Judgment of the Lords of the Judicial Committee of the Privy Council on the Appeal of The Dominion Cotton Mills Company, Limited, and others v. *The General Engineering Company of Ontario, Limited, from the Supreme Court of Canada; delivered the 23rd July* 1902.

Present at the Hearing:

THE LORD CHANCELLOR.
LORD MACNAGHTEN.
LORD DAVEY.
LORD ROBERTSON.
LORD LINDLEY.

[*Delivered by Lord Lindley.*]

The question raised by this Appeal is simply what is the true construction of the last clause of Section 8 of the Canadian Patent Act cap. 61 of the Revised Statutes of Canada as amended by Section 1 of the Canadian Act 55 & 56 Vict. c. 24. This Act came into operation on the 9th July 1892, and applied to all Canadian patents granted after that date.

The section as amended is as follows:—

"8. Any inventor who elects to obtain a patent for his "invention in a foreign country before obtaining a patent for "the same invention in Canada, may obtain a patent in Canada, "if the same be applied for within one year from the date of "the issue of the first foreign patent for such invention; and "if within three months after the date of the issue of a foreign "patent, the inventor gives notice to the Commissioner of his "intention to apply for a patent in Canada for such invention, "then no other person having commenced to manufacture the "same device in Canada during such period of one year, shall "be entitled to continue the manufacture of the same after the "inventor has obtained a patent therefor in Canada, without "the consent or allowance of the inventor; and, under any "circumstances, if a foreign patent exists, the Canadian patent "shall expire at the earliest date on which any foreign patent "for the same invention expires."

21950. 100.—7/1902. [42]

The material facts and dates are as follows :—

On the 1st March 1892 a Mr. Jones an American obtained a patent in the United States for improvements in boiler and other furnaces. On the same day Mr. Jones applied in Canada for a Canadian patent and in England for a British patent for the same invention.

On the 12th July 1892 the British patent was granted for 14 years from the 1st March 1892 but its duration for that period depended on the payment of the necessary fees.

On the 15th October 1892 the Canadian patent was granted for 18 years from 15th October 1892.

On the 1st March 1897 the British patent expired, the fees necessary for keeping it subsisting not having been paid.

On the 1st September 1898 the owners of the Canadian patent *i.e.* Respondents in this Appeal brought an action against the Appellants for infringing that patent and the Plaintiffs were successful and obtained judgment in the action.

Afterwards the Defendants in the action obtained leave to amend their pleadings in order to plead that before the commencement of the action the Canadian patent had expired by reason of the expiration of the British patent and also by reason of the expiration of an Italian patent to which however it is unnecessray now to allude.

A new trial was directed and took place before Mr. Justice Burbidge who had tried the action and judgment was given for the Defendants *i.e.* the present Appellants on the ground that the amended defence was proved. From this decision (which is referred to as the Judgment of the Exchequer Court) the Plaintiffs appealed to the Supreme Court and the Judgment was reversed. Hence this Appeal.

It is common ground and their Lordships concur in the view that a British patent is a foreign patent within the meaning of the Canada Patent Act; and that the British patent and the Canadian patent were for the same invention and that the former expired in March 1897. The whole question therefore turns on the meaning and legal effect of the words "under "any circumstances if a foreign patent exists "the Canadian patent shall expire at the earliest "date on which any foreign patent for the same "invention expires."

The words "if a foreign patent exists" invite the question:—when? what time is referred to? The Supreme Court have held (by a majority) that these words refer to the date of the application for the Canadian patent; the Exchequer Court held that they referred to the date of the grant of the Canadian patent. This last construction is sufficient for the Appellants in this particular case, but their Counsel contended that even this construction is too narrow and that the words refer to any time during the continuance of the Canadian patent, the duration of which is made to depend on the earliest termination of any foreign patent for the same invention. Their Lordships are of opinion that this wider construction of the words is the true one. They are unable to discover any sufficient reason for putting any more restricted meaning on the words. The language is clear and imperative. Their Lordships can only understand it as declaring that under all circumstances as soon as any foreign patent for the same invention expires the Canadian patent if then existing shall expire also. They can find no limit as to time except that the foreign patent must both exist and expire after the Canadian patent has been granted and before it has ceased from any other cause. The French version of the act is if

possible even clearer than the English version. Both however express the same meaning.

The Supreme Court were naturally influenced by a prior decision of their own on Section 8 as it stood in its original shape. In *Dreschel* v. *The Auer Incandescent Light Manufacturing Company* (28 S. C. R. 608 and 6 Ex. C.R. 55) it was held that similar words in the original section referred to the date of the grant, and that a foreign patent obtained subsequently to the grant of a Canadian patent and expiring during its continuance did not affect its duration. Their Lordships do not think it necessary to reconsider this case; but assuming it to have been correct having regard to Section 8 as it then stood they are unable to concur in the view that in Section 8 as it now stands the date of the application has become the date to which the last clause applies.

Their Lordships will therefore humbly advise His Majesty to reverse the Judgment of the Supreme Court with costs to be paid by the Respondents and to restore the Judgment of the Exchequer Court.

The Respondents must pay the costs of this Appeal.