

NOVEMBER MEETING ANNOUNCED

The first meeting will be held on Tuesday, November 12th. The speaker will be Harry F. Bliss, the Assistant Managing Director of Cyanamid International who will speak on the subject *Patent Crisis Because of Government Intervention*.

The meeting will follow a familiar pattern, although the meeting will be in new quarters. Starting at 6:00 p.m. a reception will be held in the East Ballroom of the Hotel Commodore, located next to Grand Central Station. At 7:15 p.m. dinner will be served, costing \$7.50. The talk by Mr. Bliss is scheduled to begin at 8:30 p.m.

JUDGE RICH APPRAISES CONTRIBUTORY INFRINGEMENT

At a dinner meeting of the New Jersey Patent Law Association held on September 26, 1963, the members heard the subject of **Contributory Infringement** discussed by Hon. Giles S. Rich of the Court of Customs and Patent Appeals.

Judge Rich briefly described the history of contributory infringement as that of a principle recognized in the law for a century, first disturbed by the *Motion Picture Patents* case of 1917, further impaired by the *Carbice* case of 1931 when the doctrine of misuse entered the law, and mortally wounded as an effective judicial doctrine by the subsequent *Mercoind* cases. His concern was with the way it has fared in the eleven years since its rebirth as a statute, 35 U. S. C. § 271 (1952), paragraphs b, c and d.

Statutory Definition Considered Persuasive. The first substantial factor, he felt, lies in the fact that the doctrine now *is* statutory. It was observed that the judges find statutes to be very much more persuasive than cases in defining the law. This especially applies to those younger judges who have not had occasion to commit themselves in decisions in similar cases.

That the law is workable is shown by the fact that the difficult multiple criteria of paragraph c often have been proved to establish infringement, and paragraph b has been used successfully to pierce the corporate veil and reach the infringer.

Statute Considered Effective. With only 40 to 50 cases on the subject litigated in the last 11 years, the contributory infringement statute displays the iceberg effect of having most of its bulk concealed, unseen, and unlitigated. It conforms to the principle that the less seen of a law in the courts, the better it is working. The statute was felt to be generally serving its intended purpose, and doing it quite well.

CALENDAR

Nov. 12 Meeting—Commodore Hotel
Dec. 6 Dinner Dance—Hotel Pierre

NEW PATENT POLICY STATEMENT ISSUED BY EXECUTIVE BRANCH OF GOVERNMENT

On October 10, 1963, President Kennedy issued a memorandum to the Heads of Executive Departments and Agencies outlining the need for a Government-wide policy for the allocation of rights to inventions, which was accompanied by a new statement of Government patent policy. This was printed in the Federal Register of October 12, 1963.

Policy Summarized. The policy is summarized in the memorandum where the President states that:

"This statement of policy seeks to protect the public interest by encouraging the Government to acquire the principal rights to inventions in situations where the nature of the work to be undertaken or the Government's past investment in the field of work favors full public access to resulting inventions. On the other hand, the policy recognizes that the public interest might also be served by according exclusive commercial rights to the contractor in situations where the contractor has an established non-governmental commercial position and where there is greater likelihood that the invention would be worked and put into civilian use than would be the case if the invention were made more freely available.

"Wherever the contractor retains more than a non-exclusive license, the policy would guard against failure to practice the invention by requiring that the contractor take effective steps within three years after the patent issues to bring the invention to the point of practical application or to make it available for licensing on reasonable terms. The Government would also have the right to insist on the granting of a license to others to the extent that the invention is required for public use by governmental regulations or to fulfill a health need, irrespective of the purpose of the contract."

Similar to McClellan Bill. The statement of policy follows very closely the thinking back of *McClellan bill S. 1290* and has basic similarities to the *Saltonstall bill S. 1623*, but is less favorable to the Government than the *Long bill S. 1432*. (See BULLETIN Vol. 3, No. 1 for NYPLA position on this legislation.) It would appear, however, that since this statement of policy issued from the Executive Branch of the Government it will not necessarily block, or constitute a substitute for, legislation in this area, but it conceivably could be influential in molding any legislation which is passed by Congress.

The statement provides that the Federal Council for Science and Technology in consultation with the Department of Justice will report annually on the effectiveness of the policy and make recommendations for revisions in it.

Effect on Contractor. In some ways the directive places the Government contractor in a less favorable

FTC COUNSEL PROPOSES RESTRICTIVE DRUG ORDER

Federal Trade Commission attorneys in Washington have proposed a rigorous order designed to restore competition in the manufacture and sale of antibiotics by opening the field to all comers. The proposed order was in response to a call for briefs on the issue of an effective remedy by the Commission, after the Commission had ruled adversely to the several large drug companies concerned.

The FTC had held that "unclean hands and bad faith" played a major role in the issuance of a tetracycline patent to Chas. Pfizer & Co., Inc. The FTC also held that American Cyanamid Co., Bristol-Myers Co., its subsidiary Bristol Laboratories, Inc., Olin Mathieson Chemical Corp., and the Upjohn Co. had conspired to fix prices on tetracycline.

The FTC decision, handed down on August 8, was unusual in that it reversed the decision of the hearing examiner that the complaint against the drug companies be dismissed. An examiner's findings normally carry considerable weight, though subject to review by the Commission.

The proposed order would:

- Prohibit Pfizer from enforcing its tetracycline patent (Conover, 2,699,054).
- Require Pfizer, Cyanamid and Bristol to issue royalty free licenses on tetracycline patents owned by them, as well as on other patents which might prohibit the production of tetracycline.
- Prohibit the companies from utilizing trade and brand names in connection with the sale of tetracycline.

The proposed order has been severely attacked by the drug companies as too sweeping, overly punitive and requiring the FTC to go beyond its existing authority.

Attorneys Must Register Before January 1, 1964

Attorneys are reminded of the fact that under Judiciary Law § 467(a), Chapter 204, § 74 of the Laws of 1963, "every attorney, counselor-at-law duly licensed and admitted to practice law in this state on the first day of September, 1963, shall, on or before the first day of January, 1964, file with the Clerk of the Court of Appeals a certificate of registration upon a form which shall be furnished by the clerk on application therefor" and that "a fee of \$15 shall accompany the certificate."

The necessary certificate of registration may be obtained by writing to the Clerk, Court of Appeals, Court of Appeals Hall, Albany, New York or to the Clerk, Appellate Division, Supreme Court, Madison Avenue and 25th Street, New York, N. Y. The payments may be made by check or money order payable to the Clerk, Court of Appeals.

ZIP CODE NOW INCLUDED

All communications to the Patent Office should be addressed:

Hon. Commissioner of Patents
Washington, D. C. 20231

SUGGESTIONS REQUESTED FOR ANNUAL JOHN SCOTT AWARD

The John Scott Award, which presently consists of \$2000 in cash, a copper medal and a scroll, is awarded annually for an invention of benefit to mankind.

The award is made by an Advisory Committee that is located in Philadelphia. The Advisory Committee has again requested the advice of the NYPLA in suggesting the names of deserving inventors whose accomplishments qualify for the John Scott Award. The Subcommittee on Exhibitions and Awards of the NYPLA Committee on Public Information and Education has agreed to undertake a preliminary screening of suggestions forwarded by our members.

Past recipients of the John Scott Award were Dr. Jonas Salk, for the polio vaccine; Professor Charles H. Townes, for the maser; Air Commodore Sir Frank Whittle (ret.), for the first practical jet engine; Dr. A. J. P. Martin for inventions in chromatography; and others.

Suggestions from the membership are solicited for the names of deserving inventors whose accomplishments have proven to be meritorious and who otherwise qualify for the John Scott Award. Please make your suggestions to the Chairman of the Subcommittee, Eliot Gerber, Esq., Davis, Hoxie, Faithfull & Hapgood, 30 Broad Street, New York, New York (DI 4-8450).

"INCENTIVE TO PROGRESS" AVAILABLE

The APLA has announced that a twenty-two minute, 16 mm. color film on the U. S. Patent System entitled "Incentive to Progress" is now available for rental or purchase. The film undertakes to place the patent system in proper perspective in the economic and technological life of the country. Technical societies, business and industrial groups, as well as high school students, are among the recommended audiences. Order from the APLA, 802 National Press Building, Washington, D. C. Rental \$15.00; Purchase \$125.00.

Another color film on the Patent System entitled "Fuel to the Fire" is available from the George Washington University's Patent, Trademark and Copyright Foundation as reported in the NYPLA BULLETIN for January 1962.

ARBITRATION PACTS NEGOTIATED WITH SIXTEEN COUNTRIES

The United States has negotiated commercial treaties with sixteen foreign countries providing for the reciprocal enforcement of arbitration agreements and awards, regardless of the nationality of the arbitrators or the place where the arbitration hearings are held. These agreements facilitate the smooth flow of international trade by providing businessmen with a method for settling disputes that may arise in the course of their activities.

The countries with which agreements have been negotiated are: Belgium, Denmark, Federal Republic of Germany, France, Greece, Iran, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Netherlands, Nicaragua, Pakistan and Vietnam.

To help implement these treaties, the American Arbitration Association has concluded agreements with arbitral bodies and chambers of commerce in many of those countries. By such pacts Americans can use facilities for arbitration abroad—if that should be the place of arbitration—and traders in other countries can invoke AAA rules and procedures when they want to arbitrate in the United States.

Reporting of Prior Art Required by Proposed Rule

In an effort to assist the Patent Examining Corps in the conduct of its examination procedure, an amendment to the Rules of Practice has been proposed, requiring applicants to file with each application, a statement as to his knowledge of the "significantly pertinent" prior art. The text of the proposed change, which is in the form of an addition to existing Rule 104, is as follows:

"(c) The applicant must list in a separate statement accompanying the application, the published art (including patents, foreign and domestic) known to him at the time of the application, and believed by the applicant to be significantly pertinent to the claimed invention. If no such art is known to the applicant, this should be expressly asserted. This statement shall not be considered to be a representation that a search has been made, or that no better art than that listed exists. The applicant may at his option, state whether or not a search has been made. If such statement does not accompany the application, the examiner may require the filing of such statement before action is made."

According to the notice appearing in the Federal Register on July 24, 1963 (28 F. R. 7513), making available the results of preliminary searches made by applicants will result in more thorough investigation of the available prior art. The belief is also expressed that it will make the presumption of validity attaching to the patents "more meaningful and stronger." The ability of the proposed rule change to accomplish these ends has been questioned by some members of the Patent Bar.

Permitted by Statute and Rules. The statement as to the applicant's knowledge of the "significantly pertinent prior art" required by the proposed new rule is not prohibited by the patent statute or Rules of Practice, nor does it run afoul of current practice. Some concern has been expressed as to the status of the statement in the file wrapper, particularly in connection with filing abroad, but it does not appear that it will be considered as part of the "application as originally filed", particularly in view of 35 U. S. C. §§ 111-115, which prescribe the contents of a patent application. However, it has been suggested that the proposed language be revised to permit the statement to be filed subsequent to the application but prior to the first Office Action, to remove any doubts.

Critics of the proposal have also noted the fact that the new rule does not provide for penalties in the event the applicant fails to provide the required statement and, in the absence of sanctions, question its ability to induce sincere compliance.

Will Examiner Be Aided? The principal doubt voiced as to the effectiveness of the proposed rule change is directed towards its ability to achieve its primary goal, that of assisting the Examiner in his examining job. Whether or not the Examiner will actually have his searching burden eased, or whether he will be influenced by the art cited by the applicant and thus unduly limit his search, are problems that will be presented should the proposed rule be enacted.

Proponents of the change point to the fact that ordinarily the applicant is more deeply immersed in the subject matter of the application than the Examiner, and consequently more aware of existing prior art. On the

other hand, what constitutes "significantly pertinent" prior art, in the language of the proposal, requires a subjective determination that could be different for the applicant, his attorney, and the Examiner.

Presumption of Validity. In advancing the proposed new rule, the Patent Office suggests that the practice will tend to strengthen the presumption of validity attaching to issued patents. Whether or not this would actually be the case will, of course, have to await consideration by the courts. Many solicitors are of the belief that the existing practice of voluntarily advising the Examiner of pertinent prior art is at least equally effective and would not add to the paper load already on the Patent Office. A possible abuse of the proposed rule, indiscriminate listing of a large number of references to extend the presumption of validity, is also mentioned by critics.

Increased Burden on Applicant. In its present form, the proposed new rule imposes on the applicant the burden of filing an additional paper with his application, and if a search has been conducted, a determination of significantly pertinent prior art must also be made. Practitioners opposed to the change point to the increased costs that would accrue which must either be absorbed by them or passed on to the applicants, and in the case of the latter, the discouraging effect on individual inventors. As a result, it is contended, the number of preliminary searches that are made would be significantly reduced, which in turn would be reflected as a net increase in the Examiner's effort.

The proposed new rule has also been attacked in principle, on the ground that it usurps a prerogative of the applicant and forces him to reveal his "case" to the Patent Office before the latter is required to make its own position known. Such a procedure, it is urged, is not compatible with our accepted advocate legal system.

Language Revision Needed. Regardless of their individual views on the merits of the proposed new rule, all sides are agreed that some language revision is necessary. The antecedent basis for "such statement" in the last sentence of the proposal is ambiguous, it being unclear whether it refers to the "separate statement" of the first sentence or to what the applicant may "state" of the next to last sentence.

Hearings Held. Hearings on the proposed rule change were held as scheduled on October 1, 1963, in the Patent Office. First Assistant Commissioner Reynolds presided over the session which was attended by approximately thirty members of the Patent Bar from different parts of the country. In addition to representatives of several Patent Law associations, interested individual practitioners voiced their opinions. According to an observer, the feelings of those attending the hearing were evenly divided in favor of and against instituting the change. For those interested, copies of the transcript of the hearing may be obtained by writing directly to Assistant Commissioner Reynolds and upon payment of the necessary reproduction costs.

The Patent Office has indicated that it will postpone its decision on whether or not to enact the rule change at least until the end of October, until which time it will entertain further comments from members of the Patent Bar.

DRUG PATENT PROTECTION EXPECTED SOON IN ITALY

Italy is one of the few countries in the non-communist world which does not provide protection for drug processes and products. This has resulted in serious economic loss. It is expected that Italy will revise its patent law to provide for this protection. A bill providing for these changes has been approved by the Italian Council of Ministers and final approval by the Government is expected.

The proposed Italian patent law while providing protection for processes and products would still exclude serums and vaccines. It is probably evident that the passage of such a new law is intended to:

- Enable manufacturers to obtain protection and thereby do away with the abuses and inferior drugs resulting from the pirating of drug formulas;
- Promote the standardization of products, and
- Encourage research with the assurance that any product resulting from such research would be protected.

Broad Public Support. The prime mover in connection with the proposed new law for the protection of chemical and pharmaceutical products and processes is the Government. The reason that the law is expected to be passed is that it has a much broader basis of support among the Italian political parties and Italian manufacturers. Recently, the Socialist parties in Italy have come to favor the proposed law.

Ministry of Health Plays Role. It is expected that the law will provide for health licenses which would be under the jurisdiction of the Ministry of Health who would be empowered to set suitable royalty rates based upon the public interest and benefits. The Ministry of Health will have jurisdiction with respect to examination for novelty. The news was disclosed in an article in the New York Times on September 26, 1963.

INDIVIDUAL INVENTOR'S ROLE ASSESSED

In his article appearing in the March-April 1963 *Harvard Business Review* entitled "Champions for Radical New Inventions," Dr. Donald A. Schon, formerly of Arthur D. Little, Inc., critically examines the resistance as well as the incentives to technical innovation. He marshals impressive evidence in support of this premise:

"It is clear, then, that in recent times individuals working without organizational support have been responsible for an extraordinarily high percentage of important, radical commercial developments."

Incentive Sometimes Lacking. Inventors have a hard road to follow because of built-in organizational resistance to change. If his own organization resists, the inventor must promote his idea independently fighting both his own organization and the outside world. Dr. Schon says:

"The double obstacle is usually insuperable. And what is more, the technical man usually has no incentive to overcome it. He will have signed away his patent rights, so that he cannot profit from them."

The Champion of the Invention. Dr. Schon maintains that successful innovation must receive active and vigorous promotion to overcome normal resistance and that typically one man emerges as the champion of the idea. "In our own time, Admiral Rickover's skill in defending and promoting his ideas is legendary." The author also refers to Alexander Zarchin's efforts, which

P. O. PROPOSES DISCLOSURE TO LIMIT UNAUTHORIZED AID

The Patent Office has proposed to amend Patent Rule 33 by the following addition:

"(b) An applicant who is not represented by a registered attorney or agent may be required to state whether he received assistance in the preparation or prosecution of his application, for which any compensation or consideration was given, and if so, to disclose the name or names of the person or persons providing assistance."

This proposal was made in the Federal Register of July 31, 1963, and no hearing is scheduled.

The Patent Office has announced that experience showed that applicants often seek assistance from persons who are not registered to practice before the Patent Office, without knowing that these persons cannot represent them before the Patent Office in patent matters; that frequently abandonment of the application has resulted because of the time lag involved in having papers prepared by such persons for the signature by the applicant.

Concern has been expressed among practitioners that an applicant who files in his own name may need to divulge the name of the engineer who assisted in the reduction to practice, the draftsman who may have made the drawings and other craftsmen who may have lent a hand. This concern seems unnecessary, as the proposed addition to Rule 33 expressly limits the inquiries to "assistance in the preparation or prosecution" of the "application", for pay.

ABA JOURNAL FEATURES ARTICLE ON PATENTS

"Patents, Monopolies and the Antitrust Laws" was the subject of an article written by Nathan M. Briskin, Esq., and published in the July, 1963 issue of the American Bar Association Journal.

Mr. Briskin reviewed society's treatment of inventions and inventors from the Roman period to the present, and concluded that only in recent times has the effect of new inventions on the national growth been appreciated. Problems arise only where the patentee seeks to achieve a business objective with his patent which is beyond the scope of the patent grant.

were ultimately successful in interesting the Israeli government in his salt-water conversion process.

Dr. Schon's study does not relate the role of patents to the emergence of a "champion" of the invention or as a factor in overcoming innovative resistance, but this article merits the thoughtful attention of the Patent Bar, since if the invention dies a-borning, it will never be added to the patented art. (Single reprints are available from Harvard Business Review, Soldiers Field, Boston 63, Mass. at \$1.00.)

Author in Government Post. Dr. Schon is now director of the Office of Technical Services in the Department of Commerce. He is also executive secretary of the National Inventor's Council.

Another recent appointee in the Commerce Department is Dr. J. Herbert Hollomon, Assistant Secretary of Commerce for Science and Technology. Dr. Hollomon is reported to be of the opinion that the biggest obstacle to technical change is not the conception of an idea, but its promotion and acceptance. In this respect, his view seems quite similar to that of Dr. Schon.

RECENT CASES OF SPECIAL INTEREST

Patent—Antitrust. The Sherman Act is violated where an entire course of dealings as evidenced by cross-licensing agreements and interference settlements has as its purpose the exclusion of foreign competition from the United States, **United States v. The Singer Manufacturing Co.**, 371 U. S. 918 (1963). The Supreme Court carefully reviewed, on direct appeal, an antitrust case brought against Singer, and reversed a dismissal by the District Court. The high Court found that Singer's cross-licensing agreements were not to settle a conflict of priority but to provide effective protection against imported infringing Japanese sewing machines. Singer's subsequent procurement of the interfering patent was to provide it with a means of prohibiting Japanese imports by infringement suits and by proceedings before the Tariff Commission. These agreements, although for the benefit of Singer and its licensees, had as the main purpose, a means of enforcement against foreign competition and were found illegal.

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Copyright. The publication of a manual of solutions to problems in a copyrighted text constitutes a copyright infringement, **Addison-Wesley Publishing Co. v. Brown**, 139 USPQ 47 (E. D. N. Y. 1963). The infringers published the manual for unsolved physics problems contained in a well known college textbook. Although none of the text was literally reproduced in the infringing work, the Court held that copying is not confined to literal reproduction. It resolved any doubt in favor of the copyright holder, since the purpose of the copyright laws was the encouragement of individual effort, and since the infringers profited from their work while the availability to students of the manual of solutions adversely affected prospects of collegiate adoption of the textbook.

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Patent—Tax. An employee who assigns his inventions to his employer, and who is later paid a percentage of the royalties received by his employer for licensing the use of such inventions to others, may treat such royalties as capital gains for tax purposes, **McClain v. Comm'r of Internal Revenue**, 138 USPQ 653 (Tax Court 1963). Even though the employee was required by his employment contract to make such assignments, and though the employee compensation plan was adopted after the assignments were made, such payments were not gifts, bonuses or wages. Rather, they were attributable to the transfer of the patent rights and so taxable as capital gains.

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Trademark. When a trademark user elects to use his own name as a trademark in part or in whole, the registerability of such mark is subject to the same considerations as other types of marks, **John W. Taylor Packing Co. v. Taylor Sales, Inc.**, 139 USPQ 59 (P. O. Tm. Tr. & App. Bd. 1963). Recognizing that the surname of the president of applicant corporation was "Taylor", the Board held that any special rights one may have to use his own name in connection with his business do not continue so as to benefit a corporation which uses the name of an officer.

BRIEFS FROM WASHINGTON

H. R. 8457—Halpern. This bill was introduced on September 17, 1963 and has been referred to the Committee on the Judiciary. This bill would amend subsection 1(e) of 17 U. S. C. so as to repeal the jukebox exemption from the Copyright Laws.

H. R. 7370—Willis. An amendment has been proposed and approved, and a new Patent Office Fee bill, **H. R. 8190**, has been reported out. This new bill differs from **H. R. 7370** only as to the amendment, which relates to the manner in which a patent is issued, and it is still believed that this legislation to increase Patent Office fees will pass during this session.

H. R. 8040—Belcher. Referred to the Committee on the Judiciary, this is another, but milder, fee bill providing "only" for a \$60 filing fee, a \$60 final fee and \$5 for each claim in excess of twenty, with small increases in these fees later on. There would be no maintenance fees, but patent copies would cost 50 cents.

S. 1655—McClellan. Introduced this year, this bill proposes to amend Section 1498 of Title 28 by inserting the following paragraph at the end of the second paragraph in subsection (a):

"For the purpose of this section, the word 'owner' shall mean the person who, at the time of the alleged use or manufacture, held legal title to the whole patent, comprising the right to exclude others from making, using or selling the invention throughout the United States, or an undivided part or share of the whole patent, or the whole patent within and throughout a specified geographic part of the United States."

The Department of Justice has suggested a need for this legislation because of certain interpretations of the word "owner" by the Court of Claims whereby *licensees* with no legal title interest in patents on which suits are based are allowed to sue the United States for infringement. Thus, these interpretations make possible multiple suits for the same alleged infringement.

Recent Bills Introduced

H. R. 8207—Fascell. This bill would permit members of the highest court in their jurisdiction to practice before any federal administrative agency including the Patent Office.

S. 2040—McClellan. A companion bill to H. R. 4430, this bill would permit the use of a declaration in lieu of an oath.

PATENT POLICY STATEMENT ISSUED

Continued from page 1

climate than is afforded him by existing Department of Defense Procurement Regulations. It also perpetrates one point that has been disputed by industry, since the word "made" (relating to patents) is defined as the conception or first actual reduction to practice of the invention in the course of or under the contract. Thus, an invention conceived by the contractor prior to entering into the Government contract may be brought under the contract by actual reduction to practice of the invention as a result of his work under the contract. The trend in the proposed legislation in this area, to give the heads of the executive departments and agencies involved broad discretion in applying the rules, is also carried over into the directive with its inherent hazards for the contractor.

DECLARATORY JUDGMENT ACTION HELD AVAILABLE TO PATENTEE

In a unique decision handed down on September 17, 1963 by the U. S. District Court for the Southern District of Texas, Houston Division, as yet unreported, it was held that a patent owner may properly bring a declaratory judgment action to secure injunctive relief against future infringing acts by the defendant, **Proler Steel Corp. v. Luria Brothers & Co., Inc.**, Civil Action No. 14,675. By implication, the relief sought would include an adjudication of the validity of the plaintiff's patent.

Defendant Planned to Infringe. The defendant in the action had begun the construction of a plant in California allegedly designed to practice a process which would infringe the plaintiff's patent. Prior to filing the suit, the plaintiff notified the defendant that if his patent was infringed, he would take the necessary steps to protect his rights. The defendant replied by stating that operation of the plant would not infringe any of the plaintiff's legal rights but failed to answer the plaintiff's request for information as to how the process to be practiced in the plant would differ from the patented process. The plaintiff then called upon the defendant to cease and desist from further activity and filed the declaratory judgment action.

In denying the defendant's motion to dismiss the action, the court held that the section of the U. S. Code authorizing declaratory judgment actions, 28 U. S. C. § 2201, does not prevent such an action from being brought by the patent owner before an actual infringement occurs. That section, the Court found, permits the courts to "declare the rights and other legal relations of *any interested party* seeking such declaration." The Court further found the allegation that the defendant was about to infringe sufficient to satisfy the controversy requirement of the section.

Broader Venue Obtained. Another interesting facet of the case relates to the question of venue. The plaintiff is a Texas corporation having its principal place of business in Texas while the defendant is a Delaware corporation doing business in Texas. The plant in question however, was being built by the defendant in the state of California. The Court permitted plaintiff's suit to be brought in the district of Texas, reasoning that since the action was not a patent infringement action,

In The Law Reviews

The split decision of the Board of Appeals, **Ex parte Symons**, 34 USPQ 74 (Pat. Off. Bd. App. 1962) holding that the rejection of claims as being drawn to the inherent function of the apparatus is inconsistent with the Patent Act of 1952, is discussed in a recent case note in 12 *DePaul Law Review* 346 (1963).

An article entitled **The Applicability of United States Patent Laws to Foreign Trade Zones** by Lawrence G. Kastriner appears in 31 *George Washington Law Review* 997 (1963). Foreign trade zones are specified locations in the U. S. adjacent to ports in which material of any description may be brought in without being subject to the custom laws. In these zones, the material may be stored, sold, repaired or assembled. The author considers a number of unreported cases and concludes that such material, however, is not exempt from the patent laws.

IRISH TRADE MARKS ACT

Several significant changes have been introduced in the Irish Trade Marks Act, 1963 which will be welcomed by the trademark bar.

In the past, trademark licensing was not recognized, but under the new statute, a three year *whitewashing* provision is included, i.e., the entry of a licensee as a Registered User within three years of the enactment of the law will excuse the past common law licensing.

Finally, whereas under the present law a registered trademark could only be validly assigned together with the goodwill of the business, the new law provides for assignment with or without goodwill, depending on the circumstances of the transaction.

whose venue is governed by the provisions of 28 U. S. C. 1400 (b), but simply an action "relating to patents", venue would be governed by the general venue provisions of 28 U. S. C. 1391(c). Under the former section, venue may be laid only where the defendant resides, or where he has committed infringing acts and has a regular and established place of business. The broader provisions of the latter section specify that a corporation may be sued in any judicial district where it is doing business.

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