

free: *Brown v. Hawkes* (1). But the jury here have found against the respondents, and among the facts submitted as to this, at all events, were the unexplained suppression of important documents and all the facts concerning belligerency, and so the argument that there was no evidence to support the finding cannot, in my judgment, be maintained.

The respondents, as I view the case, escape as by fire.

*Appeal dismissed with costs. Judgment of the Supreme Court varied by directing judgment for the defendants, with costs of the action and of the appeal to the Supreme Court.*

Solicitor, for the appellant, *J. Woolf*.

Solicitors, for the respondents, *Hedderwick, Fookes & Alston*.

B. L.

Appl  
Spedley  
Securities Ltd  
(in liq) v B R  
Yuill (No 4)  
1991 5  
ACSR 758

[HIGH COURT OF AUSTRALIA.]

POTTER'S SULPHIDE ORE TREATMENT } APPELLANTS ;  
LTD. . . . . }  
PLAINTIFFS,

AND

SULPHIDE CORPORATION LTD. . . . . RESPONDENTS.  
DEFENDANTS.

ON APPEAL FROM THE SUPREME COURT OF  
NEW SOUTH WALES.

*Practice—Interrogatories—Infringement of patent—Relevant facts.*

Any facts relevant to the matter in issue may be the subject of interrogatories.

In a suit for infringement of a patent, the invention was described as an improved process for the separation of metallic sulphides from sulphide ores,

(1) (1891) 2 Q.B., 718.

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Isaacs J.

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SYDNEY,  
Aug. 9, 10,  
11.

Griffith C.J.,  
Barton and  
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by placing the pulverised ore in a vessel, and adding a solution of water, and from one to ten per cent. of sulphuric or other suitable acid, the strength of the solution being determined by the quality of the ore to be treated. The plaintiffs alleged that the defendants were using their process, or a process only colourably different. The defendants denied the infringement.

*Held*, that as one of the questions material to the plaintiffs' case would be whether the defendants were in substance using the process described in the plaintiffs' specification, substituting for a part of the plaintiffs' process which they omitted, something which was a mere mechanical or chemical equivalent for it, and as this was a matter entirely within the knowledge of the defendants, and not within the knowledge of the plaintiffs, the plaintiffs were entitled to administer an interrogatory asking the defendants to state the proportion and percentage of the acidulated solution they were using in the treatment of their ore, and the particulars in which their process, if they admitted they were using this acidulated process, differed from the process described in the plaintiffs' specification.

*Potter's Sulphide Ore Treatment Ltd. v. Sulphide Corporation Ltd.*, 28 W.N., 85, varied.

APPEAL by leave from the decision of the Supreme Court, dismissing an appeal from an order of the Chief Judge in Equity, refusing to allow the plaintiffs to administer certain interrogatories to the defendants.

The action was for infringement of a patent. The original specification had been amended under an order of the High Court: See *Minerals Separation Ltd. v. Potter's Sulphide Ore Treatment Ltd.* (1), where the nature of the invention is stated.

The amended specification described the invention as (*inter alia*):—

“An improved solution to be used in and process for the separation of metallic sulphides from sulphide ores.

“The crude ore, concentrates, tailings or slimes, after being pulverised, are placed in a suitable vat or vessel, and a solution is then added, such solution consisting of water with the addition of from one per cent. to ten per cent. of sulphuric acid or any other suitable acid (but preferably sulphuric acid), the acidulated strength of the solution being determined by the quality or nature of the sulphide ore to be treated.”

The statement of claim, after describing the invention, and the



manner in which it was to be performed, stated the plaintiffs' claim to be:—

"1. As a means for separating metallic sulphides from sulphide ores, the admixture in a suitable vessel with such ores (reduced to a powdered or pulverised condition) of an acidulated solution hereinbefore described and applying heat thereto to bring the whole mixture to a sufficiently high temperature to cause the metallic sulphides therein to rise or float to the surface.

"2. The process of separating metallic sulphides from pulverised sulphide ores, concentrates, and slimes by mixing therewith an acidulated solution hereinbefore described, stirring, heating, skimming, or floating off such sulphides from the surface of the whole admixture as they rise so as to recover such sulphides ready for after treatment as and in manner hereinbefore described."

The plaintiffs then alleged that the defendants were using and exercising the process and method described in the specifications, or a process or method only colourably differing therefrom.

The defendants denied the infringement.

The plaintiffs applied to the Chief Judge in Equity for leave to administer the following interrogatories (*inter alia*) for the examination of the defendants' mine manager:—

1. Was not the defendant corporation at the date of the institution of this suit and/or at some and what date or dates prior thereto and subsequent to 6th November 1905 using in the State of New South Wales a flotation process or processes for separating metallic sulphides from sulphide ores in which the ore and/or tailings from the ore in a pulverised condition and/or slimes were placed in a vessel provided with internal stirrers and mixed with a solution containing water and sulphuric acid or some other and what acid?

If yes, state the proportions in a percentage that the acid bore to the solution in such process or processes.

If yes, also describe in detail the process or processes so used by the defendant and the period or periods of time during which each process was used.

10. In carrying on the said process or processes.

(a) What proportion or proportions did the bulk solution

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added bear to the ore and/or tailings and/or slimes to which the said solution was added? Between what limits did such proportion or proportions range and during what periods respectively?

(b) What amount or amounts of acid or acids has or have from time to time and at what times been used per ton of ore and/or tailings and/or slimes treated? Between what limits has or have such amount or amounts ranged?"

The Chief Judge allowed the first paragraph of the first interrogatory. The latter portion of this interrogatory he allowed as follows:—"If yes, was the proportion that the acid bore to the solution within the limits of one or thereabouts per cent. to ten or thereabouts per cent.

The tenth interrogatory was allowed in the following form:—"In the carrying on the said process or processes (a) was the bulk solution added in a proportion of approximately 250 gallons to every ton weight of ore; (b) in carrying on the said process or processes did not the defendant corporation add such a quantity of acid in the bulk solution mixed with the ore that the amount of acid to the ton of ore treated was between an approximate minimum of  $2\frac{1}{2}$  gallons and an approximate maximum of 25 gallons.

The plaintiffs appealed to the Full Court who, by consent, substituted the words 25 lbs. and 250 lbs. for the words  $2\frac{1}{2}$  gallons and 25 gallons respectively in interrogatory 10 (b) and affirmed the decision of the Chief Judge as to the first and tenth interrogatory with this variation. They also disallowed certain other interrogatories which the Chief Judge had ordered to stand over till after inspection of documents.

The plaintiffs by leave of the High Court appealed from this decision upon the grounds (1) that the plaintiffs are not bound in their interrogatories to keep within the limits of specific questions based on the specification; (2) that the plaintiffs are not limited to interrogatories, the answers to which will in themselves decide an issue or issues in the suit; (3) that the plaintiffs are entitled to administer interrogatories for the purpose of obtaining facts which will make out their case, or tend to make out that the defence is not a good defence.



*Mitchell* K.C., and *Harvey*, for the appellants. The Chief Judge in dealing with the interrogatories applied a rule which he had adopted in a previous case, that when a patent consists of the introduction of some new process, the interrogatories directed to the question of infringement must be kept within the limits of specific questions based on the specification. The Full Court considered this might be too narrow a rule, but considered that on the facts of this case the Chief Judge had exercised a discretion in disallowing the interrogatories in the form in which they were asked, which the Court should not interfere with. The limitation adopted by the Chief Judge was more particularly open to objection in the case of a master patent as this is. The limitation of the plaintiffs' claim to the admixture of 1 to 10 per cent. of acid is improper, because the defendants may be using the same quantity of acid per ton of ore, and yet using a more diluted solution, and therefore their answer to the interrogatory may not give the information the plaintiffs are entitled to. The information asked for is directly relevant to the plaintiffs' case in chief, as the defendants may be using something which is a mere equivalent to the plaintiffs' process. The plaintiffs are further entitled to interrogate the defendants as to any matter that will break down the defendants' case or disclose the nature of their defence: *Bray on Discovery*, 2nd ed., pp. 17, 34, 41; *Attorney-General v. Gaskill* (1). The plaintiffs are entitled to know the nature of the process the defendants are using, and the strength of the acid they use, partly to prove their case and partly for the purpose of ascertaining the case they intend setting up at the trial. They must be in a position to prove what it is that the defendants are doing. They are entitled to administer interrogatories to prove any relevant fact, which includes any fact which is relevant to the facts in issue, to prevent surprise at the trial, or to save the expense of giving evidence as to the facts that are admitted: *Attorney-General v. Gaskill* (2); *Plymouth Mutual Co-operative and Industrial Society Ltd. v. Traders' Publishing Association Ltd.* (3); *Hennessy v. Wright* (4); *In re Holloway*; *Young v. Holloway* (5); *Marriott v. Chamberlain* (6);

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(1) 20 Ch. D., 519, at p. 529.

(2) 20 Ch. D., 519.

(3) (1906) 1 K.B., 403.

(4) 24 Q.B.D., 445.

(5) 12 P.D., 167.

(6) 17 Q.B.D., 154.



H. C. OF A. *Attorney-General v. Newcastle-upon-Tyne Corporation* (1);  
 1911. *Benno Jaffe and Darmstaedter Lanolin Fabrik v. Richardson &*  
 Co. (2).

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*Leverrier K.C. and Milner Stephen*, for the respondents. The general principle is not disputed that facts relevant to facts in issue may be the subject of interrogatories, and that it is immaterial on whom the burden of proof lies. The Full Court has purported to follow this general rule, and their decision should not be interfered with unless there is some grave departure from it. If the relevancy of the facts is remote, the Court will consider whether it is proper that the interrogatories should be answered, and the exercise of their discretion will not be lightly interfered with unless they have adopted a wrong principle, or done substantial injustice: *Peek v. Ray* (3). If the interrogatories are allowed in the wide form in which they are framed, the defendants may be compelled to give information which is not in any way relevant to the suit. The plaintiffs cannot compel the defendants to disclose parts of their process which have nothing to do with the plaintiffs' invention: *Terrell on Patents*, 5th ed., 291. They could have framed their questions in such a way as to cover the whole specification. The plaintiffs can ask whether in the use of their process the defendants do various different things, but they cannot ask generally what it is that the defendants do. *Renard v. Levinstein* (4). The Chief Judge may have limited the plaintiffs to a greater extent than this Court would be inclined to do, but the fact that in the exercise of his discretion, and having regard to all the facts of the case, he has chosen to do so, is not a ground for the interference of this Court, if he has not applied a wrong principle.

*Mitchell K.C.*, in reply. The Chief Judge acted upon a wrong principle in holding that the interrogatories must be limited by the specification.

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GRIFFITH C.J. This is an action for the infringement of a patent, in which the specification has been amended. The

(1) (1897) 2 Q.B., 384, at p. 394.  
 (2) 62 L.J. Ch., 710.

(3) (1894) 3 Ch., 282.  
 (4) 10 L.T., 94.



nature of the invention came before this Court for consideration on an application to amend the original specification. I then described it thus: *Minerals Separation Ltd. v. Potter's Sulphide Ore Treatment Ltd.* (1):—"The invention was, as appears from the evidence, a new principle; the principle that the patentee Potter had discovered being that the application of an acidulated solution of varying degrees of strength to certain sulphide ores would cause the sulphides to separate from the gangue, and to float to the surface so that they could be skimmed off. That was the nature of the invention, but as you cannot obtain a patent for a principle, it was necessary for the patentee to go on and explain how that idea or principle could be put into practice, which he did."

I will read another passage from the same judgment, at p. 791, which is a quotation from the speech of Lord *Davey* in *Chamberlain v. Mayor of Bradford* (2):—"The question in every case is, in what consists the originality and merit, or, to use the well known phrase of Lord *Cairns*, the 'pith and marrow' of the patented invention? If that includes the discovery or suggestion of a new principle as well as the means of carrying it into effect, an infringer is not entitled to take the principle although he uses somewhat different machinery for the application of it to a practical purpose." The statement of claim in the present case, after setting out the original specification and the amended specification, alleges that the defendants are using plaintiffs' process or a process and method only colourably differing therefrom. The plaintiffs' case is, in fact, based upon the doctrine stated by Lord *Davey* in the passage I have just read.

The defendants in their defence denied the infringement. An application was then made, in accordance with the practice in the Supreme Court of New South Wales, to the Chief Judge in Equity for leave to deliver certain interrogatories with respect to the alleged infringement.

The first interrogatory reads thus:—"Was not the defendant corporation at the date of the institution of this suit and/or at some and what date or dates prior thereto and subsequent to the sixth day of November one thousand nine hundred and five

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(1) 8 C.L.R., 779, at p. 790.

(2) 20 R.P.C., 673, at 684.



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using in the State of New South Wales a flotation process or processes for separating metallic sulphides from sulphide ores in which the ore and/or tailings from the ore in a pulverised condition and/or slimes were placed in a vessel provided with internal stirrers and mixed with a solution containing water and sulphuric acid or some other and what acid?"

That is practically taken from the description of the process in the specification. The specification, however, had said this (paragraph 10 of the statement of claim):—"The crude ore, concentrates, tailings or slimes, after being pulverised, are placed in a suitable vat or vessel, and a solution is then added, such solution consisting of water with the addition from one per cent. to ten per cent. of sulphuric acid or any other suitable acid (but preferably sulphuric acid) the acidulated strength of the solution being determined by the quality or nature of the sulphide ore to be treated."

Later on reference is made in the specification to the proportion of solution to be applied per ton of ore. It is said to be approximately 250 gallons per ton, but varying according to circumstances.

I have stated the first part of the first interrogatory. It then went on to require the defendants to state the proportion and percentage that the acid bore to the solution in the process or processes used by the defendants. There were other interrogatories raising substantially the same question.

Before referring to what took place before the learned Chief Judge, I should state the question which will arise under these circumstances at the trial. A question may arise, and probably will arise, upon the construction of the specification, whether the patent is limited to the use of an acidulated solution of a strength between one per cent. and ten per cent. If it is, and the defendants have not used a solution between these limits, the plaintiffs will fail. Another view that may possibly be set up is that the patent includes the use of an acidulated solution of any strength whatever. In that case, if the defendants have used a solution of that sort of any strength, the plaintiff will succeed.

But there is a third view, that although the defendants may not have used a solution of a strength between these limits, yet



the departure from them is a mere mechanical or chemical equivalent for the variation in point of strength. Whether that is so is a question of fact; whether the fact, if established, is material is a question of law.

The information, therefore, which the plaintiffs desire is whether the defendants are in substance, though not in the letter, using the process described in the plaintiffs' specification, substituting for a part of the plaintiffs' process which they omit something which is a mere mechanical or chemical equivalent for it. That is the point to which the interrogatories are sought to be directed.

When the matter came before the learned Chief Judge in Equity he disallowed the second paragraph of the interrogatory asking the defendants to state the proportion and percentage of solution they were using, and he disallowed some other interrogatories.

An appeal was then made to the Full Court. We have not had a formal statement of the reasons given by the learned Chief Judge in Equity, but it appears that a very short time before there had been a litigation before him relating to a patent of a somewhat similar nature, when he had intimated that he thought that interrogatories with respect to patents should be kept within the limits of specific questions based upon the specification itself. The Full Court expressed no opinion as to the correctness of that principle, but they suggested that such a test would exclude some questions which might properly be allowed on interrogatories. The learned Chief Justice, who delivered the judgment of the Court, went on to express his own view as to the limits which should be put upon interrogatories. I find this passage in his judgment:—"The larger number of the questions or parts of questions which were disallowed are not questions the answers to which would decide an issue in the case; they are simply questions the answers to which might help, together with other facts, in establishing a body of facts from which an inference would be drawn 'confirmatory of our charge that the patent has been infringed.' That seems to me too remote to entitle a party to insist on that kind of interrogatory." With great respect, I should be inclined to finish the sentence by saying that that seems the

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very object of interrogatories. The learned Chief Justice went on to add, after referring to a particular question:—"Having that, the answer is still a very long way from being decisive of the issue; it would only show that in certain aspects the results produced by one process are similar to the results produced by the other process, and it may be evidence, taken with a great many other facts, that would justify the inference that the patent is being infringed. But it is still touching only the very skirts of the evidence, and again I say it illustrates the distinction between what is directly connected with the issues and what is remotely and speculatively connected with them."

The Full Court dismissed the appeal altogether. I entirely agree that the connection must not be remote or speculative. I think that the principles which govern the admissibility, if I may use the expression, of interrogatories are tolerably clearly established. In many cases a question of discretion arises. It may be that an interrogatory is one which it is lawful to put, but which the Court in its discretion will not allow to be put, as, for instance, if a man were interrogated in a patent case about some secret process which he himself had invented and which had never been disclosed. In such a case the Court in its discretion might refuse to allow the interrogatory to be put. But no question of discretion arises in this case. The only question is whether the interrogatories sought to be put are so framed that they are proper matters as to which the defendants may be asked to state the truth. I will refer to two authorities on the principle to be applied in dealing with the matter. The first is *Marriott v. Chamberlain* (1). At the conclusion of his judgment Lord Esher M.R. after pointing out that "it is not permissible to ask what is mere evidence," says:—"With these exceptions it seems to me that pretty nearly anything that is material may now be asked."

The other case is *Plymouth Mutual Co-operative and Industrial Society Ltd. v. Traders' Publishing Association Ltd.* (2) also before the Court of Appeal. I will read a passage from the judgment of Stirling L.J. which is itself a quotation from the judgment of Lord Esher M.R. in the case of *Hennessy v. Wright*

(1) 17 Q.B.D., 154, at p. 163.

(2) (1906) 1 K.B., 403, at p. 416.



(1): "The objection taken by the defendant is, that the answers to the interrogatories in question cannot disclose anything which can be fairly said to be material to enable the plaintiff either to maintain his own case or to destroy the case of his adversary. It must be admitted that, if the answers could be material for either of these purposes, the interrogatories ought to be answered, but I think it must equally be admitted that, if the answers could not be material for either of these purposes, we ought not to order the defendant to answer. The question, therefore, is, whether the answers to the interrogatories objected to could, in our view, be material for either purpose."

The question then for determination in this case is whether the answer to inquiries as to the proportion of acid used by the defendants could be material. The nature of the plaintiffs' case I have already stated. If they can establish that although the defendants use an acid in a different proportion to that mentioned in the specification, yet they substitute for it something which is scientifically a mere equivalent for it, then it would be very material to the plaintiffs' case. The object of interrogatories, I suppose, is to discover the truth. It has also the advantage of saving expense. When inquiry is made as to a matter which is entirely within the knowledge of the defendant and not within the knowledge of the plaintiff, and is relevant to the case, I do not know of any rule why the defendant should not be interrogated about it. The practice of interrogatories came from the Chancery Court, and the common form there was to interrogate the defendant about everything alleged in the bill, and every interrogatory used to conclude with the words: "And if not, how otherwise, and does the defendant make out to the contrary?"

For these reasons we are of opinion that the question as to the proportions in which the acid is used by the defendants was a relevant question, and ought to have been admitted.

The third paragraph of the first interrogatory reads:—"If yes, also describe in detail the process or processes so used by the defendants and the period or periods of time during which each process was used."

It was objected that that was asking too much, that it was

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asking things that might not be relevant to the case at all, and that all the plaintiffs were concerned with knowing was what the defendants were doing so far as their process did not resemble the plaintiffs'; and that argument has a good deal of weight. In the course of the case I suggested that that interrogatory might be allowed in a modified form by asking the defendants to state the particulars in which their process, if they admit they are using this acidulated process, differs from the process described in the plaintiffs' specification. Mr. *Leverrier* very properly admitted that he could not dispute the rule laid down by Lord *Esher* in *Marriott v. Chamberlain* (1) that any facts relevant to the matter in issue may be the subject of interrogatories, and said he could not see why any question coming under the rule of law I have suggested should not be asked. We think, therefore, that the question may be asked in that modified form. The tenth interrogatory asked the proportion between the quantity solution and the weight per ton of ore as used in the defendants' process, and the learned Judge of first instance limited that also to the particular proportion mentioned in the plaintiffs' specification. The reasons which I have given with reference to the interrogatory concerning the strength of the acid are equally applicable to that question.

There was also a series of questions and interrogatories, numbered 11 to 19, which relate to quantities and materials dealt with by the defendants, and may be material as to damage and on other questions. But, before the learned Chief Judge, it was agreed that those questions should stand over till after an inspection of documents, which had been ordered; and the learned Judge made no order as to them. There was an appeal from the whole of his order, and the whole appeal was dismissed. The question whether any of these interrogatories from 11 to 19 can be properly allowed was not argued, but it was agreed here that they should stand over; so that in ordering them to stand over we are not expressing any opinion inconsistent with that of the Supreme Court. We simply accede to the request made and consented to, to carry out the arrangement made in the Judge's Chambers.

(1) 17 Q.B.D., 154.



The other points as to which the learned Chief Judge either disallowed the whole of the interrogatories, or modified them in the way objected to by the plaintiffs are not sufficiently material to call upon us to vary the order which has been made; but for the reasons I have given I think that the plaintiffs are entitled to more discovery than has been allowed, and that the proper order to make will be to discharge the order of the Supreme Court dismissing the appeal, and to substitute for it the following:—

“Discharge the order of the Supreme Court, and substitute the following order:

“Vary the order of *Simpson J.* as follows:—

“Firstly, Interrogatory 1.—Allow second paragraph as proposed.

“Secondly, amend the third paragraph so as to read: ‘If yes, also describe in detail the particulars in which the process or processes so used by the defendants differs or differ from the process described in the plaintiffs’ specification or amended specification respectively, and the period or periods of time during which each process was so used,’ and allow it as amended.

“Thirdly, allow tenth interrogatory as proposed.

“Fourthly, the respondents consenting that the application so far as it relates to the proposed interrogatories, Nos. 11 to 19 inclusive, stand adjourned, let it be adjourned accordingly.”

Order as so varied to be affirmed.

BARTON and O’CONNOR JJ. concurred.

*Order accordingly. Respondents to pay the costs of the appeal.*

Solicitors, for appellants, *Dobbin & Spier.*

Solicitors, for respondents, *Norton Smith & Co.*

C. E. W.