

1956
June 11-15
June 18-21
1958
Mar. 10

BETWEEN:

VISIRECORD OF CANADA LIMITED .. PLAINTIFF;

AND

ROSS SOWERBY MALTON AND BERNARD T. TAYLOR CARRYING ON BUSINESS AS VERTICAL RECORDS COMPANY AND THE SAID VERTICAL RECORDS COMPANY DEFENDANTS.

Patents—Action for infringement—Anticipation—Prior user—Subject matter—Patent held valid and to have been infringed—The Patent Act, R.S.C. 1952, c. 203, ss. 28(1)(a)(b)(c), 29(1)(2).

The plaintiff sued for infringement of its patent relating to vertical visible card indexes or card registers of the type in which the cards are arranged in groups separated from each other by main dividers and in sub-groups separated from each other by intermediate dividers. The defendants alleged that the patent was invalid by reason of anticipation, prior user, and lack of subject matter.

Held: That the plaintiff's device, a basic combination which involved a notion of "improvement" more than one of invention, evinced a sufficient degree of inventive acumen to uphold the patent. *Patent Exploitation Ltd. v. Siemens Brothers & Co. Ltd.*, 21 R.P.C. 541 at 549; *Pope Appliance Corp. v. Spanish River Pulp & Paper Mills Ltd.*, [1929] A.C. 269 at 280; 46 R.P.C. 23 at 25; *Rheostatic Co. Ltd. v. Robert McLaren & Co. Ltd.*, 53 R.P.C. 109.

2. That the patent was valid and had been infringed.

ACTION for infringement of patent.

The action was tried before the Honourable Mr. Justice Dumoulin at Ottawa.

G. F. Henderson, Q.C. for plaintiff.

Harold G. Fox, Q.C. for respondents.

The facts and questions of law raised are stated in the reasons for judgment.

DUMOULIN J. now (March 10, 1958) delivered the following judgment:

This is an action for infringement of a plaintiff's alleged rights under Letters Patent No. 500,084, dated February 16, 1954, which it owns, by virtue of an assignment from Herbert Weston to Visible Index Corporation and a further assignment from the latter to plaintiff, these assignments being of record in the Canadian Patent Office.

The invention falls in the field of office specialties offering a perfected type of card register.

Before entering upon the gist of the matter, certain explanatory remarks might be appropriate. The device, to which Patent No. 500,084 applies, is of the vertical visible card register type and appears in the form of either a portable unit, or of an office equipment, encased in a metal container mounted on casters for mobility. These card registries consist of cardboard sheets respectively called main and intermediate dividers. Groups or banks of filing cards placed in echelon laterally across the receptacle or tub and notched at their bottom fringe, rest on steel rods or grids, positioned transversely from rear to front of the container. Along the upper edges of the main dividers runs a strip or band usually made of a plastic translucent fabric with, on its anterior face, a grooved channel, facilitating the insertion of slidable index members, corresponding with similar tabs affixed to the slightly lower top of the intermediate dividers. The plastic strip aforesaid has a backward slant extending to the rearmost tab on intermediate dividers, the idea being to reach by one single motion any desired group of cards rearward of the main divider. These components are laterally held in place by metal end rails that also serve as spacing means between sheets for the insertion of cards, and as substantially solid side walls. The intermediate dividers are also cardboard sheets, with upper edges slightly below those of the main dividers, and having index tabs positioned in line with the index members on the main divider. Each bank of cards leans against an intermediate divider separating it from a subsequent breakdown of the same alphabetical subgroup. Figures 1, 2 and 3 of drawings, annexed to the patent, outline this. The result sought and the distinctive advantage claimed consist in the rapidity of operation permitting a user to get at any particular subgroup of cards with one single stretch of the arm, i.e., by a slight pull forward of the main divider index member, opposite a correlated tab on the intermediate divider, thereby eliminating subsequent exertions required on other types of card registers.

This operation was very concisely explained by plaintiff's Sales Manager, Mr. John Stewart, in these few words:

. . . The index member of the main divider is the finding utensil. The tab on the intermediate is the handle to help you get to that row of cards after you have found it on the main divider.

(Transcript, p. 89)

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A speed superiority of 50% is supposedly assured to this newer style of vertical visible filing, exemplified by exhibit 7, over the old type equipment shown in exhibit 12, wherein two or three movements were required to reach a wanted card instead of one.

Celerity, however, is not the only object intended by the art. Mr. Stewart mentions three other useful attainments: protection for the records, accuracy of filing and flexibility (Transcript, p. 69), dispatch and quickness of manipulation which he classified as the most valuable.

This departure is known, in business parlance, as visible vertical record indexing in contradistinction to the so-called blind card indexes and wheel types.

After insisting on the need for and the nature of such requirements, the witness concludes that each of them appears in the units, exhibits 5 and 7, manufactured and sold by plaintiff. In Mr. Stewart's own terms:

. . . With Visirecord or vertical visible we achieve the speed factor through (a) the one motion index, through (b) being able to see each card without touching another card and being able to see a generous amount of that card, not just an eighth of an inch or a quarter of an inch. We achieve a protective factor because the cards are not handled unless they are wanted; the cards are protected by the dividers themselves. We have a flexibility factor in vertical visible where the cards can be shifted around. We have a high degree of accuracy because each card is filed in its own place. Thus vertical record or Visirecord gives the answer to a much greater degree to those four factors which each of the other record systems covers in one phase or another but none in all four phases. That makes vertical visible the best answer to those four basic problems facing industry.

(Transcript, pp. 87, 88)

The preceding lines lay no pretention to strict technical accuracy, but since the device under consideration seems a simple one they may serve as a substantial summary.

On the opening day of the hearing, counsel for plaintiff declared he was pursuing the action only in respect of Patent No. 500,084 issued on February 16, 1954, relying upon claims 9 to 14 inclusive, hereafter reproduced:

9. In a card registry, a plurality of main dividers provided with channels adjacent and substantially parallel to their upper edges, the channels thus extending laterally of the main dividers, index members mounted in the channels and slidable therein, groups of intermediate dividers arranged between the main dividers, and tabs carried by the intermediate dividers, the tabs of each group of intermediate dividers being spaced laterally from one another, the index members being positioned in the channels in alignment with corresponding tabs on the intermediate dividers.

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10. In a card registry, a plurality of main dividers each having a flat body portion and a portion adjacent its upper edge extending upwardly and rearwardly at an angle to the body portion, said upwardly and rearwardly extending portion having a horizontal channel, index members mounted in the channels and slidable therein, groups of intermediate dividers arranged between the main dividers, and tabs carried by the intermediate dividers, the tabs of each group of intermediate dividers being spaced horizontally from one another, the index members being positioned in the channels in alignment with corresponding tabs of intermediate dividers.

11. In a card registry, a plurality of main dividers, intermediate dividers arranged between the main dividers, the main dividers extending upwardly beyond the upper edges of the intermediate dividers, the main dividers being provided with channels adjacent and substantially parallel to their upper edges for the reception of index members, index members mounted in said channels and adjustable in said channels transversely of the main dividers, and tabs carried by the intermediate dividers, the tabs projecting above the upper edges of the intermediate dividers but being below the upper edges of the main dividers, the tabs of each group of intermediate dividers being spaced from one another transversely of the dividers, and the index members being positioned in the channels of the main dividers in alignment with the corresponding tabs of the intermediate dividers.

12. In a card registry, a plurality of main dividers comprising flat sheets, means for spacing the flat sheets predetermined distances apart, thereby forming spaces between the sheets, index members adjacent the upper edges of each main divider, groups of intermediate dividers in the spaces between the main dividers, tabs carried by the intermediate dividers and extending upwardly from their upper edges, the tabs of each group of intermediate dividers directly behind each main divider corresponding to the index members of such main divider and being in alignment therewith, the upper portion of each main divider extending rearwardly a distance sufficient to bring the upper edge thereof adjacent the tab of the rearmost intermediate divider of the group of intermediate dividers directly behind the main divider, whereby a person may, with one finger, simultaneously and in a single operation, pull forward any main divider and any intermediate divider of the group of intermediate dividers directly behind it.

13. In a card registry, a plurality of main dividers, the main dividers comprising end rails of appreciable thickness and sheets connecting the end rails, the end rails when assembled forming substantially solid side walls and forming spaces between the sheets for the reception of cards, the main dividers being provided with laterally-extending channels adjacent their upper edges into which individual index members may readily be inserted, individual index members mounted in the channels, groups of intermediate dividers arranged between the main dividers, tabs carried by the intermediate dividers and extending upwardly from their upper edges, the tabs of each group of intermediate dividers directly behind each main divider corresponding to the index members of such main divider and being in alignment therewith, the upper portion of each main divider extending rearwardly a distance sufficient to bring the upper edge thereof adjacent the tab of the rearmost intermediate divider of the group of intermediate dividers directly behind the main divider, whereby a person may, with one finger, simultaneously and in a single operation, pull forward

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any main divider and any intermediate divider of the group of intermediate dividers directly behind it.

14. A card registry as claimed in claim 9, 12 or 13, in which the upper portion of each main divider extends upwardly as well as rearwardly and the tabs of each group of intermediate dividers directly behind each main divider lie vertically below the upwardly and rearwardly-extending upper edge portion of such main divider.

Plaintiff's Patent No. 500,084 is under attack on the defendants' part because supposedly: (See Particulars of Objections)

1. The subject matter of the said claims of the said patents was not the proper subject matter of a patent and was not patentable in law. Nothing was in fact invented by the alleged inventor of the device described in the said claims. . . . but [they] . . . are merely the results and products of mechanical skill.

2. The alleged inventions . . . were obvious and did not involve any inventive steps having regard to the common knowledge of the art and what was known and used prior to the dates of the applications for the patents containing the said claims or of the grant of the said patents.

3. The alleged inventions claimed in the claims in issue lack novelty. They were known and used by others before the dates thereof, as appears from (a) the common knowledge of the art at the said dates; (b) the prior knowledge shown by the following patents and their applications therefor and the following publications: . . .

We then have to deal with the three usual kinds of reproaches, that is, lack of novelty or anticipation, prior user and lack of subject matter or want of invention. Sections 28(1)(a)(b)(c) and 29(1)(2) were particularly relied upon by defendants (R.S.C. 1952, c. 203).

The first witness heard for plaintiff was Mr. John Stewart of Toronto. In 1952, Stewart, then in the employ of Remington Rand, was introduced to Mr. Ross Sowerby Malton, one of defendants, at the time General Sales Manager of plaintiff. In that same year, Stewart joined Visirecord of Canada as salesman, becoming, in May, 1952, its Toronto Sales Manager. In June of 1953, R. S. Malton, parted with the plaintiff company leaving John Stewart as his successor in the general sales managership.

The witness describes at length the coming technique of the card registers specified in Patent No. 500,084, lending particular emphasis to speed, since such a time and labour saving device naturally tends to cut down overhead costs. It is contended furthermore that other advantages, namely: protection of cards, accuracy in filing and flexibility, increase the usefulness of exhibits 5 and 7 although no special claim of novelty is made on this account.

Regarding commercial success of the invention, Mr. Stewart says that it supplanted the Kardex or flat tray system with a number of large companies amongst which were Canadian Radio Manufacturing Corporation, Rootes Motors, Canadian General Electric, Northern Electric and Canadian Westinghouse Company.

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In support thereof, the witness produced a statement of accepted orders for the years 1950 to 1955 inclusive. Prior to the manufacturing of exhibits 5 and 7 by plaintiff company or 6 by defendants, Visirecord had produced a vertical visible record type, exhibit 12, which, for the purposes of this litigation, is labelled "old type equipment", lacking the one motion feature from a main divider to a desired bank of cards on an intermediate divider.

According to Mr. Stewart, March 9, 1951, would be the date of the first commercial delivery of the new type model whose set-up bears a complete identity to that of exhibits 5 and 7, the only difference being the external cabinet or container.

The ascending scale of sales from the starting point, 1950, when the old type still obtained, up to and including 1955, reads as follows:

1950	\$121,655.52
1951	\$234,793.82
1952	\$274,882.86
1953	\$277,046.04
1954	\$324,570.83
1955	\$342,575.22

The above figures were qualified, and *pro tanto* reduced, when Mr. Stewart admitted that they included the over-all sales of his company, 75 to 70% of which represented the new equipment types, and 25 to 30% the sale price of index cards.

John Stewart nonetheless maintained and successfully brought out that the essential difference between the old and new systems, i.e., exhibit 12 and exhibits 5 and 7, were the angled-over portion, the rearwardly inclined plastic strip surmounting the main dividers that enabled the index tabs on intermediates to match with the leading index members. Stewart is positive, and replies accordingly at pages 155 and 159, that before joining with the plaintiff firm, he never had seen on card registries similar bent back tops or

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rearward curvature. He goes on to say that units, such as exhibit 12, with straight or vertical divider ends failed to assure the speedy selection of a row of cards and the correlated, albeit secondary result, of providing a comparable degree of protection to that achieved by the present sets.

The witness conceded that exhibit 12 and exhibit A, the October, 1934, Bosse Patent, being vertical visible types could allow an operator to read a balance sheet without drawing out the index card. But this bears no relation to the gist of the problem at issue, which I take to be the rearward bend of the transparent plastic strip on main dividers and its consequent effect on ease and speed of operations.

Mr. Stewart saw on the market filing units of the exhibit 6 type, (T. p. 96) in porta-tray forms. This filing register contains main and intermediate separators, the upper portion of the main dividers rearwardly inclined, with transverse channels receiving index members adjacent to the upper edge of the slanted band.

Mr. Stewart asserts that exhibit 6 achieves the same results (T. p. 97) as plaintiff's exhibits 5 and 7. The indexing material used in defendants' filing register, exhibit 6, is of Visirecord vertical visible design, fabricated by plaintiff company, defendants' exhibit 6 is meant to accommodate these cards (T. p. 98).

Cross-examined by Mr. Fox, Q.C., this witness admits that the filing cards in echelon style were known to him in the Kardex flat tray registers as far back as 1940 (T. pp. 108, 109), but these cards didn't then have the diagonal cut off shown in figure 3 of exhibit 13, a photostat of models 5 and 7 components.

On pages 139, 142, 143 and 145 sternly prodded concerning the differences between old type, exhibit 12, of 1946, and the newer models, exhibits 5 and 7, of 1951, Stewart repeats his previous assertion that, at least, two motions were necessary to reach the desired information in exhibit 12, compared to only one on the later models, 5 and 7.

The explanation is that in exhibit 12, three sets of indexing members were crowded over one another with half an inch between each insert, while in exhibit 7, index members on the main dividers substantially spread across its whole width (15 inches), distanced from each other by two inches or so, plainly revealing the related index tabs on the intermediates.

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The next witness called, one Mr. Runnals, is in the employ of British American Oil Company Limited, at Clarkson, Ontario, in the capacity of manufacturing accountant, responsible for all clerical functions. In 1952 or 1953, British American shifted from the blind slot Kardex system to the visible vertical type, similar to exhibits 5 and 7, a porta-tray contained in a metal tub. Such a change, according to witness, greatly improved filing in speed, accuracy and flexibility. Runnals singles out the one motion feature as entailing a reduction of one clerk in his firm's record keeping personnel of three (pp. 176, 177). The added ease of the new registry, says Runnals, "immeasurably boosted the morale of the employees concerned" (except, possibly, that of the discharged one).

Mr. Stanley Ashworth, of Montreal, Assistant General Purchasing Agent of Canada Iron Foundries Limited, a concern employing about 6,000 employees, was next heard.

In March, 1954, Canada Iron Foundries started modernizing its filing systems from Kardex to Visirecord vertical visible with most encouraging results. Before the end of the current year, 1956, vouchsafes Mr. Ashworth, the company's seven plants will be equipped with Visirecord up-to-date sets.

During the past two years, 1954-1956, Mr. Mark Rudiger served as consultant to Visirecord Incorporated, but from 1945 to 1954, he acted as plaintiff's distributor for the entire Buffalo area.

Rudiger, for years, kept a close interest in filing systems and related the obstacles which confronted the trade from 1945 on. Comparing exhibit 12 with the actual products, exhibits 5 and 7, he points out some drawbacks of exhibit 12: the breakage of the plastic strip on dividers through use and pressure; another one being poor visibility, which an attempt to elevate tabs one-sixth of an inch above dividers had not obviated. Rudiger and Mr. Weston, Visirecord's President, spent their week-ends and many evenings in the 1947-1949 period working at those problems but without avail. The witness produces exhibit 16, a letter dated December 23, 1949, from Mr. Weston to all United States distributors, including a plastic band which then marked an initial advance; it was called the Magnivider. Experiments went on, since many difficulties persisted, especially that of better visibility.

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On May 15, 1950, an office circular captioned "Visirecord News", exhibit 17, revealed other progressive steps, among which was the attainment of a one pull motion.

Two months after, on July 14, 1950, a document entitled "Methods", exhibit 18, was circularized amongst distributors, particularizing the latest development of the new Magnivider, closely akin to those appearing in the modern equipment: complete protection, normal visibility, slanted transparent top band, immediate location of the desired information.

Mr. Rudiger afforded the Court a practical appreciation of the time saving feature accruing from the so-called one pull motion and I quote from page 205 of the Transcript:

A . . . in any system that is designed to offer efficiency in posting a reference the least amount of motion that is required to perform that function will naturally give the least amount of time and if that is performed many hundreds of times a day the sum total of two operations is certainly going to be more than a single operation.

Mr. Rudiger quite naturally comments upon the results brought about by the recent Visirecord vertical visible apparatus, saying that after 1950, it displaced 90% of all registry installations in the Buffalo area, either flat trays, blind filing or model 12 units.

Under cross-examination, witness agrees that, even in 1947, material identical to that exemplified on figures 1, 2, 3, 4 and 5 of exhibit 13, was not new to the trade.

In 1946 and 1947, Rudiger heard Weston refer to the Bosse Patent, exhibit A, in a more or less casual manner and the latter was certainly not well known at the time by production control managers, cost accountants or the general American public. According to witness, the Diebold unit, exhibit B, came out around the latter part of 1947, displaying the first approach to the principle of Visirecord filing. Since Diebold is a vertical visible system having certain factors inherent to any vertical visible system, Mr. Rudiger insists that neither the Diebold nor Acme Veri-Visible types, exhibit C, eliminated, as eventually did exhibit 7, "the difficulties experienced with the product shown in exhibit 12 by the addition of an angular strip or formation which facilitated single motion exposure of a desired bank of cards. This attained speed . . ."

Another exhibit referred to by defence, Vue-Fax, exhibit D, a model probably prior to 1950, was challenged by

Rudiger as having "no visible strips or any inclination of the strip in any way".

A double experiment was then successfully performed on exhibit 12 (old style model), by Mr. Fox, Q.C., who in a one motion pull reached a wanted intermediate divider, indexed DAR, and repeated this result in both a standing and a sitting posture.

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Mr. Rudiger, commenting on this, cautions that in exhibit 12 "since the tops were breaking there was no plastic strip on the divider at all and then the intermediate tabs broke off".

It will be remembered that the new models, exhibits 5 and 7, are provided with those curved transparent plastic bands.

Before proceeding further, I will enumerate the several patents and four publications listed as instances of prior art: U.S. Patent No. 1,228,744 dated June 5, 1917 to E. F. Bredhoft; U.S. Patent No. 1,294,948 dated December 18, 1919 to J. H. Rand; U.S. Patent No. 1,419,394 dated June 13, 1922 to S. W. McKee; U.S. Patent No. 1,975,566 dated October 2, 1934 to R. Bosse; U.S. Patent No. 2,055,364 dated September 22, 1936 to E. S. Roscoe; U.S. Patent No. 2,192,178 dated March 5, 1940 to R. Bosse; U.S. Patent No. 2,383,944 dated September 4, 1945 to F. H. Saltz; U.S. Patent No. 2,435,077 dated January 27, 1948 to M. B. Hall *et al.*; U.S. Patent No. 2,526,950 dated October 24, 1950 to C. E. Jones; U.S. Patent No. 2,584,174 dated February 5, 1952 to H. Weston; Canadian Patent No. 431,601 dated December 4, 1945 to F. H. Saltz; Canadian Patent No. 433,886 dated April 2, 1946 to M. B. Hall *et al.*; French Patent No. 929,695 dated January 5, 1948 to André Chapuis; German Patent No. 692,774 dated March 8, 1938 to Bernard Finke.

Since the subject matter presents no technical intricacies, a few comparisons will suffice, I believe, to draw a distinguishing line between older patents and that of plaintiff.

Exhibit A, the Bosse Patent, dated October 2, 1934, is primarily concerned with the quick perception of the posting V. The specifications, from which I quote the two opening paragraphs, bring out this objective:

This invention relates to a card register in which the cards or sheets are arranged visibly in echelons in a horizontal direction.

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According to the invention the cards are marked in such a manner that the absence of one card in a pile or the erroneous placing of two cards one exactly behind the other is at once noticed by the observer.

No mention is made of any attempt to simplify the handling of a card register in view of obtaining a one motion reach at the required information.

The Rand Patent, exhibit H, has the bent back top and upper edge channel with index members slidable therein; yet no claim is laid to greater visibility and none also concerning the rearward inclination of the lateral plastic band towards the rearmost intermediate dividers of any particular alphabetical breakdown in order to achieve the single pull feature.

Exhibit AA, the Chapuis Patent, published January 5, 1948, in its figure 5, at numerals 6 and 7, displays a slidable channel (gouttière) with a slight curvature or rearward inclination (légèrement inclinée vers l'arrière). According to the words of the inventor himself, he strove to obtain greater rigidity of the dividers, mains and intermediates, be completely encasing them in a grooved strip of sheet iron (tôle) without seeking for a more rapid operational result. Apparently, Chapuis looked for greater resistance and durability of the dividers and not for quicker movement. To put this in proper light, one paragraph of the patent should be cited:

La caractéristique essentielle de l'invention réside donc dans la combinaison du carton et d'armatures profilées et découpées dans une bande de tôle, ces armatures entourant l'intercalaire de façon à lui donner la rigidité requise en l'occurrence.

Exhibit J, an advertisement of Sell Corporation Chicago, prompts similar remarks in despite of a 45° angle of the face plate. The novelty here appears to be the easy removal of the index strip at the rear of the spacing plate.

The Jones Patent, exhibit I, claims "transparent substantially flat elongated face plate . . . extending upwardly and rearwardly with respect to said cards. . . ." Still the essence of the invention consists in the ease with which the index strip, in flat facial abutment, may be removed from the rear of the metal plate, a factor distinguishable from the Weston Patent. The date of issue reads October 24, 1950, a doubtful reference, if plaintiff's submission of May 6, 1950, should prevail.

Exhibit T, a Remington Rand booklet entitled "Library Bureau", at p. 41, specifies that "the tab is permanently attached to the body of the holder by eyelets that are stainless and rustless". The tab itself, filed as exhibit U, is a heavy cumbersome metal plaque, punctured with four eyelet holes. The design of the Weston Patent is clearly missing here.

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The McKee Patent of June 13, 1922, exhibit C, specifies that: "all the operators need do is to pull forwardly the main guide having the given date thereon thus exposing in the space 10 the letterheads of the letters and other papers which are to be extracted from the file". The emphasis here bears upon a follow-up method, an "aide-mémoire", for correspondence requiring day to day attention rather than on the improvements sought by Visirecord.

Prior to 1950, several constituent parts were of course known to the trade, i.e.: vertical cards in echelon, the top right hand corner diagonally cut off, with notches at the bottom adapted to lugs in a cabinet, as also dividers, and supporting end rails, but the litigation, if I understand it properly, is not headed in that direction.

I now reach the none too easy stage of differentiating novelty from obviousness.

Novelty being assumed, does the alleged improvement possess inventive merit or, on the other hand, is it something obvious?

The patent at Bar results from the combined interplay of elements none of which was new, and one must look elsewhere in order to find, if possible, an admissible inventive achievement.

Before delving deeper into the case, it is apposite to quote a few guiding principles selected from a host of judicial decisions.

In combination patents, the accepted doctrine holds that the novelty of the combination itself is the crucial factor, and not that of its individual elements.

The late President of this Court, Mr. Justice Maclean in *re Lightning Fastener Co. Ltd. v. Colonial Fastener Co. Ltd. et al.*¹ wrote:

Every trifling improvement is not invention and the industrial public should not be embarrassed by patents for every small improvement. A

¹[1932] Ex. C.R. 101 at 106.

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slightly more efficient way of doing a thing, small changes in size, shape, degree, or quality in a manufacture or machine, even assuming novelty, is not invention. Something further is necessary to justify a monopoly . . . There must be sufficient ingenuity to make a useful novelty into an invention. A small amount of ingenuity may be sufficient, but there must be some, . . .

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The late Mr. Justice Audette had spoken to the same effect in *Lowe-Martin Company Ltd., et al. v. Office Specialty Manufacturing Company Ltd.*¹:

The facts, before the court, show that the patentee has produced features and functions perfectly familiar to the prior art, without giving it any new functions and without accompanying it with new results, bring the patent within the principle so often stated that:

The mere carrying forward of the original thought, a change only in form, proportion or degree, doing the same thing in the same way, by substantially the same means, with better results, is not such an invention as will sustain a patent.

Mr. Justice Audette also referred to an American decision in re *The Railroad Supply Co. v. The Elyria Iron and Steel Co.*²:

A patent for the mere new use of a known contrivance, without any additional ingenuity in overcoming fresh difficulties is bad and cannot be supported. If the new use involves no ingenuity, but is in manner and purposes analogous to the old use, although not quite the same, there is no invention.

Mr. Justice Masten of the Ontario Appeal Court spoke to like effect in *Helson v. Dominion Dustless Sweepers Co. Limited*³:

All the elements being old, and the functions to be performed being identical, the plaintiffs' combination could be patentable only if it performed the old function in some better or cheaper way than did the earlier machines—there must be a new mode of operation resulting from the combination for which the plaintiff claimed novelty; it is not invention to combine old devices in a new machine or manufacture without producing some new mode of operation. . . .

Another decision quite in line with the preceding is again one of Mr. Justice Maclean in *Canadian Gypsum Co., Ltd. v. Gypsum, Lime & Alabastine, Canada, Ltd.*⁴:

To support a valid patent there must be something more than a new and useful manufacture, it must have involved somehow the application of the inventive mind; the invention must have required for its evolution some amount of ingenuity to constitute subject matter, or in other words invention.

Were it advisable to distinguish between two shades of judicial opinion, I would then qualify the above decisions

¹[1930] Ex. C.R. 181 at 187.

²[1917] Patent Office Gaz. (U.S.) vol. 239, 656.

³(1923) 23 O.W.N., 597. ⁴[1931] Ex. C.R. 180 at 187.

as adopting a sterner outlook in opposition with a broader attitude pervading those hereafter quoted. In a controversy of this kind it might well happen that a plausible shade of thought could tip the scales *pro* or *con*.

In *Hickton's Patent Syndicate v. Patents and Machine Improvements Company Ltd.*¹ Fletcher Moulton L.J. reversing the Judgment of the Court below held on appeal that:

The learned Judge says: "An idea may be new and original and very meritorious, but unless there is some invention necessary for putting the idea into practice it is not patentable." With the greatest respect for the learned Judge, that, in my opinion, is quite contrary to the principles of patent law, and would deprive of their reward a very large number of meritorious inventions that have been made. I may say that this dictum is to the best of my knowledge supported by no case, and no case has been quoted to us which would justify it. But let me give an example. Probably the most celebrated Patent in the history of our law is that of *Bolton* and *Watt*, which had the unique distinction of being renewed for the whole fourteen years. The particular invention there was the condensation of the steam, not in the cylinder itself, but in a separate vessel. That conception occurred to *Watt* and it was for that that his Patent was granted, and out of that grew the steam engine. Now can it be suggested that it required any invention whatever to carry out that idea when once you had got it? It could be done in a thousand ways and by any competent engineer, but the invention was in the idea, and when he had once got that idea, the carrying out of it was perfectly easy. To say that the conception may be meritorious and may involve invention and may be new and original, and simply because when you have once got the idea it is easy to carry it out, that that deprives it of the title of being a new invention according to our patent law, is, I think, an extremely dangerous principle and justified neither by reason, nor authority.

Tomlin J. in *Samuel Parkes & Co. Ltd. v. Cocker Brothers Ltd.*² said that:

Nobody, however, has told me, and I do not suppose anybody ever will tell me, what is the precise characteristic or quality the presence of which distinguished invention from a workshop improvement . . . The truth is that, when once it has been found, as I find here, that the problem had waited solution for many years, and that the device is in fact novel and superior to what had gone before, and has been widely used, and used in preference to alternative devices, it is, I think, practically impossible to say that there is not present that scintilla of invention necessary to support the Patent.

These, and possibly other considerations, induced the learned President of this Court to say in re *The King v. Uhlemann Optical Co.*³ that:

Invention may, therefore, be present notwithstanding the fact that there was no difficulty in putting the idea into effect once it had been conceived.

¹ [1909] 26 R.P.C. 339 at 347.

² (1929) 46 R.P.C. 241 at 248.

³ [1950] Ex. C.R. 142 at 163.

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Finally, Viscount Dunedin delivering the judgment of the Judicial Committee of the Privy Council in *Pope Appliance Corporation v. Spanish River Pulp and Paper Mills Ltd.*¹ puts the test in these words:

Would a man who was grappling with the problem solved by the Patent attacked, and having no knowledge of that patent, if he had had the alleged anticipation in his hand have said, "That gives me what I wish?"

and later, at page 56:

Does the man attacking the problem find what he wants as a solution in the prior so-called anticipations.

These references to some of the leading cases indicate that the question for determination is one of fact; whether or not inventive process exists, even though limited to the restrictive conception conveyed by the expression "*scintilla of invention*".

In 1951, did a trade problem exist in the card registry line, a perceptible demand for something better, stronger, speedier, of more facile manipulation? Obviously yes, if one bears in mind the fourteen patents ranging from 1917 to 1954, each of these striving for some improvement, each and every patentee impelled to ceaseless exertions in a quest for accuracy, celerity and increased operational ease. Yes, repeated over again, by all the leading witnesses heard in support of or against the patent, such as, for instance, defendant Ross Sowerby Malton who, when asked if "in the industry today there is a demand for more speed, speed of location of cards?" replies "yes". On this score, no uncertainty beclouds the issue.

The questions involved find an answer in Mr. R. S. Malton's more than exhaustive, I incline to say exhausting, testimony covering the entire matter . . . and 152 pages.

It may not be amiss, before tackling defendant's version, to refresh one's memory on the peculiar coincidence that R. S. Malton became Visirecord's of Canada Sales Manager for Toronto and vicinity in 1950, Vice-President in 1952, severing his connections with the latter firm on or about June 22, 1953, to then join the defendant company's staff (T. p. 309).

Consequently, his knowledge of plaintiff's successive types of vertical filing registers, of the constant march ahead

¹ (1929) 46 R.P.C. 23 at 52.

towards the goal culminating in the actual patent, is both intimate and second to none.

Transcript pages 324 and 325, confirm this close acquaintance:

Q. [By Mr. Sim for defendants] Are you familiar with the unit of the precise type of construction illustrated in Exhibit 7?

A. Yes, most familiar. I designed it.

Let us now sort out the oral evidence's contribution on the score of:

1. Anticipation by disclosure or publications.
2. Prior user through public sales antedating May 6, 1950.
3. Substantive differences between successive units, exhibits 12, 16, K and 7.

The truest approach to this is to quote from the witnesses' own statements reported in the Transcript.

1. *Anticipation by Disclosure or Publications.*

At page 389, the witness, cross-examined, is asked:

Q. Now, Mr. Malton, would I be correct in saying that that was not what was normally called one motion in the plaintiff company during that period?

A. I don't think it was ever described that way, not as a publication or a promotion or advertising. I think it was more understood.

On the next page, the witness restricts this statement, interjecting that the "one finger" expression had been used "in the time preceding that." Asked by Mr. Henderson, Q.C., if before 1951, Mr. Deekes (President of the plaintiff company) used the expression "one finger selection"; he answered (T. p. 390):

A. I don't recall him doing it.

Q. Did anybody there use that terminology prior to 1951?

A. Other salesmen. It was just generally done.

Q. Give me some names—tell me.

A. I don't have any names, Mr. Henderson. There were many people involved in the company.

Mr. Malton believes that he first saw "about January 1950" a letter headed "Visirecord Inc.", dated December 23, 1949, filed as exhibit 16, a promotional publication vaunting in glowing terms "Our New VISIrecord MAGNIvider Visible Strip", a sample of which was annexed to the document. However, Malton later on tells us that this self-same exhibit 16, the Magnivider, was never used in Canada

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in the manner or form revealed by exhibit 16, therefore hardly substantiating a reproach of anticipation.

On July 24, 1950, R. S. Malton sent out a written reply to Marshall-Stevens Ltd., in St. John, N.B., distributors for the plaintiff company (exhibit 24) in which one reads: "This MAGNIvider is really quite a radical advance in vertical visible equipment." On page 422, the witness notes that:

A. . . . To my knowledge, that is the first time a rearwardly inclined main divider had been brought into the market or was intended to have been brought into the market on vertical visible equipment.

A moment ago, I noted this particular contrivance never entered the local market, and could have done so only after July 24, 1950, close to three months beyond the critical date of May 6, 1950.

Promotional literature introduced by defendants for anticipatory purposes: exhibit N, four direction sheets entitled "Visible Record Tri-Poster Methods", dated September 1, 1949, met with indifferent success as may be gathered from the following excerpts at p. 453:

Q. [By Mr. Henderson, Q.C.] Mr. Malton, may I direct your attention to Exhibit N and draw to your attention that there is nothing on Exhibit N in the passage that you read that suggests that you located an account by going to an intermediate divider?

A. That is correct.

Q. So there is nothing then in Exhibit N that says you go directly to the tab on the intermediate dividers?

A. That is right.

This also applies to exhibits O and P, instructional circulars respectively labelled "A comparison of Visirecord with the Flat-Tray Visible Cabinet" and Sheet No. 3 pertaining to the same promotional matter, as may be seen by a further reference to pages 453 and 454:

Q. [By Mr. Henderson] I now draw to your attention exhibit O and say to you again there is nothing on Exhibit O that says you go directly to an intermediate divider?

A. There is nothing that says that although intermediate dividers were in common usage at that time.

Q. In fact the answer to my question is there is nothing there?

A. That is right.

Q. And I refer you to Exhibit P and there is nothing there that says you go directly to an intermediate divider?

A. That is correct.

Proof of anticipation by publication or disclosure, prior to May 6, 1950, is quite shadowy.

2. *Prior User Through Public Sales*

The evidence on this point could suffer more clarity and for this a certain measure of responsibility may be laid at Mr. Malton's door. It is hard to reconcile that section of his testimony with several precisions otherwise obtained from him. Affirming, as he does, that "right from 1946 I have always accepted and believed and instructed people that they could find a row of cards in which the desired card was located by a one finger motion in indexing as set up in this Exhibit 12. . .", (T. pp. 382, 383), he cannot recall a physical location where a unit such as exhibit L was in use, but for the sole exception of Anglo-Canadian Drug Co. in Oshawa, Ont., and he agrees that prior to 1950, to the best of his knowledge, exhibit L was the only installation of this type he made (T. pp. 383, 384).

Mr. Malton finally complies with the suggestion that the actual commercial sales of exhibit 7 ranged from March 22, 1951, on (T. p. 362).

I will now dispose of the exhibit L angle and, possibly, a brief sketch of its story may help. Anglo-Canadian Drug Co. of Oshawa, through Mr. Malton's intermediary, purchased this model L filing registry in 1947. In 1951, Mr. Malton, on a visit to the Drug company's bookkeeper, Mr. Davidson, observed this card register still in use. When preparing his defence, in October, 1955, he finally remembered the 1947 deal with his Oshawa clients and returning to their office he found, as will be seen later on, a totally renovated exhibit L. Had this commodity lent itself to a substantial comparison with exhibit 7, of course, prior user would be a proven fact. The question then is: were exhibits L or 12 closely akin to their eventual successor exhibit 7?

These two specimens of vertical visible card indexes, manufactured by the plaintiff, were strenuously pointed at by defendants as evidencing anticipation by prior user. It was argued that every advantage, each step forward claimed by the instant patent appeared on both of these former models. I devoted considerable care in comparing these successive registers, namely, exhibits 12 and L, on the one hand, exhibits 5 and 7, on the other. To begin with, I must signal out that models 12 and L are identical, the difference in notation being merely one of filing convenience.

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Exhibit 12 is a standard model foredating Nos. 5 and 7; exhibit L is also of model 12 manufacture, but sold by R. S. Malton to Anglo-Canadian Drug Co. in Oshawa, about the last day of August or the first day of September, 1947. As for exhibit 12, it remained one of plaintiff's regular "sellers" from 1946 to 1951.

Mr. R. S. Malton, former distributor and sales manager of the plaintiff company, supervised the setting up of this card register bought by Anglo-Canadian Drug Co. He insists that it offered practically all the characteristic traits now attaching to the newer models. This statement is refuted by the evidence of Mr. Carson Herrick and Miss Margaret Hart, and more so by the mute but revealing testimony of exhibits 5 and 7.

Mr. Herrick, in October, 1946, sold vertical visible record keeping registers made by Visirecord of Canada Limited, as agent for Modern Business Methods Limited. In such capacity, for a period of a month or so, he had with him Mr. R. S. Malton himself as sub-distributor. Mr. Herrick, although prudently hinting "at a possible vagueness of memory", nonetheless spoke of having "a distinct recollection of Visirecord at that time and how it was sold". He unhesitatingly points out important discrepancies between the two oft-mentioned types. On model L, the plastic strip running between the end rails above the main dividers was straight instead of rearwardly inclined. Usually, only one tab appeared on the main divider in line with one also on the intermediate divider. This witness, whose veracity was attested by Mr. Fox, Q.C., in the argument, remembers that he prevailed upon the sub-distributors *not to emphasize a possibility of one pull motion because "the visistrip . . . got brittle through use . . . and I instructed the men . . . to take care not to break this visistrip as you pulled it forward"*. It is interesting to remark that one of these agents who received such cautioning directives was none other than Mr. R. S. Malton. True, Herrick concedes the possibility of that one pull motion with exhibit 12 but we have seen why he discouraged it.

Miss Hart, a filing clerk employed by Anglo-Canadian Drug Co. in Oshawa from April, 1948, to July, 1952, had, as such, the daily use of exhibit L, the card register, particularly during the twelve-month period 1949-1950. Miss Hart, whose observations must surely carry some weight,

positively asserts that the plastic band, topping the main dividers, was straight across and not curved backward; that each divider held only one tab and, a noteworthy difference, that the intermediate or, as she says, the "flimsy divider" had no tabbing whatever which, of course, *precluded all possibility of an effective one finger pull*. Probed on these important points, she reiterates her declarations, adding she would disagree with contrary statements and that she recalls quite clearly the system's set-up.

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Mr. Mark Rudiger also avers that model 7 increased the degree of visibility of the older models and was especially designed with the advantageous feature of the regular one pull motion which formerly, as on exhibit 16, the Magnivider unit, and exhibit 12, could be achieved "*but inefficiently*". "We found", continued Rudiger, "that the angle of the magnivider was incorrect and many, many variations were made to determine the correct angle both mathematically and by actual experimentation".

Defendants' counsel quoted several cases, Canadian and English, to establish the legal portent of disclosure of an invention, its publication, public sale or manufacture. I readily agree with those decisions but am at a loss to detect in them any applicability to the instant case. Exhibit L or 12, owned by the Anglo-Canadian Co., and currently publicized prior to March 9, 1951, was superseded by appreciably altered units so frequently referred to above. The card registry on hand before 1951 and its improved successor, issued after this date, are not identical but different.

On page 348, Mr. Sim, one of defendants' counsel, examining Mr. Malton, regarding exhibit L, as recovered in October, 1955, puts these questions, eliciting the ensuing answers:

Q. Coming to the cabinet now, was the unit you saw at that time identical with the unit you see here today?

A. All the components?

Q. Yes.

A. No.

Q. What was the difference? [in October of 1955]

A. It had a different type of main divider. This was a divider with a curved back and rearwardly inclined top with a channel on the rear under surface with slidable inserts in it.

Q. Do you know of your own knowledge when those dividers were substituted for the dividers that appear in Exhibit L?

A. Yes, in April of 1953.

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I, at once, note that by October, 1955, exhibit L had undergone a radical change which had transformed it into a sample of the new No. 7 class. It is also permissible to repeat that samples L and 12 are identical, L being the Court letter given to an exhibit 12 model purchased by Anglo-Canadian Drugs in 1947. Mr. Malton does not minimize this fact nor the correlative one of exhibit L labouring under the same disabilities that affected exhibit 12, i.e. opacity of the index in the forward position of the main dividers, difficulty of reading the tabbing on the main or intermediates and, lastly, the plastic strip on the straight or vertical dividers had not the required strength or durability to withstand normal wear and tear (T. pp. 376, 377). The article located at Oshawa, in 1955, had to be reconstituted out of mere surmise and recollection back to what it was in 1951, when last observed by Mr. Malton. In a more or less casual way, this retroactive remodelling was attempted through the co-operation of Messrs. Malton and Davidson. Unfortunately, for reasons unexplained, the sample produced in Court admittedly differs from the haphazard rebuilding these two operators strove to attain in October, 1955. The upshot is that in 1947 a card index of model 12 vintage, essentially dissimilar from exhibit 7, was delivered to Anglo-Canadian who reshaped it into an exhibit 7 model in 1953. And to end all, exhibit L produced at trial does not even correspond in every respect to the 1947 replica wishfully built up in the fall of 1955.

Mr. J. Davidson, for many years bookkeeper at Anglo-Canadian Drug Co. in Oshawa, corroborates the transitory conditions of exhibit L, which merged into the newer model on or about April 23, 1953, when "the new main divider had a curved top on it. The celluloid, instead of being flat, had a curve and you put your indexes, strung them out along in behind" (T. p. 474).

Mr. Davidson's evidence assumes a particular degree of significance at page 473 of the Transcript when he states that on the initial exhibit L, from 1947, to April, 1953, the one motion selection could be obtained merely in the first part of the cabinet. Beyond, it became unescapable to utilize the metal dividers on account of the weight of cards pressing against main dividers of too weak a fabric.

I therefore believe that an undeniable step ahead resulted from the equipment appearing as exhibits 5 and 7, the main traits of which are the rearwardly inclined configuration of the tabbing band and the visibility thereby obtained.

Defendants concede (T. p. 657) that the card index owned by Anglo-Canadian Drug Company before 1953, did not possess the bent back top with a grooved channel on its main dividers nor an alignment of indexing tabs, in other words, lacked the developments conducive to, amongst other merits, the single motion performance. This seems a likely occasion to repeat and apply the test suggested by Viscount Dunedin in *Pope Appliance Corporation v. Spanish River Pulp and Paper Mills Ltd.*¹:

Would a man who was grappling with the problem solved by the Patent attacked, *and having no knowledge of that patent*, if he had had the alleged anticipation in his hand have said, "That gives me what I wish"?

and later, at page 56:

Does the man attacking the problem find what he wants as solution in the prior so-called anticipation.

Could it be convincingly held that Mr. R. S. Malton, until June, 1953, plaintiff's General Sales Manager, to whom the paternity of exhibit 7 attaches, had, in 1954, the crucial period, "no knowledge of that patent"?

The set-up of exhibit L, in my estimation at least, successfully stands this test and would not necessarily afford, to a mechanic having the common knowledge of the art, the solution provided by the improved models, exhibits 5 and 7.

I cannot detect any prior user in exhibit L.

3. *Substantive Differences between Exhibits 12, 16, K and 7.*

Before entering upon the last factual phase, it seems apposite to outline shortly the chain or sequence of the various types, as reported by R. S. Malton.

1. Exhibit 12, manufactured by plaintiff, from 1945 to or about March 22, 1951, (T. p. 330).
2. Exhibit 16, the Magnivider plastic strip of December 23, 1949, never used in Canada, (T. pp. 322, 324, 448, 449, 450).
3. Exhibit K, intermediate type between exhibits 12 and 7, from 1950, until the spring of 1953, (T. p. 387).

¹ (1929) 46 R.P.C. 23 at 52.

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4. The present plaintiff's exhibit 7, the regular sale of which began on or about March 22, 1951.

Exhibit 12

Since this model has already been described, it will suffice to say that the main dividers were straight or vertical and devoid of the peculiarity of this invention: the rearwardly inclined plastic translucent strip; it was criticized by Mr. Malton (T. p. 376) on the score of its "little or no visibility of the index in the forward position of the main dividers"; also because it was "difficult to see the tabbing on the main or intermediates" and on account of the strip not being "strong enough or durable enough to withstand normal wear and tear".

Exhibit 16

The Magnivider strip affixed to the company's circular of December 23, 1949, and never used in Canada. In Mr. Malton's own words, this device shows three discrepancies when compared with exhibit 7: it "has a single plane below the angled back top portion here and, secondly, it has no channel in the angled back rearwardly inclined portion . . . it is inclined rearwardly a greater distance than on the strip in Exhibit 7. Exhibit 7 in itself has a different attachment means in that it has a slotting arrangement consisting of two planes" (T. p. 323).

Exhibit K

Requested to describe the variations between exhibits K and 7, witness (T. top of p. 327) again ascribed three: exhibit K is not inclined rearwardly; when attached to the body or sheet of the main dividers the rearward edge of the inclined back top of the strip came back so far that it almost touched the face of the next one on the following main divider (T. p. 327). Its transverse plastic band fringing the main dividers was affixed by eyelets or brackets along the upper area of the main dividers. The heavy metal pocket brought about breakage of the plastic strip and repeated fracturing (T. p. 329) "at the time because of the tightening or loosening of eyelets . . . It was a tremendous problem to management and sales so we actually got into this type of thing", this type of thing meaning the substituted features of exhibit 7.

Exhibit 7

The conclusion flowing from a scrutiny of the former models is that exhibit 7, so often commented upon, is something different. I am satisfied that, owing to their specific characteristics, exhibits 12, 16, K, and 7, since March 22, 1951, should not avail to instance prior user.

In exhibit 21 entitled "A Brief History of Vertical Visible Recordkeeping", prepared by Mr. Malton himself, we read this significant assertion:

By the end of 1953 it was apparent that Vertical Visible had finally gained public acceptance and it was indicated that it would eventually supplant all other types of recordkeeping systems such as wheels, flat tray, etc.

(Transcript, p. 369)

Questioned as to the accuracy of this, the witness replies: "I believe in that statement" (T. p. 369).

This admission, coupled with the evidence adduced by Messrs. Stewart and Rudiger, reasonably prove the commercial success of vertical visible filing as initiated by plaintiff's Patent No. 500,084. Surely, the rise in the bulk of sales lends itself to no comparisons with articles of universal use, as, for example, eye-glasses or fountain pens; still, in its own proper field, it attested a significant increase from the year of its appearance on the market, 1951, and 1955, the last for which returns are obtainable.

The Statement of Defence, stressing the invalidity of plaintiff's patent on the grounds of anticipation, prior user and absence of inventive matter, lays no claim to actual constructional singularities between defendants' merchandise, exhibits 6 and 19, and that of plaintiff.

Mr. Malton commenting on defendants' models 6 and 19, to this query:

Q. . . . so that when one puts one's finger over the top of the main divider one's finger contacts the tab on the rearmost intermediate divider?
replied:

A. That is correct.

(Transcript, p. 355)

In point of fact, the card index promoted by defendants exhibits the same distinctive improvements: slidable index members, inserted in a channel with a rearward curvature at the back, such indices corresponding to tabs mounted on the intermediates and the ensuing advantage of the one motion selection.

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I rather fear that Mr. Malton, designer of plaintiff's newest models (exhibits 5 and 7) could not oust from his "business" memory, to an innocuous extent, all lingering recollections of his latest innovations launched, so to speak, in the other fellow's shop across the street.

At page 707, of the Proceedings at trial, defendants' counsel is reported as saying:

Now, here is a system that is sold loose. Surely a monopoly is not to be granted on material that if it is set up in a certain manner there may be or may not be infringement because this can be set up in any manner the user desires. You can take the index members off Exhibit 6 and there is no infringement of Claims 9, 10 and 11 at least. You can put any number of index tabs on the main divider. If you put one index tab, then there is no infringement. Now, that, my lord, is not a patentable combination. That is a system that falls into the *terra media* that is not touchable under any of our industrial or property laws at all.

This surely is a clever attack against the patent. But it also is an *a priori* one. Separately considered, each component: dividers, index members or tabs, end rails, are not patentable material. And their arrangement, or rather, as suggested, their disarrangement in the unit itself, at a user's whim, negatives the invention's substantive meaning. This amounts to distorting instead of correctly construing the author's directions. Any invention taken apart, disassembled, sundered from its unitary harmonious functioning, pertains more to cast-off heap than to the Patent Office. In a combination particularly, the aggregates, of little moment by themselves, may concur in some worthwhile unified results. The hoped for unity, then, should not be ascertained nor judicially assayed by the touchstone of fragmentation. Nor can I willingly conceive of anyone interested in speed and accuracy of filing, or as trade parlance goes, anybody sold to the idea of the new device's superiority, purposely failing to fit and operate it according to specifications.

As a concluding, although belated reference to the experiment successfully carried out by defendants' counsel on exhibit 12 regarding the one pull motion, witness Davidson (T. p. 473) explained that a like result could be had only in the first or anterior portion of the card register and was impossible if dealing with the rear section on account of the weight and pressure of the cards and the fragile nature of the upper plastic strip. The exhibit 12 model, adduced in Court, comprises sixteen main dividers, split in two equal

portions by a metal separator. The front section has only one sparse bank of cards, the rear one contains a few incomplete rows of filing material which do not even tally with the situation described by Davidson. Did this facilitate the favourable result of Mr. Fox's experiment? I will not venture to guess. Furthermore, time and time again, the defects of the old type main dividers and the improvements of the newer model were pointed out in all their pertinent aspects.

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In the course of his exhaustive argument, Mr. Fox, moved to amend para. 3 of the Particulars of Objections, as amended in the further Particulars of Objections, by setting up in the list of prior publications exhibit 18 and the marketing of exhibit 7 model begun in March, 1951, pursuant to Mr. Stewart's evidence.

Exhibit 18 is an instructional bulletin dated 7/14/50, July 14, 1950; as for exhibit 7, witness Stewart told us that its commercial sale started on or about March 22, 1951. Counsel argued that neither exhibit 18 nor Mr. Stewart's (then unheard) comments had been pleaded as anticipation when the Particulars of Objections were prepared. According to Mr. Fox, these facts would tend to assign May 26, 1951, instead of May 6, 1950, as the initial date for anticipation.

In reply to Mr. Henderson's request for a re-opening of the trial, should this motion be granted, Mr. Fox countered:

In my submission, if your lordship allows the amendment the case is over so far as the adducing of evidence is concerned and cannot be re-opened at this stage and I put myself on record as saying that if your lordship accepts my [thel] suggestion that the granting of this motion should carry with it any co-relative right that the evidence should be opened then I respectfully request your lordship to deny the motion.

I would have allowed some rebuttal, had I granted the motion, and were I to take the learned counsel at his words, I could for this reason alone dispose of his request.

There are, however, more judicial motives to reach a negative decision. The company's circular, exhibit 18, even if mailed to Mr. Stewart on the day appearing on the document itself, July 14, 1950, is subsequent by quite a few weeks to May 6, 1950, (the date of the Canadian application for patent reading: May 6, 1952) and also within the twelve-month period required by s. 29(1) of the Act.

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Regarding Mr. Stewart's testimony, it was freely given without anyone objecting, and I consider it as properly of record. I therefore hold that this motion is both unwarranted as to exhibit 18 and unnecessary as to Stewart's evidence.

The present issue brings to the fore one of those perplexing occurrences properly called border line cases. Noticeably missing from this workaday improvement is the striking element. Yet, continuous waves of comparable commonplace contrivances flood the mercantile arenas, meeting the exigencies of the patent regulations and the relatively extensible test of the law.

The judicial practice favours a realistic interpretation and liberally construes the practical meaning of inventive achievement. Section 48 of c. 203 invests a patent with a presumption of validity, enacting that: ". . . The patent . . . shall thereafter be *prima facie valid and avail the grantee and his legal representatives for the term mentioned therein . . .*"

Mr. Justice Thorson urged this view in re: *O'Cedar of Canada Ltd. v. Mallory Hardware Products Ltd.*¹, writing that:

Thus it seems to me that when there has been a substantial and useful advance over the prior art the Court should not give effect to an attack on the validity of the patent covering it on the ground that the advance was an obvious workshop improvement unless it is clearly so. In view of the statutory presumption in favour of the validity of the patent the Court should not make the onus of showing its invalidity an easy one to discharge.

Notwithstanding the marginal notation: "Definitions", opposite s. 2 of the Act, I remain unconvinced that para. (d) effectively purports to cage in a few words the elusive and subjective analysis of inventive process. So then, I guardedly cite it, emphasizing the word "improvement":

(d) "*invention*" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful *improvement* in any art, process, machine, manufacture or composition of matter;

The actual litigation involves a notion of "improvement" more than one of invention; and improvement with the twofold merit of novelty and utility is proper patentable matter.

It may be that the invention is a small one, but slight differences in these cases sometimes produce large results.

¹[1956] Ex. C.R. 299 at 318.

wrote Lord Davey in *Patent Exploitation, Ltd. v. Siemens Brothers & Co., Ltd.*¹

In a similar vein, Viscount Dunedin, in *Pope Appliance Corporation v. Spanish River Pulp and Paper Mills Ltd.*² spoke thus:

It must also be considered that there may be invention in what, after all, is only simplification. Dumoulin J.

The Lord Justice Clerk (Aitchison), deciding the *Rheo-static Co. Ltd. v. Robert McLaren & Co. Ltd.*³, at page 117, put the difficulty positively:

Again the simplicity of the device does not exclude invention; on the contrary inventive ingenuity may, and often does, consist in finding a simple and, when discovered, the apparently obvious solution of the problem.

Though unglamorous this fruitful enhancement of the art brought daily relief to hundreds engaged in filing or indexing tasks, easing off some tedious and tiresome motions, while intrinsically improving this specialty's accuracy and durability. The combination at issue evinces, in my mind, a sufficient degree of inventive acumen to uphold the patent. A simultaneous upsurge of sales enhances this opinion.

For the reasons above, I find that the essential or basic combination imparting inventive novelty to plaintiff's card registry, described in claims 9 and 12 of Patent No. 500,084, are present in defendants' card registers, sampled in exhibits 6 and 19, consequently entailing an infringement of those aforementioned claims 9 and 12.

There will, therefore, be judgment in favour of the plaintiff, granting the relief sought by it except as to damages. Should the litigants disagree on the amount of damages or the amount of profits, if plaintiff elects the latter, there will be a reference to the Registrar or a Deputy Registrar, and judgment for such sum of damages or profits as found in the reference. Plaintiff is entitled to costs taxed in the usual way.

Judgment accordingly.

¹ (1904) 21 R.P.C. 541 at 549.

³ (1936) 53 R.P.C. 109.

² [1929] A.C. 269 at 280; 46 R.P.C. 23 at 55.