H. C. OF A. 1915.

CLIFFORD v. DEPUTY FEDERAL COMMISSIONER OF LAND TAX (N.S.W.)

read thus :—"Where under the wills of testators who died before the first day of July 1910 the beneficial interest in any land or in the income therefrom is for the time being shared among a number of persons, all of whom are relatives of the testators," &c. The beneficiaries here are not all relatives of the testators, but some are relatives of one testator, some of the other.

Question answered : "One deduction only." Costs of special case to be costs in the appeal.

Foll *Decor Corp Pty Ltd v Dart Industries Inc* 13 IPR 385

Solicitors, for the appellants, *J. M. Smith & Emmerton.*

Solicitors, for the respondent, *Gordon H. Castle,* Crown Solicitor for the Commonwealth.

B. L.

[HIGH COURT OF AUSTRALIA.]

BALLANTYNE AND ANOTHER . . APPELLANTS; DEFENDANTS,

AND

AKTIEBOLAGET SEPARATOR . . . RESPONDENTS. PLAINTIFFS,

ON APPEAL FROM THE SUPREME COURT OF VICTORIA.

H. C. OF A. 1915.

MELBOURNE, *March* 19, 22, 23, 24, 25, 26.

Griffith C.J., Isaacs and Rich JJ.

Patent—Validity—Common knowledge—Prior publication—Construction of specification.

In an action for infringement of a patent for a "feed device for centrifugal separators" the defence was that the patent was invalid on the ground that the invention was not novel at the date of the letters patent by reason of common public knowledge and prior publication.

Held, on the evidence, that the defence failed.

Decision of the Supreme Court of Victoria (*à Beckett* A.C.J.) affirmed.

APPEAL from the Supreme Court of Victoria.

An action was brought in the Supreme Court by Aktiebolaget Separator, a corporation established in Sweden, against Alfred Ballantyne and William Arthur Laing, trading as the Pump Separator Agency, for infringement of a patent for an invention entitled "Feed device for centrifugal separators." The material defence was that the patent was invalid on the ground that the invention was not novel at the date of the letters patent by reason of (*inter alia*) the common public knowledge at that date and prior publication in the Commonwealth.

The action was heard by *à Beckett* J., who upheld the validity of the patent, and gave judgment for the plaintiffs.

From that decision the defendants now appealed to the High Court.

The material facts are stated in the judgment of *Griffith* C.J. hereunder.

Mann and *J. Macfarlan*, for the appellants.

Sir William Irvine K.C. and *Starke*, for the respondents.

During argument reference was made to *Wood* v. *Raphael* (1); *Moore and Hesketh* v. *Phillips* (2); *British United Shoe Machinery Co. Ltd.* v. *A. Fussell & Sons Ltd.* (3).

GRIFFITH C.J. This is an action for infringement brought by the grantees of a Commonwealth patent, granted on 3rd November 1906, for an invention entitled "Feed device for centrifugal separators." In point of fact the patent relates only to centrifugal separators for separating cream from milk. The general scheme of this class of separators is this:—A cylindrical vessel, called a bowl, which contains the milk, is made to revolve at a very high speed around a vertical axis which is represented by a revolving central tubular shaft, the revolution being caused by driving power applied to a spindle extending downwards and being in effect an extension of the central shaft. The space

(1) 13 R.P.C., 730, at p. 735; 14 R.P.C., 496.

(2) 4 C.L.R., 1411, at p. 1425.

(3) 25 R.P.C., 631, at p. 646.

H. C. OF A. 1915.

BALLANTYNE v. AKTIEBOLAGET SEPARATOR.

Griffith C.J.

between the shaft and the outer wall of the bowl is almost entirely occupied by what is called a "liner," which is a contrivance consisting of a number of metallic discs or plates lying over one another, which the inventors describe as "superimposed conical plates," and which are made in the form of truncated cones, separated from each other by small knobs or excrescences, so that there may be as many as thirty or forty in a vertical height of four or five inches, and fitting over the shaft. Over the whole a close-fitting cover is placed. The milk—"whole milk" as it is called—is introduced into the bowl by pouring it into the hollow space in the upper end of the tubular shaft, from which it is fed into the spaces between these discs, where it lies in thin films separated from one another by the discs. When the centrifugal action is applied, the effect is that the watery elements of the milk are driven downwards and outwards to the wall of the cylindrical bowl, while the lighter cream rises and collects around the tubular shaft, gradually rising until it reaches an orifice at the top, through which it is drawn off, while the skim milk is drawn off at another part of the machine.

From this brief description it is apparent that it is important to arrange the parts of the machine in such a manner that the whole milk which is fed into the machine shall be kept as far as possible from coming into contact with the upward flow of the cream. It is also obvious that there must be some line of demarcation, more or less definite, between the cream and the skim milk lying upon each disc. This the inventors aptly call the "neutral zone." It is also plain that there is room for much ingenuity in devising the best means for feeding the whole milk from the shaft into the spaces between the discs. Many different devices have in fact been adopted.

The first question that arises on this appeal is as to the construction of the specification, and particularly of the claim with which it concludes. The appellants contend that upon the proper construction of the specification it includes claims for matters which were matters of common knowledge at the date of the application, and that the patent is therefore bad.

With this introduction, I proceed to examine the specification which has been very much criticized, but which appears to me to

be reasonably clear and explicit. The inventors begin by saying: "In centrifugal machines for separating milk and cream it is usual to try to arrange the supply of the whole milk in such a manner that it need not pass the cream layer for the purpose of preventing remingling." Those last words "for the purpose of preventing remingling" are parenthetical, and mean "so as to prevent remingling." The specification proceeds:—"To attain this object, discs have, amongst other things, been used, said discs having holes lying in rows, and arranged between the outer and the inner edge of the disc, the whole milk being fed into the spaces between the discs of the liner through said rows of holes. For supplying the milk to said rows of holes it is usual to let it run into a receptacle in the bottom part of the bowl and flow out through holes arranged therein, corresponding to the holes in the discs." To anyone familiar with the construction of the machine as I have described it, it is quite clear what the "receptacle in the bottom part of the bowl" must be like. The discs being of the shape I have described, and the lowermost resting on the bottom of the bowl, there must necessarily be a conical space below it. The receptacle is, therefore, the circular space bounded above by the lower side of the lowermost disc, and bounded below by the bottom of the bowl. When the milk is poured into this receptacle it naturally rises, and, as it rises, passes upward through holes in the several discs, which are placed above one another, flowing laterally into the spaces between the discs as it passes. That is the method so far described. In short, the feeding of the milk to the spaces is effected simply by pouring milk into the top of the shaft, from which it flows out into the "receptacle," from which it rises and fills the spaces, forming the films of milk to be operated upon. Then the specification goes on:—"This arrangement, which is very suitable in certain cases, suffers, however, from the drawback that the bottom of the bowl cannot be drawn up in the bowl as is nowadays usual"—then comes another parenthetical remark—"for allowing the top-bearing to be lifted up, whereby space is saved and a steadier running of the bowl is attained." That is an obvious reason for drawing up the bottom of the bowl. If you draw up the bottom of the bowl—which means draw it up in the same way as a glass

H. C. OF A. 1915.

BALLANTYNE v. AKTIEBOLAGET SEPARATOR.

Griffith C.J.

bottle is sometimes blown so as to form a convex instead of a flat bottom—you have filled up the receptacle by solid matter to a great extent, if not altogether, and the mode of feeding by the rising of the milk and its upward flow through the holes in the discs is no longer available, or not so effective. The specification proceeds:—"The said feed device will be still more unsuitable in such constructions, where the spindle is drawn up into the bowl to a considerable height for the purpose of attaining a steady but disengaged connection between the bowl and the spindle." That amounts to this:—The higher you draw up the bottom, the more the old arrangement is interfered with. Then the specification goes on:—"As bowls of this construction"—that is, whether with the spindle drawn up to a considerable height or not—"are being more and more usual, and on account of the great practical advantages which they possess they seem to be adapted to displace most of the other constructions, attempts have been made to find a device, by means of which discs having rows of holes might be used even when the spindle passes up into the bowl. Such a device is shown in the Australian Commonwealth patent application No. 4539, where the milk is supplied to the liner from above through the holes in the top discs, whereby the central feed pipe and the upper disc are arranged in a special way." That is to say, in order to get over this difficulty, caused in fact, and obviously caused, by the drawing up of the bottom, the inventors had tried a new way of supplying the milk at the top so that it reached the spaces between the uppermost discs first, instead of rising up through the lowermost. A patent for that device was applied for by the inventors about a year before they obtained the patent now in question. That was one attempt to get over the difficulty. The problem was to combine the advantage of the discs with that of having the bottom drawn up in the way I have described. That was the first attempt. Then the specification goes on:—"A drawback in this arrangement is that the upper disc will be of rather a complicated shape and thus relatively expensive to make and difficult to cleanse," so that that attempt was not altogether successful. "The object of this invention is to produce a device, which enables the use of discs with holes therein in bowls of the

above-mentioned construction in maintaining the present simplicity of the different parts of the bowl." Those words seem to me to be entirely free from ambiguity. By the "above-mentioned construction" they mean where the bottom is formed in such a way—either with or without the drawing up of the spindle—that the feeding of the milk from the receptacle formed by the bottom of the lowest disc and the bottom of the bowl cannot be effected merely by the rising of the milk from that receptacle. Then, having said what their object is, they go on to say what they do. With a construction such as they have described when the milk is practically fed down upon a conical bottom there is no space below the lowest disc to form the receptacle which was part of the old system, and something must be substituted for it. It may be that having a considerable quantity of milk lying free at the bottom of the bowl was an advantage—that that milk was partially separated before it rose into the spaces between the discs,—or it may be that it was a disadvantage. But, whether it was an advantage or a disadvantage, the receptacle being gone, some other mode of supplying the milk had to be substituted. What the inventors did was, in substance, to take down the milk from the cup in the tubular shaft through channels or pipes, each of which ended directly under one of the holes in the lowermost disc, above which hole was a perpendicular space in the form of a pipe constituted by the holes in the discs. The result was practically a continuous tube leading from the cup whence the milk was fed downwards and then upwards through the discs to the place of exit. As the milk passed up through the rising part of that tube, it passed out into the spaces between the discs. That was the result of the construction described, and that is what the inventors say was the subject matter of their invention. I need not describe the channels in detail, or how the lower ends of them are brought into immediate juxtaposition with the bottom of the upward tube formed by the holes in the discs. That is the invention.

The first part of the claim is:—"In such milk separators, where the milk is supplied to the liner by means of holes arranged in the discs and where the spindle of the bowl is drawn up in the bowl above the inner edge of the liner, a device

H. C. OF A. 1915.

BALLANTYNE v. AKTIEBOLAGET SEPARATOR.

Griffith C.J.

for the leading of the whole milk to the holes of the discs, characterized thereby" (*i.e.*, by them), "that in the bottom part of the feed pipe above the upper end of the spindle there is arranged a chamber whence vertical or nearly vertical channels branch, through which the inflowing whole milk is led to openings corresponding to holes in the discs, and between which there are passages, wherein the separated milk can ascend."

It is objected that that claim applies to a machine having a flat-bottomed bowl. I have already pointed out that with a machine with a flat-bottomed bowl the invention would not work, because with such a bowl the top of the lowermost conical disc must be at an appreciable space above the bottom of the bowl, and if you carried the milk through a pipe into the empty space so formed, instead of the milk rising up directly through the upward pipe formed of the holes in the discs, it would spread all over the bottom of the bowl. For that reason it is quite clear to me that the invention was not intended to apply to, and could not be applied to, any machine but one with the bottom of the bowl drawn up. In my judgment, by the words "such milk separators" are meant those machines in which you cannot take advantage of the old system, of which the basis was that the milk was spread over the whole of the flat bottom. I think, therefore, that that objection fails.

A further objection was taken that there were two machines—Laidlaw's and Rennerfelt's—known in 1906 which were substantially the same as the invention in question. As to Laidlaw's invention, in the first place, it was an entirely different sort of machine, and, secondly, the bottom of the bowl was not drawn up. As to Rennerfelt's, that also had the bottom of bowl not drawn up, and the inventor made a point of the milk being distributed freely over the bottom of the bowl. It is, therefore, impossible to say on this evidence, that at the time when the patent was granted the plaintiffs' invention was common knowledge, or that it resembles in any material point Laidlaw's or Rennerfelt's machines. I think that that objection also fails.

It was objected that there was no ingenuity or utility in the plaintiffs' invention. However, nobody seems to have thought of it before. The patentees had a year before tried unsuccess-

fully to meet the same difficulty, and the defendants seem to have thought that the invention was useful, for they proceeded to make and sell machines which are exact copies of the plaintiffs' machine. It is for the defendants to sustain this objection. In a case of this sort, in which the exact scientific principle upon which the efficiency of the separation is, perhaps, not easy to explain, it would be difficult to say that any alteration, however apparently trivial, did not involve ingenuity or utility. The defendants did not offer any evidence on the point. I entirely agree with the conclusion of *à Beckett* J. that this defence fails.

The defendants also denied infringement, but it is admitted that the defendants' machine is a copy of the plaintiffs' machine with one exception, namely, that the tubular shaft, instead of being cast in one piece, is made in two pieces. It was proved, however, that this was a very common device in machines of the same sort.

I am of opinion, therefore, that all the defences failed, that the plaintiffs are entitled to maintain their judgment, and that the appeal must be dismissed.

ISAACS J. I agree that the appeal should be dismissed.

The infringement is not now really disputed if the patent is valid.

The novelty was disputed, and the plaintiffs satisfied the initial burden which was upon them of showing some novelty. The defendants then had the burden of establishing that the invention was either common knowledge or substantially anticipated by other inventions. They endeavoured to discharge that burden and the relevant instances ultimately came to be Laidlaw's and Rennerfelt's inventions. Laidlaw's, however, on examination turns out to be essentially different, because the whole milk is fed to only one of the conical sections, the remainder of the process being a continuation of the operation amounting really to a gradual completion of the process of separation originally begun. With regard to Rennerfelt's invention one question gave rise to much discussion, namely, the construction of the plaintiffs' claim.

It is to be borne in mind that the *Patents Act* requires a distinct statement of the invention claimed, and when it

H. C. OF A. 1915.

BALLANTYNE v. AKTIEBOLAGET SEPARATOR.

Isaacs J.

recollected that a patentee gets a monopoly in return for the extra knowledge he confers upon the public, it behoves him to explain clearly what it is that comprises his monopoly. He has not merely to set out in his specification the nature of his invention but he has to make a claim, which, as Lord *Moulton* (then *Moulton* L.J.) said in *Vidal Dyes Syndicate Ltd.* v. *Levinstein Ltd.* (1), is something delimiting the area of his monopoly, an area which he asserts is novel, and from which the public is therefore to be excluded.

It therefore stands to reason that the claim must be reasonably clear, and the patentee runs a considerable risk of his patent being avoided unless his claim is reasonably free from ambiguity.

In this case it is necessary also to bear in mind that while our duty is to construe the specification, including the claim, fairly and without leaning to either side, yet in a case of doubt we ought to apply the maxim *ut res magis valeat quam pereat.* Applying that maxim, I have come to the conclusion that the construction placed upon the specification by the learned primary Judge is right, and that the invention is not intended to be applied to flat-bottomed bowls.

Independently of that, the question arises whether Rennerfelt's specification was not an anticipation of the plaintiffs' invention. I do not think that the point is whether Rennerfelt's invention was an anticipation, because it is not the same species of invention as the plaintiffs', but whether Rennerfelt's specification with the drawings attached to it afforded sufficient information to the public to enable us to say that the knowledge afterwards given by the plaintiffs had already been communicated to the public, though not claimed as a monopoly by Rennerfelt. No evidence whatever has been given on that to support the appellants' view, and, on the whole, I am of opinion that the appellants have not satisfied the burden resting upon them of showing that the necessary information was already communicated to the public by Rennerfelt's documents.

As for the rest of the case, if Laidlaw's and Rennerfelt's specifications do not establish the necessary prior knowledge, then, in the face of the practical difficulty which was surmounted

(1) 29 R.P.C., 245, at p. 268.

by the plaintiffs' invention and of the proved commercial utility of the invention, it cannot be said that the defendants have established the invalidity of the plaintiffs' patent.

I agree therefore that the appeal should be dismissed.

RICH J. I agree that the appeal should be dismissed.

Appeal dismissed with costs.

Solicitors, for the appellants, *Snowden, Neave & Demaine.*

Solicitors, for the respondents, *F. B. Waters.*

B. L.

H. C. OF A. 1915.

BALLANTYNE v. AKTIEBOLAGET SEPARATOR.

COURT OF AUSTRALIA.]

THE KING

AGAINST

BERNASCONI.

ON APPEAL FROM THE CENTRAL COURT OF PAPUA.

H. C. OF A. 1915.

MELBOURNE, *March* 11, 12, 16.

Griffith C.J., Isaacs, Gavan Duffy and Rich JJ.

Constitutional Law—Powers of Commonwealth legislation as to territory acquired by Commonwealth—Indictable offence—Trial by jury—Appeal from Central Court of Papua—The Constitution (63 & 64 *Vict. c.* 12), *secs.* 80, 122—*Papua Act* 1905 (*No.* 9 *of* 1905) *secs.* 5, 6, 43—*Criminal Code* (*Qd.*) (63 *Vict. No.* 9, *Sched.* 1), *secs.* 339, 604—*Ordinance No. XI. of* 1889 (*British New Guinea*), *sec.* 21—*Ordinance No. VII. of* 1902 (*British New Guinea*)—*Ordinance No. VII. of* 1907 (*Papua*)—*Ordinance No. VIII. of* 1909 (*Papua*), *sec.* 1.

The power of the Commonwealth Parliament conferred by sec. 122 of the Constitution to make laws for the government of a territory, whether that power is exercised directly or through a subordinate legislature, is not restricted by the provision in sec. 80 of the Constitution that the trial on indictment of any offence against any law of the Commonwealth shall be by jury.

By sec. 21 of Ordinance No. XI. of 1889 of British New Guinea it was provided that trials of persons accused of crimes and offences cognizable in the Central Court should be by the Chief Magistrate sitting alone. Ordinance No. VII. of 1902 of British New Guinea provided that the Queensland