

SPEAKER ATTACKS DRUG PATENT CRITICS

PATENT CONTRACT SUBCOMMITTEES APPOINTED

The Committee on Patent Contracts Other Than Government has appointed three subcommittees to study specific areas, according to Chairman William E. Dampier. The subcommittees are:

- A committee to recommend action as to Representative Brown's H. R. 4932, which would amend the Labor Management Relations Act to make it unlawful for an employer to require an employee to agree to assign patents as a condition of employment, the committee to include: Phil Anderegg, John Harvey, Karl Jorda, Roland Plottel, John Shortley and Leon Tenenbaum, with John Harvey as Chairman.
- A committee to study the problems of package licensing and termination (as to termination see *Ar-Tik v. Dairy Queen*, 302 F. 2d 496, 133 USPQ 109) and recommend action to be taken, if any, the committee to include: Walter Ames, John Harvey, Frank Hone, Aaron Karas, Leonard Mackey and George Ziegler, with Leonard Mackey as Chairman.
- A committee to study the section of the newly-enacted New York Uniform Commercial Code dealing with warranty of non-infringement and its implications and to report the results of its study, the committee to include Phil Anderegg, Karl Jorda and John Shortley, with Karl Jorda as Chairman.

RE: THE ATTORNEY'S FEE

"Although counsel has submitted a work sheet and detailed account of time in hours spent in the matter as of April 22, 1963, I do not consider that as controlling, or perhaps better said, determinative of what the fee should be, for the work of a lawyer is not comparable to the work of an artisan such as a plumber, or a bricklayer, or the like, where the time clock approach is controlling. Many times the final and winning decision of the lawyer as to what should or should not be done is not made at his desk or in his library but when he is elsewhere. The conscientious lawyer's mind is never at rest but works on and on until he arrives at what he thinks should be done." Judge Body, *Highway Truck Drivers & Helpers Local 107 v. Cohen*, 220 F. Supp. 735, 738 (E. D. Pa. 1963).

CALENDAR

Jan.— [To be announced]
Feb.— Judicial Conference
March 20—Dinner in honor of the Federal
Judiciary

Mr. Harry F. Bliss, Jr., assistant managing director of Cyanamid International, a division of the American Cyanamid Company, spoke on the topic "*Patent Crisis Because of Government Intervention*", at the November 12th meeting of the New York Patent Law Association.

Strongly protesting attacks on pharmaceutical patent rights, Mr. Bliss said that this nation can afford to share its wealth, but it can not afford to give away the incentive that produced such wealth. That incentive is made possible only by an established and comprehensive patent system.

Congressional Hearings Cited. Mr. Bliss told the Association that congressional attacks on the pharmaceutical industry, spurred by adroit misuse of data and misleading headlines, had fomented the crisis and made the industry the object of vilification throughout the world. The attacks had their genesis in 1959 when the Senate Subcommittee on Antitrust and Monopoly began an investigation of the pharmaceutical industry under the chairmanship of the late Senator Estes Kefauver.

"Unfortunately," Bliss said, "in many parts of the world most people thought the committee's pronouncements had the force and dignity of the findings of a court of the United States government."

Since most drug products are imported into foreign countries, attacking pharmaceutical prices overseas is a perfect political gambit for foreign politicians, because it is popular, patriotic and you aren't offending anyone at home. Besides, he said, you are defending the populace from foreign invaders who, according to the local press, are demanding your money or your life.

Generic Names an Issue. Mr. Bliss reported that some Latin American nations were also advocating forced sale of drugs by their generic or common names rather than by trademarks, regardless of patent coverage, in order to reduce prices. According to the Cyanamid executive, if drug prices were eliminated altogether, many of these nations could not even afford the cost of physical distribution. Further, most doctors write prescriptions by use of trademarks because they have accepted the quality and efficiency of the product and the reputation of the manufacturer.

Proponents of these schemes freely admit that drug research is a costly venture with many blind alleys, Mr. Bliss said. They further admit that once a drug is developed, there are further costs attached to demonstrating its safety and efficacy, informing the medical profession and establishing a market.

Patents Defended. Nevertheless, they take a position that drug makers should turn over these developments to them so they can be sold by generic names. In other words, "You take the risks and bear the expenses and

NEW CONNECTICUT TRADEMARK STATUTE ENACTED

Chapter 621A of the Connecticut General Statutes dealing with trademarks and service marks was enacted by the Connecticut Legislature in 1963 and substantially adopts the Model State Trademark Bill drafted by the United States Trademark Association. It became effective on October 1, 1963. The statute is based upon the federal statute governing registration of trademarks and service marks and seeks to establish substantial uniformity in practice and requirements in the several states, to establish reasonable correlation with the federal statute and to modernize practices in the several states. The Model State Trademark Bill was modified to meet the requirements of Connecticut by the Special Committee on Patents, Trademarks and Copyrights of the State Bar Association of Connecticut.

The State Trademark Statute introduces, for the first time, registration of service marks under Connecticut law, but its primary contribution is the anti-dilution provision providing a remedy against the dilution of the distinctive quality of a common law or registered mark.

Patent Law Revision Subcommittee Discusses Controversial Legislation

The Subcommittee on Patent Law Revision of the Committee on Patent Law and Practice held its opening meeting of the 1963-4 year on October 31, 1963. The number of controversial legislative measures now before Congress contributed to the gratifying turnout and enthusiasm displayed at the meeting.

Pending Bills Discussed. The several Patent Office fee bills now pending were topics of prime concern to the Subcommittee. As a result, a poll of Subcommittee members is presently being taken to obtain a consensus on each of the individual features of the various proposals. The comments and views of all Association members are welcome and may be sent to the Subcommittee chairman, John W. Brumbaugh, of Brumbaugh, Free, Graves & Donohue, 90 Broad Street, New York, New York, 10004.

H. R. 4430, providing for submission of a written declaration in lieu of an oath, also evoked a lively discussion, particularly as it would affect U. S. applications of foreign inventors. Those in favor of the proposal noted the difficulties faced by foreign inventors in finding U. S. Consular officers and also compared the present U. S. practice with the simpler foreign procedures. Opponents of the bill suggested that elimination of the oath requirement might induce a laxity in naming the proper inventors. The bill is still under consideration by the Subcommittee.

Other Matters Added to Agenda. In addition to consideration of bills already up for Congressional action, members proposed that the following areas be explored by the Subcommittee:

- Revision and simplification of patent interference practice.
- Revision of 35 U. S. C. 116 and related sections with respect to qualifications of a joint inventor.
- Revision of statutory provisions relating to venue in patent cases to bring them into line with general venue provisions.

The Subcommittee also agreed to monitor the Congressional reports which are published at intervals by the various Senate and House committees charged with patent matters. Where necessary, comments, rebuttals or amplification of such reports will be furnished to avoid misunderstandings.

GOVERNMENT ISSUES PROCEDURAL RULES FOR LAWYER RETIREMENT PLANS

The Internal Revenue Service has released its procedural rules for qualifying lawyer retirement plans—*Rev. Proc. 62-31; 1962-2 CB 517*. District Directors may issue determination letters under the same procedure as for regular employer plans, stating whether or not a submitted lawyer retirement plan is approved.

Although the final I. R. S. Regulations for Keogh Act plans have not been finalized as of November 15th, Washington sources indicate that they will be shortly. It is only important that any such plan be put into effect prior to December 31, 1963 for it to be effective for the entire year.

ABA Files Its Plan. The American Bar Association filed a registration statement on October 9th with the Securities and Exchange Commission for a retirement plan expected for participation by its members. Under the plan, ABA members and their full time employees may choose to invest in a common stock fund, a fixed income fund, or in deferred annuities. The trustee for the funds will be the Continental Illinois National Bank and Trust Company of Chicago, and the annuities will be purchased under a group contract with the Prudential Insurance Company of America. It is expected that the prospectus for the plan will be sent to each ABA member shortly.

Professional Corporations. It is reported that several hundred requests have been filed with the Treasury Department in Washington seeking rulings as to whether particular state statutes and organization documents qualify professionals for tax treatment as corporations. However, no rulings have been made. The Internal Revenue Service has promised amendments to the *Kintner* Regulations, but these are overdue also.

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let us have the profits, and if patents stand in the way, there then is the villain." The patent system, the speaker said, was established and is maintained to prevent this injustice.

Mr. Bliss told the audience that they can not afford to remain detached in this destructive campaign to abolish patent protection. The pharmaceutical industry is fighting back alone. "We need your help now," he said, "for if patent protection is laid aside in one field, no research oriented industry is safe."



Pictured at the NYPLA Dinner-Meeting at the Commodore Hotel on November 12th, 1963, are, left to right: Albert C. Nolte, who presided; Harry F. Bliss, Jr., the speaker; Richard A. Huettner, Chairman of Committee on Meetings and Forums.

2nd Circuit Holds Costs May Include Traveling Expenses Judges Split 5 to 4 In Unique En Banc Decision

In *Farmer v. Arabian American Oil Company*, (2d Cir. 1963), New York Law Journal, November 18, 1963, Judge Lumbard, joined by Judges Moore, Friendly, Kaufman and Marshall reversed a lower court ruling which although allowing as items of costs, traveling expenses of witnesses for the prevailing defendant who were required to come from Saudi Arabia, had limited such expenses to the 100 mile rule or \$16.00 (8¢/mile for 100 miles, each way). In allowing full travel expenses for certain witnesses, Judge Lumbard wrote:

"Fees for legal services are usually the largest single expense of litigation. In most cases the prevailing party must pay such fees himself, even if he has come into court only to defend against an unjust accusation. There is no reason to extend this practice further. * * *

"It has been suggested that the 100-mile rule serves a salutary purpose in so far as it erects some protection for the impecunious litigant who might otherwise hesitate to institute litigation in the fear that, if unsuccessful, he may bear the burden of transporting the defendant's witnesses. It seems plain, however, that any such solicitude for the rule is ill-founded. There may be cases in which the fair administration of justice requires that the losing party not be taxed to the full extent of the cost of producing witnesses for the other party. But it surely cannot be said that there will never be a case in which the losing party, in the interest of justice, should bear such costs. For example, had the positions in this case been reversed and Farmer been forced to produce witnesses from Saudi Arabia in order to defend against unjust charges of Aramco, one could hardly assert the justice of requiring Farmer to pay the costs of producing his witnesses himself, or risk the failure of his defense.

"* * * We do not hold that the full measure of travel expenses *must* be taxed against the unsuccessful party in each and every cause; we merely affirm the *power* of a federal district judge to exercise his discretion in the allocation of such costs."

The majority therefore allowed costs totaling almost \$5000 while the lower court's award was \$831.60.

Dissenting judges fear rule favors wealthy. In dissenting, Judge Smith wrote:

"More important, however, to future litigants is the rejection of the limitation almost universally observed in the federal courts heretofore, of the taxation of travel expenses as costs where the travel is from a point without the district and more than 100 miles distant. This decision not only breaks with the overwhelming weight of authority, and creates a different rule for costs in civil cases from that in admiralty, but also, as the majority indeed appears to admit, abandons the traditional scheme of costs in American courts to turn in the direction of the English practice of making the unsuccessful litigant pay his opponent's litigation expense as well as his own. It has not been accident that the American litigant must bear his own cost of counsel and other trial expense save for minimal court costs, but a deliberate choice to ensure that access to the courts be not effectively denied those of moderate means."

Judges Clark and Hays joined Judge Smith, while Judge Waterman appeared to disagree with the 100-mile limitation espoused by the other dissenting judges, but agreed with the result reached by the lower court.

Judge Clark said in a separate opinion:

"As Judge Smith so well demonstrates, this argument represents an approach to the English system, never accepted by us because of our conviction that it 'favored the wealthy and unduly penalized the losing party.' Here the bill of costs, obviously ruinous to a plaintiff who could not afford a cost bond, can mean little more than an instrument of revenge to this great corporation. I submit that it is not wise policy, or consistent with our traditions, to put the decision of the lavishness of the trial for all practical purposes in the hands of the winning litigant."

COPYRIGHT ENACTMENTS AVAILABLE

The Government Printing Office has announced that a compilation of United States copyright laws and related matter is now available which covers laws enacted from 1783 through the year 1962. In view of the program for the general revision of the present Copyright Law, this compilation should prove useful as reference material. It is issued in loose-leaf form with binder, and is priced at \$2.00.

RAYMOND C. MULLEE

Raymond C. Mullee, head of the patent department of Chicago Pneumatic Tool Company, died suddenly on Tuesday, October 29, 1963. Mr. Mullee, a member of NYPLA since 1934, was a graduate of Cooper Union and studied law at Georgetown University and at George Washington University while an assistant examiner in the U. S. Patent Office. Mr. Mullee is survived by his wife, three daughters, two brothers, and three grandchildren.

COMMENT FROM FORMER COMM'R. LADD

THE EDITOR, NYPLA BULLETIN

Thank you very much for sending along the October 1963 issue of the Bulletin. I appreciate having it.

As rewarding as the experience of holding the office of Commissioner of Patents has been, I felt that my major objectives had been accomplished—the problems of the Patent Office are now widely understood, the reorganization of the Patent Office is well under way, and some trouble spots in the patent law itself have been identified. The research and development program have been reorganized and well staffed. Other more specific objectives—the automation of patent copy sales and a new building—are before the Congress.

I have no doubt that the Administration will choose an able successor who will consolidate these advances and make more of his own.

Cordially,

—DAVID L. LADD

Editor, NYPLA BULLETIN:

I would like to suggest a change in the patent laws which I believe will prove helpful both to the Patent Office and to industry.

In the August 1963 issue of the Journal of The Patent Office Society, 46 JPOS 655, Mr. Bernard E. Franz said the following:

“ . . . Frequently, the relation among the claims is such that they could all be included in a single application if the inventorship were the same. But investigation by the attorney shows that the contributors cannot qualify as joint inventors under present law. It is then necessary to carefully determine who the sole or joint inventors are for each claim and file the necessary separate applications. Frequently, the same bulky disclosure is then used for all of the applications. The applications are then examined separately by the Patent Office, with much duplication of study and searching. Then possibly several patents are issued having the same or very similar disclosure, greatly increasing the printing and storage expenses.

“My suggested solution to this problem is to change 35 U. S. C. 116 to permit a person to be included as a joint applicant if he has made some inventive contribution to one or more of the claims in the application, provided all of the other joint applicants agree to this procedure . . . ”

I would like to propose that Mr. Franz's suggestion be implemented by amending not only 35 U. S. C. 116 but also Sections 120 and 121 as well. Suggested specific texts for these amended sections are set forth below, the key amendatory phrases being italicized for ready reference.

§ 116. Joint inventors

When an invention is made by two or more persons jointly, they shall apply jointly for a patent thereon; *and when inventions of diverse inventors are so related as not to be properly subject to a requirement for restriction had there been no diversity of inventorship, such diverse inventors may apply jointly for a patent thereon. In either case, each applicant shall sign the application and make the required oath, except as otherwise provided in this title; and in a case where there is diversity of inventorship each applicant shall also specify in the oath the claims to which he or she has made an inventive contribution.*

In a case where there is no diversity of inventorship, if a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself and the omitted inventor. The Commissioner, on proof of the pertinent facts and after such notice to the omitted inventor as he prescribes, may grant a patent to the inventor making the application, subject to the same rights which the omitted inventor would have had if he had been joined. The omitted inventor may subsequently join in the application.

Whenever a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error, and such error arose without any deceptive intention on his part, the Commissioner may permit the application to be amended accordingly, under such terms as he prescribes.

§ 120. Benefit of earlier filing date in the United States

An application for patent for an invention disclosed in the manner provided by the first paragraph of Section 112 of this title in an application previously filed in the United States by the same inventor *or inventors or jointly by a group of diverse inventors including the same inventor or inventors* shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application.

§ 121. Divisional applications

If two or more independent and distinct inventions are claimed in one application, the Commissioner may require the application to be restricted to one of the inventions. If the other invention is made the subject of a divisional application which complies with the requirements of Section 120 of this title it shall be entitled to the benefit of the filing date of the original application. *If restriction is required of a joint patent application having a diversity of inventorship, the inventorship of any resulting divisional applications shall be altered as required to conform to the division of subject matter.* A patent issuing on an application with respect to which a requirement for restriction under this section has been made, or on an application filed as a result of such a requirement, shall not be used as a reference either in the Patent Office or in the courts against a divisional application or against the original application or any patent issued on either of them, if the divisional application is filed before the issuance of the patent on the other application. If a divisional application is directed solely to subject matter described and claimed in the original application as filed, the Commissioner may dispense with signing and execution by the inventor. The validity of a patent shall not be questioned for failure of the Commissioner to require the application to be restricted to one invention.

It is believed that the principal changes in Section 116 accomplish what Mr. Franz has proposed. The change in Section 121 is intended to cover divisional applications which result when this new type of joint patent application is found to have been improperly filed. The second change in Section 116 is intended to allocate the claims in the joint application among the various diverse inventors so that the case can be properly split up for the purpose of filing divisional applications. The change in Section 120 is designed to allow such divisional applications to obtain the benefit of the filing date of the parent application notwithstanding the diversity of inventorship. The change in the second paragraph of Section 116 is intended to prevent one of the diverse inventors from involuntarily joining another diverse inventor who wishes instead to file a separate application. Thus the involuntary joinder provision is restricted to cases where there is complete identity of inventorship, in which no patent application could be filed at all if a recalcitrant inventor could not be involuntarily joined.

—LOUIS ALTMAN

RECENT CASES OF SPECIAL INTEREST

Patent. The infringement defense that an allegedly accused product is actually "a staple article or commodity of commerce suitable for substantial noninfringing use" is not available to a defendant-patentee to defeat jurisdiction in a declaratory judgment action brought against him, **National Coupling Co. v. Press-Seal Gasket Corp.**, 139 U. S. P. Q. 98 (7th Cir. 1963). Plaintiff-manufacturer brought the suit on grounds that the defendant-patentee had written letters to its customers charging them with infringement by use of the accused product. In answer, the patentee sought to assert as a jurisdictional defense that the plaintiff's product was a staple article of commerce, 35 U. S. C. § 271(c) so that no justiciable controversy existed between the parties. The Court held that such a defense is available only as an affirmative defense to a manufacturer. It may not be used by the patentee to immunize itself from a challenge to its patent, while keeping alive its charges against customers of the manufacturer.

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Trademark. Grade designations, originally merely descriptive of the composition of the products to which they are applied, may at a later date perform a trademark function and identify a party's goods both as to grade and as to source, **Jones & Laughlin Steel Corp. v. Armco Steel Corp.**, 139 U. S. P. Q. 132 (P. O. Tm. Tr. & App. B'd 1963). Armco applied the term "17-4PH" to one of its types of stainless steel, the term being known throughout the industry as indicating an alloy containing 17% chromium, 4% nickel and which was "precipitation hardened." The Board, influenced by the facts that the steels could also be ordered by specification number and that Armco was generally believed to be the source of origin of the goods, held that the goods had acquired secondary meaning in the market.

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Patent. A mistake by an applicant for a patent, that he had failed to submit certain claims to the Patent Office, discovered after the final fee had been paid and after the patent to be issued had received its date and number, is sufficient justification for the filing for a reissue patent, **Ex parte Nehls**, 139 U. S. P. Q. 96 (P. O. B'd App. 1963). The Examiner had refused the reissue application solely on the grounds that at the time of discovery the applicant could have abandoned the application and filed a continuation-in-part including the additional claims. The Board, reversing the Examiner, held that the applicant had no other remedy but reissue, since the Patent Office practice was to refuse withdrawal of applications after payment of the final fee and after the issuance of a date and number.

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Patent. Where a complaint in a patent infringement suit requested a preliminary and final injunction against infringement, an accounting for profits, damages and reasonable attorney's fees, treble damages and costs, the Court held that since a jury trial was demanded, the relief requested must await a jury determination of validity, infringement and damages, **Swofford v. B & W, Inc.**, 139 U. S. P. Q. 92 (S. D. Texas 1963). Though the relief requested is drawn primarily in equitable language, a right to a jury trial can not be thwarted by a characterization of the claim to damages as "incidental" to the request for equitable relief.

TRADEMARK "HOUSEKEEPING ACT" REVIEWED AFTER ONE YEAR

Public Law 87-772, the trademark "Housekeeping Act", was the subject of an address recently delivered to the Philadelphia Patent Law Association by Mr. C. M. Wendt, Chief of Trademark Examining Division I of the U. S. Patent Office.

Mr. Wendt directed his talk both to revisions in the law and to trademark rule changes effected as a result of the act. The rule revisions are included in the latest edition of "Trademark Rules of Practice of the Patent Office, with Forms and Statutes", which is available for \$45 from the Government Printing Office. The amended rules became effective on November 13, 1962 and the discussion reflected the experience of the first year of operation under them.

Changes in Practice Reviewed. The changes in practice resulting from passage of Public Law 87-772, the "Housekeeping Act" are several. Some affect suits outside the Patent Office and some involve only administrative matters in the Office.

- As to the Section 1 amendment, the Office does not hold an application "informal" because the verification does not use the exact language of the amendment. This is of value to attorneys with supplies of printed application forms.

- Under the amended Section 9(a) three new elements are required in renewal applications: recitation of goods or services; specimens; and excusable nonuse. Section 9(b) provides for the examination, and perhaps refusal, of renewal applications.

- Section 23 permits a domestic applicant, needing a foreign registration to protect this mark, to request a waiver of the year's use before he has begun the use of the mark in foreign commerce.

- Amended Section 30 permits an applicant to include all the goods and services upon which a mark is used by filing one application. However, he pays the usual application fee for each class involved.

- In oppositions and cancellation proceedings (Rules 2.106 and 2.114) when a counterclaim for cancellation is made, the verified request for this relief must be accompanied by the Section 14 cancellation fee.

Foreign Use Allegation Required. One of the more important changes relates to the omission of the allegation of use by foreign applicants, formerly permitted by Rule 2.39. As revised, Rule 2.39 now gives the foreign applicant the right to omit in his oath only the allegation that the mark is used in commerce, and the dates of first use as a trademark and first use in commerce. However, an allegation of use as a trademark is required. *In re Certain Incomplete Trademark Applications*, 137 USPQ 69.

WHAT'S YOUR ZIP CODE?

The YEARBOOK next year will try to include each member's complete address. To aid in adding Zip Codes to the address of every person having a mailing address outside of New York City, all members with such addresses are asked to send in their Zip Code to the Editor of the NYPLA YEARBOOK, Cameron K. Wehringer, 25 West 43rd Street, New York, New York 10036.

In The Law Reviews

"Some Problems in Trademark Law: Post-Prosecution Amendments to Applications" in *12 Catholic University Law Review* 128 (May 1963) discusses the "need for a reconsideration and clarification of Patent Office policy regarding entry of amendments to applications after initial jurisdiction has passed from the Trademark Examiner". Further consideration may be desired before the Examiner, after *ex parte* appeal or after termination of opposition proceedings, for example to correct dates of first use, to amend the description of the goods, or to transfer an application to the Supplemental Register. The author contends that "sufficient cause" should not be the standard necessary for reopening an application, but rather reopening should be permitted wherever it would expedite prosecution before the Patent Office.

A commentary by Stephen S. DeLisio, entitled **"Prospective Use of the Grant-Back Clause in Domestic and Foreign Patent Licensing Agreements"** and appearing at *26 ALBANY L. R.* 256-275 (June 1962), examines the practice of including grant-back clauses in patent licenses and considers the applicability and effect of antitrust laws on the scope and utility of such clauses.

The general principle, enunciated by the Supreme Court in the *Transwrap* case, 329 U. S. 637 (1947), is that the combination of a grant-back clause, by itself entirely proper, with other circumstances surrounding a license may constitute a violation of our antitrust laws and, thus, render the grant-back clause unenforceable. The commentary includes a chronological review of the application of this rule.

Proposed Solution. A "model" grant-back clause, designed for use in the absence of price-fixing, territory-allocating, production-limiting, and similar restrictive clauses, is submitted by the author. The essential features are: (1) a grant-back of a non-exclusive license, with the right to sublicense; (2) the grant-back to be royalty-free for the life of the licensed patent or the license, whichever expires first; (3) on such expiration, the licensor to have the option to continue the grant-back with any agreed royalty payment; and (4) automatic sublicensing of all grant-backs to each licensee for the license duration on any royalty basis that may be warranted.

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COURT EXPLAINS RULE REQUIRING CLIENT TO POST BOND TO SECURE ATTORNEY'S FEE

An attorney, being an officer of the court, enjoys the protection of the court. An application of this principle is found in the rule that a Federal District Court may condition the substitution of attorneys in litigation upon the client's either paying the attorney or posting security for the attorney's reasonable fees and disbursements. In *National Equipment Rental, Ltd. v. Mercury Typesetting Company*, (2d Cir. 1963), New York Law Journal, November 20, 1963, Judge Lumbard, writing for the appellate court, limited this rule to those cases which were before the Federal Court and held that the protection did not extend to those cases which an attorney may be handling for the same client in the state courts.

ETHICS OPINION ON SENDING CHRISTMAS CARDS

The American Bar Association has rendered a new opinion concerning Christmas cards:

"Christmas cards and other seasonal greetings should never be sent in the firm name or by an individual in his capacity as a lawyer, and should not refer to the sender's profession, except as they may picture lawyers, judges or symbols of the legal profession in a holiday context. They should not be sent to clients or other lawyers as such, but only to those with whom a personal relationship with the sender exists." (Summary of ABA Ethics Committee Opinion 309).

Also presented is a short discussion of the potential impact of foreign antitrust laws on grant-back clauses. Those foreign jurisdictions that have adopted antitrust provisions having only begun to apply and develop the concepts involved.

Author Received NYPLA Award. It will be recalled that at the Annual Meeting of the New York Patent Law Association last May, Mr. DeLisio was the *first* recipient of the NYPLA award for the outstanding law review paper on patents, trademarks or copyrights during each academic year. (Reprints of the article may be obtained from the *Albany Law Review*, Albany Law School, Albany 8, N. Y. at \$2.50 each.)