Privy Council Appeal No. 100 *of* 1925.

The Permutit Company – – – – – – – *Appellants*

v.

George Leonard Borrowman – – – – – – *Respondent*

FROM

THE SUPREME COURT OF CANADA.

JUDGMENT OF THE LORDS OF THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL DELIVERED THE 9TH JULY, 1926.

Present at the Hearing :
THE LORD CHANCELLOR.
VISCOUNT HALDANE.
LORD ATKINSON.
LORD PARMOOR.
LORD JUSTICE WARRINGTON.

[*Delivered by* THE LORD CHANCELLOR.]

This appeal relates to two conflicting applications for a patent for the use of greensand or glauconite for the purpose of softening water. The contest throughout the proceedings has been upon the question as to who, as between two persons, Mr. Spencer, through whom the appellants claim, on the one hand, and Mr. Borrowman, the respondent, on the other, was in fact the first and true inventor of the process in question. It is important to bear in mind that the Courts in Canada have not decided, nor are their Lordships today asked to decide, whether there is here an invention by one party or the other which is capable of being patented under Section 7 of the Patent Act, Chapter 69 of the Revised Statutes of Canada, 1906. In other words, their Lordships have not to decide in this case whether there is subject matter, or whether there is novelty, or whether there was anticipation, or matters of that kind. Those were questions to be determined by the Commissioner of Patents, and upon them there may have been room for considerable argument ;

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but the Courts have assumed the invention to be a patentable invention, and their Lordships without deciding the point will make the same assumption, and will consider only the question of priority as between the two persons named.

As to the respondent Borrowman, there is no question as to the date on which he made the invention. It is undisputed that in the month of November, 1913, he conceived the idea, that he then made some experiments for the purpose of testing it, that he actually made a few filters in which greensand was used for the purpose of softening water and sold one of those filters to a friend. In the year 1914 he made an application in the United States of America for a patent, but on that occasion without success. In June, 1916, having further developed his process, he made another application for a patent in the United States of America, which ultimately succeeded; and it is admitted that in the month of August, 1916, he put the invention fully upon the market.

Those being the facts as regards the respondent, the question is whether Mr. Spencer, the predecessor of the appellants, has been proved to have made the same invention, in the true sense of the word "invention," before that date. Mr. Spencer gave evidence in this case, and he said that he had the idea, or (as in one passage in his evidence he calls it) the vision, of this process in or just before the month of May, 1912, and he referred to certain letters and other documents which he says indirectly corroborate his statement. This evidence is not strong, and is open to considerable comment; but it is needless to examine it in detail, because it appears to their Lordships that, assuming it to be true, it is not proved that there was an invention by Mr. Spencer within the true meaning of the statute. Mr. Spencer did not test his idea; he made no experiments for that purpose; he did no work for that purpose. It is said that he communicated the idea through his agent to a Dr. Duggan, who was then connected with the Permutit Company, and that Dr. Duggan tested it and came to some conclusion about it; but it is plain that what Dr. Duggan did he did for his own purposes, and not as the agent of Mr. Spencer. Mr. Spencer in his evidence makes that clear, for he says that he took a portion of greensand and carried it to his agent's office for the purpose of having it forwarded to parties in New York with the idea that they would do the necessary work and report to him, but that those parties were unknown to him, that he heard nothing from them, and they made no report to him; and apparently he did nothing whatever further until late in the year 1916, that is to say, at a date after Mr. Borrowman's invention was fully made and completed.

These being the facts, it appears to their Lordships that it is not proved that any invention in the true sense of the word was made by Mr. Spencer in 1912. It is not enough for a man to say that an idea floated through his brain; he must at least have reduced it to a definite and practical shape before he can be said

to have invented a process. Still less could it be said that the invention as described in the appellants' application for a patent was made in that year 1912. If so, that is enough to dispose of this appeal; and accordingly, their Lordships have not considered it their duty to go into some further questions which were debated in the Canadian Courts, and in which the character and conduct of certain persons connected with Mr. Spencer, or with the appellant company, appear to be involved. As their Lordships have not gone into this matter or heard the evidence upon it they, of course, express no opinion upon the questions so raised, and it must not be deemed either that they have affirmed or that they differ from the conclusions of the Supreme Court upon the matter.

A point was raised which was referred to as a point of law: it was suggested that the important thing for the purpose of Section 7 of the Act was the question when the invention was first known in Canada. That contention appears not to have been quite consistent with the attitude taken by the appellants throughout the proceedings, or indeed with their case upon this appeal. The point is, therefore, probably not open to them; but in any case, and however the point might be decided, the fundamental question must be whether the appellants' predecessor in title was or was not the inventor of this process, and upon that point the appeal wholly fails.

There is only one other point, a point of detail, to be mentioned. The appellants, in their claim in this action, asked for a declaration that Mr. Spencer was the inventor of the process in question. The respondent, Mr. Borrowman, in a counterclaim, claimed that it might be adjudged that he and not Mr. Spencer was the inventor and that it might be adjudged that he was entitled to the issue of a patent on his application. The only question argued in these proceedings was the question which of these two persons was the first inventor of the process. The decision of the Court of Exchequer was in favour of the appellants; and Mr. Justice Audette in his formal judgment confined his decision to the point which had been argued and declared only that, as between the parties to this action, Mr. Spencer and not the defendant was the inventor of the subject matter of the application. But the Supreme Court, in reversing that judgment, went further, and ordered that the counterclaim should be allowed, that is to say, that a patent should be issued to Borrowman. Their Lordships have no doubt that, if the attention of the Supreme Court had been called to the question of form, the Court would have followed the form adopted by the Court of Exchequer, and would have limited their order to a declaration of priority; and, accordingly, they think that the order under appeal should be varied by making it clear that the only order is that, as between the parties to this litigation, the defendant Mr. Borrowman, and not Mr. Spencer, was the inventor of the subject matter of the applications for patents. That variation in the order will not affect the question of costs, which will be paid by the appellants. Their Lordships will humbly advise His Majesty accordingly.

In the Privy Council.

THE PERMUTIT COMPANY

v.

GEORGE LEONARD BORROWMAN.

DELIVERED BY THE LORD CHANCELLOR.

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