

THE HIGH COURT OF AUSTRALIA.

IN THE MATTER OF LETTERS PATENT NO.
24688 of 1930 and NO. 29489 of 1930
GRANTED TO ARCHIBALD ALEXANDER
MACINTOSH.

V.

ORIGINAL

REASONS FOR JUDGMENT.

Judgment delivered at MELBOURNE
on WEDNESDAY, 1st MAY 1946.

MACINTOSH'S PATENTS

JUDGMENT

STARKE J.

This is a petition on the part of Archibald Alexander Macintosh and the Macintosh Auto Control Gasification Company Proprietary Ltd. praying that Letters Patent No. 24688 of 1930 and No. 29489 of 1930 may be extended for a further term based upon S. 84 (1) of the Patents Act 1903-1935. Both patents were granted to Archibald Alexander Macintosh but his rights were acquired in October 1930 by the Company.

The patents however remain registered in the name of the original patentee.

The patent No. 24688 expired on 20th. January 1946 and that numbered 29489 expires on the 10th. October 1946.

In 1916, Macintosh and Hunt obtained Letters Patent 1916 No. 691 for a method of and means for equalising or maintaining an equilibrium or any predetermined condition of pressure in retorts or offtake pipes in the manufacture of coal gas.

Essentially, the invention was the control of pressure by the use of an adjustable water level. A vacuum was employed to induce the flow of gas from retorts, and the outflow was controlled by a liquid bath in which the inlet pipe was submerged to a depth automatically counterbalanced by the admission of a prearranged and constantly maintained supply of liquid and by the free inlet of air to the opposite side of a dividing plate in a water seal chamber. This patent was extended for 4 years but has ^{now} or soon will expire.

The principle used in the Letters Patent 29489 is the same as witnesses said, but there are improvements in mechanical design and in the "sensitivity of control".

The new design enables a retort or any number of retorts

to be isolated: the main advance is to introduce a separate control for each retort or each unit of retorts. It was "a neat developement" of the patent 1916 No. 691 "and suited even better the conditions" that No. 691 "was designed to fill".

Sufficient ingenuity and merit are disclosed in the claims to support the grant of this patent.

The Letters Patent No. 24688 is for a process and apparatus for the admixture of producer or water gas with coal gas.

There was nothing new in making producer gas, water gas or coal gas or in mixing them.

Essentially, the invention No. 24688 is for a combination of elements but there is nothing new in the elements themselves. The unit in which coal gas is made is connected with the unit in which producer gas (or water gas) is made and the pressure in each unit is independently controlled both before and in the mixing of the gases. By this means the calorific value of the mixed gases can be regulated. Undoubtedly this invention possesses ingenuity and merit and the Commissioner suggests "a marked degree of merit".

But the question is whether the Letters Patent 29489 and 24688 should be extended. The burden is upon the petitioners. The evidence makes a prima facie case for upholding the validity of various claims in the patents and I am not called upon to investigate that matter further. But it is incumbent upon the patentee to establish that he has been inadequately remunerated and that the absence of adequate remuneration is due to no fault on his part. No profit has been made from the use of the patents either in Australia or elsewhere.

The petition sets out many foreign patents, some of which have expired. But these patents have not been and are unlikely, I should think, to be worked. There is, I think, no possibility of competition in Australia from the use of any of them and they may be disregarded in considering an extension of the Australian Patents.

These latter patents have not been pushed with much energy. But the field was limited: the inventions could only be used in gas works, of which there were only about one hundred in Australia, and it was difficult to induce people to make changes in established plants. Further, the war affected the installation of new plant and any changes in established plants. The installations of patented plant or parts thereof during the whole period of the patents totalled some eight cases.

Accounts showing the expenditure and receipts relating to the two patents do not distinguish between them. But I do not regard this defect in the accounts as of much importance for the patents are related to one another and in any case a considerable loss is established even if the salary received by the inventor Macintosh (which swamped receipts) ^{was?} were treated as part of the receipts from the use of the patents.

The substantial question is, I think, whether either patent is of that "high degree of merit which...would entitle" a patentee to an extension (In re Saxby's Patent L.R. 3 P.C. 292, at p. 294). The merit must be "considerably greater than is sufficient to support the grant of the Patent itself". "The Patent must be one of more than ordinary merit or utility, and, of the two, it appears...that the utility is an even more important factor than the inventiveness or skill shown in making the invention" (Trantom's Patent 34 R.P.C. 28, at p. 37).

Neither patent has that exceptional degree of merit

that would warrant an extension beyond the five year period mentioned in S. 84 and counsel for the petitioners did not contend to the contrary. Nor do I think that the patent No. 29489 has a degree of merit that would warrant an extension in normal circumstances. It is at best a neat development of an invention some 30 years old which has not been much used and which has not been of any great advantage to the public. But the war affected whatever chance the patentee and his purchaser had of exploiting this patent profitably and that is one of the circumstances of the case, apart altogether from S. 84 sub-sec (6), that the Court may take into consideration. In all the circumstances which I have mentioned it is just, I think, to extend this patent to the end of the year 1949.

The Letters Patent No. 24688 is an ingenious and useful combination though it has not been much used. Both because of its intrinsic merit and the difficulties of exploiting it by reason of the war and its limited field it is just, I think, to extend some of its claims to the end of the year 1949. This extension will be by way of regrant for the patent expired in January 1946.

Counsel who appeared for the petitioner did not press for a regrant of claims 4, 5, 6, 7, 8, 9, 10, 13, 14, 15, and claim 16 is far too wide. Counsel for the Commissioner suggested that claims 2 & 3 should be restricted to controllers or governors of the type disclosed in the Letters Patent 1916 No. 691. These claims are somewhat indefinite but the words "as indicated" and "as described" may confine the claims to such controllers or governors. It is a matter of construction which should be dealt with in other proceedings if the claims be ever challenged. The patentee must be allowed, I think, to take the risk.

Order:- that a regrant of Letters Patent Numbered 24688 of 1930 be made to Macintosh for a period expiring ~~on~~ ^{on} the 31st. December 1949 and subject to the following terms and conditions -

- (1) The terms and conditions known as the B.T.H. terms and conditions (46 R.P.C. at pp. 377-378), substituting the word "Australia" for "The United Kingdom".
- (2) The new grant is limited to claims 1, 2, 3, 11 & 12 set forth in the complete specification of said Letters Patent and the patentee shall make any necessary consequential amendments in his complete specification as directed by the Commissioner of Patents, but so that the Commissioner's directions shall be subject to review by this Court.
- (3) That the agreements of 26th. July 1930 and 22nd. October 1930 with or for the benefit of Macintosh Auto Control Gasification Company Proprietary Ltd. be extended to the new Letters Patent.

Order:- that Letters Patent Numbered 29489 of 1930 be extended to and inclusive of 31st. December 1949.

Order:- that the petitioners pay the costs of the Commissioner of Patents including the costs of the deponent called by him.

Order:- that an office copy of this order be delivered at the office of the Commissioner of Patents.