnecessary to consider the other points mentioned by the Attorney-General. Their Lordships will only say that the failure of the patentee to push the patented invention in this country for seven years and the circumstance of the expiration of the foreign patents are also serious obstacles to the success of the present application. Neither of these circumstances would be in itself conclusive against the Petitioners. But it would require a very strong case to induce their Lordships to

recommend a prolongation of the patent where these circumstances occur. The principle upon which objections of this class should be dealt with are explained in the judgments of this Board in Semet and Solvay's Patent (1895) A. C. 78 (where the extension was granted) and Pieper's Patent 12 Pat. Ca. 292 where it was refused.

For these reasons their Lordships have humbly advised His Majesty that the petition should be dismissed. The Petitioners will pay one set of costs to the two objectors.