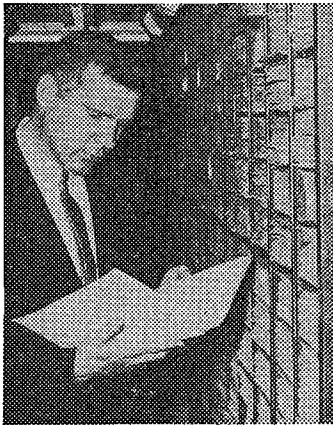


SCOPE OF "LAMP POLE" CASES DEBATED

NO INTERVIEWS AFTER FINAL SAYS COMMISSIONER BRENNER

In an address before the American Patent Law Association in Philadelphia on April 16, 1964, Commissioner of Patents Edward J. Brenner stated emphatically that **"The Patent Office policy is NO interviews after a FINAL rejection."** Although it has been inferred for some time now, this was the first time that it has been announced so positively as present policy.



The Examiner's name should also be on these patents, said Commissioner Brenner.

The Commissioner also stated that it was Patent Office policy "to assist the inventor or his attorney in a positive manner to arrive at proper claims earlier." To accomplish this and to stimulate maximum assistance toward this end from the Examiners, a new program will provide increased individual responsibility and an attitude of professionalism.

The current status of interview practice is stated in *Current Compact Prosecution Practice*, 801 O. G. 887 (April 28, 1964).

Annual Meeting May 28th

The Annual Meeting of the NYPLA will be held on Thursday, May 28, 1964 in the Commodore Hotel, 42nd Street at Lexington Avenue, New York City. The meeting will be followed by dinner and a program of speaking.

The Annual Meeting, open only to association members, will be convened at 5 P. M. in the Windsor Terrace. The Board of Governors, retiring officers, and committee chairmen will submit reports of the year's activities, and a new slate of officers will be elected. Cocktails will be served at 6:30 P. M.

Dinner will follow at 7:30 P. M., after which Herman Finkelstein, Esq., ASCAP counsel, will discuss "Practical Problems of Copyright Enforcement". Tickets may be ordered from Paul M. Enlow, Esq., Western Electric Co., 195 Broadway, N. Y. C. Dinner tickets are \$7.50, and guests may be invited.

CALENDAR

- May 28 Annual May Business Meeting at the Windsor Terrace, Commodore Hotel.
- June 19 8th Annual Spring Outing and Dinner-Dance, Knollwood Country Club, Elmsford, N. Y.

VIEWS OF MEMBERS DIFFER

The recent cases decided by the Supreme Court, Comco, Corp. v. Day-Brite Light, Inc., 140 USPQ 528 and Sears, Roebuck & Co. v. Stiffel Co., 140 USPQ 524, have now been considered by the Bar and their effect on lower court decisions is still inconclusive. The following Letters to the Editor are illustrative of some of the recent topics of conversation concerning these cases among our members.

Court fails to recognize interests protected by law of unfair competition. Future of trade secrets doctrine queried.

EDITOR, NYPLA BULLETIN:

The decisions of the United States Supreme Court in *Sears* and *Day-Brite* (March 9, 1964) appear to have eliminated that branch of unfair competition law generally referred to as "product simulation." The decisions are based on what the Columbia Law Review already has described as "an extremely doubtful application of the doctrine of federal pre-emption" (March 1964, p. 569). In addition to the fact that they represent a lowering of the standards of commercial morality, the opinions of the Court are disappointing in various respects.

Since the result is so startling, the Court might have been expected to expound this field of the law in depth. Instead, the vast body of decisions dealing with product simulation is virtually ignored and an uninformed reader of the opinions might well receive the impression that there was very little doctrine in this field except for a few dubious cases applying Illinois law.

While considerable attention is paid to the history and purpose of the law of patents, the Court fails to deal with the background of the law of unfair competition. There seems to be no recognition of the fact that different sets of interests are protected by the two legal systems, and that there is no necessary inconsistency between them. As the Court of Customs and Patent Appeals has said, "the right to copy is not derived in any way from the patent law; it is a right which inheres in the public under the general law except to the extent the patent law may remove it. . . ." *In re Deister Concentrator Co.*, 129 USPQ 314, 319, n. 3 (C. C. P. A. 1961). It therefore is surprising to learn that a state cannot deal with deceptive copying because of a conflict with federal patent policy.

The Court does not deny that the shape of an object can function as an indication of origin, but it refuses to give this fact any legal significance. The reasoning of the Court borders on circularity when it recognizes that states may require copiers "to take precautions to identify their products as their own," but prohibits states from requiring copiers to avoid simulating the identifying fea-

—Two Supreme Court “Lamp Pole” Decisions Reviewed—

Continued from page 1

tures of the product. The Court does not seem to take into account the fact that it may be possible to practice a patent without copying the specific design features adopted by the patentee.

Hopefully, other cases will establish limits on the *Sears* and *Day-Brite* decisions. One issue not tendered to the Supreme Court, for example, is the prohibition of false representations of the origin of goods in Section 43(a) of the Lanham Act. Here is a Congressional declaration of purpose in the field of unfair competition that the Court may find it necessary to harmonize with the patent laws. See *Mastro Plastics Corporation v. Emenee*, 141 USPQ 311 (N. Y. Sup. Ct. 1964).

On the other hand, the Supreme Court decisions may go even farther than appears at first glance. The Court equates copyrights with patents and cites a Second Circuit decision (written by Judge Learned Hand) in the copyright field. The effect of *Sears* and *Day-Brite* on copyright remains to be explored, although one trial court has held that they do not upset New York unfair competition law as applied to the misappropriation of sound recordings. *Columbia Broadcasting System v. Documentaries, Unlimited*, 141 USPQ 310 (N. Y. Sup. Ct. 1964).

And what of trade secrets? Do these decisions mean that they can be copied freely if unprotected by patents? The Court has declared that copying itself cannot furnish a basis for imposing liability under state law, “regardless of the copier’s motives.” It may be that a cause of action for damages for breach of contract will remain; but that no injunctive relief will be available to prevent the use of a trade secret no matter how its disclosure came about.

The Supreme Court decisions should prove a spur to new legislation, particularly the Lindsay Bill, which would create a federal law prohibiting unfair commercial activities. It is to be hoped that some such method will be found to reconstruct standards of commercial morality heretofore recognized under state law which the Supreme Court held was preempted by the federal patent system.

—Sidney A. Diamond

‘Pole lamp’ cases do not make new law, and do not purport to change principles of trademark law. Bar is unduly concerned.

EDITOR, NYPLA BULLETIN:

It is my feeling that most of us are unduly concerned by the rulings of the Supreme Court in the *Sears* and *Compco* cases. These opinions do not make new law; they are not unduly restrictive in respect of industrial property protection in general; and in particular, they do not change—and they do not purport to change—the law of trademarks including the analogous law of protecting the distinctive dress of goods and nonfunctional features of goods which have become distinctive.

In *Sears*, the Court merely said that an unpatentable article may be freely copied in its entirety. But this has been the law for years. True, the “clash” between the law of Illinois vis-a-vis the federal patent law afforded the court an opportunity to discuss the problem in a new context, but the governing principle ultimately applied is not new, unusual or unexpected.

Although there is some broad dicta in the *Compco* opinion, the rule of law applied was the same. The *Compco* lighting fixture as disclosed in the design patent was deemed by the Court to be an article of trade, which

it was, and which, in the absence of federal protection, could be freely copied.

It is true that the penultimate paragraph of the *Compco* opinion, if read hastily, appears to suggest much more. There, the Court enumerated several established principles of trademark and quasi-trademark law, and concluded that neither these nor any others can furnish a basis for imposing liability upon one who simply copies an unpatentable article of trade.

But consider the principles stated by the Court as being not relevant to the act of copying (with emphasis supplied). “That an article copied from an unpatented article could be made in some other way”—this point never has been relevant to the question of copying an unpatentable article in its entirety; “that the design is ‘non-functional’ and not essential to the use of either article”—here the word “design” is obviously used to mean the design of the whole of the article, not merely the design of a nonfunctional feature of the article; “that the configuration of the article copied may have a ‘secondary meaning’ which identifies the maker to the trade”—obviously the law has never been that the entire shape or configuration of an article can acquire a secondary meaning or become distinctive in the legal sense; and “that there may be ‘confusion’ among purchasers as to which article is which or as to who is the maker”—this type of so-called confusion has never formed the basis for relief because it is the necessary consequence of the exercised right to copy articles of trade which are not patentable.

In my view, the Court applied the same rule of law in both the *Sears* and *Compco* cases. However, because a quasi-trademark argument was apparently urged in *Compco*, the Court made it clear that principles of trademark and analogous law (nonfunctionality, secondary meaning, confusion of purchasers) could not be utilized to frustrate the Constitutional-patent principle that an unpatentable article of trade, in its entirety, can be copied at will.

—Russell L. Law

Court decision accentuates need for remedial legislation. Trademark or copyright registration necessary to avoid harsh application of cases.

EDITOR, NYPLA BULLETIN:

The law of unfair competition can be summarized by a general rule that relief has always been granted in unfair competition cases if the imitated features are non-functional, if these non-functional features have acquired a distinctiveness to indicate origin, and if the features which are imitated are the very features which caused the public to purchase the product.

This generally accepted concept may have been considerably changed by the holdings of the Supreme Court of the United States in the *Sears* and *Compco* cases.

In the *Sears* case, the issue was raised as follows:

“The question in this case is whether a state’s unfair competition law can, consistently with the federal patent laws, impose liabilities for or prohibit the copying of an article which is protected by neither a federal patent nor a copyright.”

Under *Erie v. Tompkins*, the federal courts must apply state law of the state in which the tort is committed. Accordingly, the Supreme Court looked towards the Illinois common law and cited the case of *Stevens Davis Co. v. Mather & Co.* for the proposition that in order to obtain relief under the concept of unfair competition, an article must be “palmed off.”

Continued on page 4

RECENT CASES OF SPECIAL INTEREST

Copyright. The delivery of a speech by a well known public figure to an enormous crowd, the speech being broadcast over radio and television and being filmed for movie newsreel pictures, is not a general publication of the speech so as to place the work in the public domain, **King v. Mister Maestro, Inc.**, 140 U. S. P. Q. 366 (S. D. N. Y. 1963). Oral delivery of an address is not a dedication of the work, no matter how vast the audience. The distribution of advance copies of the text to members of the press is a limited, not general, publication since none were available to the public.

• • • •

Trademark. The removal of a watch movement from its original case and its subsequent placement into a diamond-decorated case results in a "new construction", and the retention of the original mark on the movement constitutes trademark infringement, **Bulova Watch Co. v. Allerton Co.**, 140 U. S. P. Q. 440 (7th Cir. 1964). The change is such that the product can not be resold with the original manufacturer's mark thereon. While a proper collateral reference can be made to the source of the movement, such reference can not be made on the watch itself.

• • • •

Patent. A clause in a license contract prohibiting a licensee from selling articles in competition with patented articles constitutes patent misuse which bars the patentee from maintaining a patent suit, **Berlenbach v. Anderson & Thompson Ski Co.**, 141 U. S. P. Q. 84 (9th Cir. 1964). Proof of substantial lessening of competition is not a prerequisite to finding patent misuse, nor is it a defense that the provision has not been enforced. It is the adverse effect upon the public interest which disqualifies the patentee from maintaining the suit, regardless of whether the particular defendant has suffered from the misuse.

• • • •

Trademark. The configuration of a decanter bottle is registerable on the Principal Register under the Trademark Act of 1946, even though the configuration is also protected as a design patent, **In re Mogen David Wine Corp.**, 140 U. S. P. Q. 576 (CCPA 1964). Protection afforded a design under the patent laws is separate and distinct from that afforded by the trademark laws, and the conferring of rights under one law does not exclude rights under another. (The decision was handed down before the recent Supreme Court *lamp pole* cases, and it has been reported that rehearing has been granted.)

NEW MEMBERS ELECTED

At the meetings of the Board of Governors of The New York Patent Law Association, held on March 3, 1964, and April 8, 1964 the following persons were admitted to active membership: Paul L. Barrett, William F. Dudine, Jr., Harold Einhorn, David H. T. Kane, Marvin A. Naigur, James A. Spady, Ernest Fanwick, Stewart J. Fried, A. Abba Orlinger, David H. Pfeffer, Stephen J. Rudy, Michael J. Sweedler, Lawrence E. Abelman, Chris H. Nanz, Donald J. Perella, Roger R. Phillips, Jesse D. Reingold and Douglas W. Wyatt. Stanley H. Lieberstein was elected to associate membership.

FLOYD H. CREWS

Floyd H. Crews, a member of our Association since 1933, died after a brief illness in White Plains. Mr. Crews, a partner of Darby & Darby, was a graduate of Lynchburg College and New York University Law School. He was an Assistant Professor at New York Law School and a Lecturer of the Practising Law Institute. Mr. Crews well served his chosen profession. He was President of the NYPLA in 1955-56 and past Chairman of the patent committees of the American Bar Association and the Association of the Bar of the City of New York. Among other honors, he was past Chairman of the Board of Trustees of the White Plains Community Church.

Surviving are his wife, Julia Lesser Crews, a daughter, a son, two brothers and three sisters.

ARVID E. LYDEN

Arvid E. Lyden and his wife were killed in an automobile accident on Easter Sunday. Mr. Lyden was the Manager of the Patent Department of the Pennsalt Chemicals Corporation. Previously he served in the Patent Office and at Allied Chemical Corporation.

Mr. Lyden, a native of Minnesota, graduated from the University of Minnesota and New York University Law School. He was a member of, and active in, several patent law associations and the American Bar Association.

AFRICAN AND MALAGASY UNION'S EFFECT ON TRADEMARKS

Trademark owners in France, whose French registrations formerly covered the French colonies when the trademark was registered in France, would be well advised to reconsider the protection of their industrial property rights at this time in French colonies which have obtained their independence. The ratification of the African and Malagasy Union provides a speedy procedure to remedy this situation.

The countries in question, which gained their independence between October 14, 1958 and December 30, 1958, are the following:

Malagasy Republic	Central Africa Republic
Senegal Republic	Ivory Coast Republic
Congolese Republic	Dahomey Republic
Gabon Republic	Republic of the Upper Volta
Islam Republic of Mauretania	Nigerian Republic
Lake Chad Republic	Fed. Republic of the Cameroons

It is possible, until December 31, 1964, to validate French registrations obtained prior to the aforementioned dates of independence by filing a single application (which extends to each of the twelve countries) at the African and Malagasy Union Industrial Property Office (OAMPI). Such registrations at OAMPI will be effective from the date of the French registration. It is also possible to claim Convention priority under the Paris Union.

Apart from the foregoing, it is possible, regardless of any existing French or United States registration, to obtain protection in all of the twelve member countries by a single filing at OAMPI. Trademark owners, who have not used their marks in any of the twelve countries, are eligible for filing. Whereas trademark rights under the Convention are derived by use, registration is tantamount to use.

HIGH COURT CASES DISCUSSED

Continued from page 2

The issue as conceived by the United States Supreme Court was whether federal design patent protection can continue after the patent has been declared invalid. This was not the issue to be decided. No one can take issue with the basic proposition that design patent protection cannot continue after a patent is declared invalid or after its term has expired. If, however, the court can find that the plaintiff's product has a capacity and does in fact identify origin, and has acquired a secondary meaning, it would appear reasonable to suggest that the actual case of confusion which resulted should be sufficient to grant relief under unfair competition concepts.

It is hoped that the lower courts do not follow the broad statements of the court in *Compco* (which must certainly be construed as obiter dicta):

"* * * A state of course has power to impose liability upon those who, knowing that the public is relying upon an original manufacturer's reputation for quality and integrity, deceive the public by palming off their copies as the original. That an article copied from an unpatented article could be made in some other way, that the design is 'nonfunctional' and not essential to the use of either article, that the configuration of the article copied may have a 'secondary meaning' which identifies the maker to the trade, or that there may be 'confusion' among purchasers as to which article is which or as to who is the maker, may be relevant evidence in applying a State's law requiring such precautions as labeling; however, neither these facts nor any others can furnish a basis for imposing liability for or prohibiting the actual acts of copying and selling, regardless of the copier's motives."

The holding of the case must be confined to the precise facts and it is unfortunate that the first cases to come before the United States Supreme Court on the issue of unfair competition since 1938 do not involve an article which clearly had acquired a secondary meaning. It would seem to be good law, notwithstanding the *Sears* and *Compco* cases, to grant relief in all cases where the plaintiff's products or features are nonfunctional, have acquired a secondary meaning, or are distinctive, and where the defendant's Chinese copy has led to confusion.

The decision certainly prompts the need for legislative enactments, and the bill introduced in 1959 by Congressman Lindsay, then known as **H. R. 7833**, 86th Congress, First Session, and currently known as **H. R. 4651** and **S. 1038**, the **Unfair Commercial Activities Bill**, could afford the broad relief which is desirable in post-*Sears* cases.

In the interim, it would behoove all interested persons to consider the protection of articles under the copyright law by using proper copyright notices and securing federal copyright registration and at the same time, when possible, to seek registration for the configuration of goods as a trademark.

The advantage of securing a federal trademark registration for the configuration of the goods, even if on the Supplemental Register, as a means of avoiding the harshness of the two Supreme Court decisions, is evidenced by the possibility of seeking federal statutory protection for items which may no longer qualify for protection under the copyright and design patent statutes.

The acquisition of valid federal statutory industrial property rights, whether by patent, copyright or trademark registration, would afford plaintiffs a Federal cause of action to prevent the copying of products and avoid a strict application of the obiter dicta of the *Sears* and *Compco* cases.

—Eric D. Offner

NYPLA OPPOSES FEE BILL

Dear Senator McClellan:

February 26, 1964.

I am writing at this time to express to you the views of The New York Patent Law Association on the pending legislation which provides for an increase in the fees payable by applicants to the United States Patent Office, H. R. 8190 (Willis).

We are in accord with some increase in fees. There has been no increase for more than 30 years and over that interval of time there has been a substantial increase in the cost of living and in the consumer price index. Hence, we are in accord with Sections 1, 2 and 3 of the Bill. We are opposed, however, to Sections 6 and 8 of the Bill which provide for maintenance fees. In our view, any advantage to be derived from the proposed maintenance fees are outweighed by their adverse effects.

We believe that these sections would, in fact, be discriminatory against small companies in that they might through economic pressure be forced to prematurely abandon their patents, while larger more affluent companies might not have to succumb to similar pressures. This might tend to concentrate patent rights in large companies who might have less need for patent protection to withstand competition. We also question the arguments by proponents of maintenance fees that elimination of "dead wood" patents will be effected through non-payment of such fees. This elimination is not apt to occur in cases where the patent owner can easily pay these fees, unless the patented invention is proved conclusively to be valueless.

Moreover, there appears to be a misunderstanding on the part of some who are considering the bill. They believe erroneously that patents that lapse because the fees are not paid would not have to be considered by Patent Office examiners and that the burden on the Patent Office would thus be reduced. This would not be so. The examiner must examine not only active patents, but also expired patents and those which have lapsed. He is not concerned with the scope of claims. He is concerned with what is disclosed and whether it will negative novelty in applications he is examining.

Section 155(f) would permit an inventor, or his heirs (but not assignees), to defer the first and second maintenance fees if the total benefit received by the inventor or any other party having any interest in the subject matter of the patent was less than the value of the amount of the fees. We have two strong objections to these provisions. In the first place, there is discrimination against small corporations and indigent assignees with respect to fee deferrals. In the second place, it will be too difficult in many instances to determine the amount of benefit received by the inventor so as to determine whether the fees may be deferred. Other factors on which our view is based are the burdens involved to insure timely payment of maintenance fees by patentees and the risks of inadvertent non-payment of these fees within the time allowed.

Taking into account all of these considerations, we are opposed to the principle of maintenance fees, and the more so because it appears that their primary purpose is to increase Patent Office revenues to some arbitrary percentage well over 50% of its budget. We believe this to be an unfair burden on patent owners, who after all represent only a small number of those benefiting from the facilities of the Patent Office. Industry in general benefits by having readily available a vast central store of well classified technical information on which to base further technical advances. The general public benefits from the progress in the useful arts which is brought about through the workings of the patent system. This, indeed, is the basic reason for the existence of the Patent Office.

Section 4—This section of the bill has nothing to do with the amount of the fees payable, as such. It merely provides that the final fee shall be paid within a certain time interval set by the Commissioner and would reduce the period after the Notice of Allowance for the payment of the final fee from the six months presently permitted to three months. Under present practice, the applicant has used the six month period to consider, for example, where foreign patent applications should be filed or whether continuing United States applications should be filed. We believe that the six month period is needed and that it should be retained in any legislation dealing with the fees. Furthermore, this is a matter concerning the substantive rights of the applicant and any change in the six month period presently allowed should be considered separately as to whether there is any need for it and whether any possible advantages are offset by disadvantages. The provision has no proper place in the present bill.

We trust that our comments will be helpful to you and that you will give them serious consideration in your deliberations on the Willis bill or on any corresponding bill introduced in the Senate.

—Ralph L. Chappell, President

Congressional Committees Approve New Patent Office Site

Former Comm'r Watson Opposes Move

EDITOR, NYPLA BULLETIN:

This is to comply with your suggestion of yesterday, transmitted by telephone, that I give you, for early communication to your membership, and by letter, such information as I have available and which deals with the proposal of the Administration to remove the Patent Office from the District of Columbia and locate it in either Anne Arundel County or Howard County, Maryland. Your Association and all other active Patent Law Associations were advised some months ago that this proposal was opposed by the District of Columbia Bar Association and particularly by the Patent, Trademark and Copyright Section of that Association, some of the reasons for this opposition being set forth in the accompanying copy of our "Report of the Committee on Patent Office Location." You will probably not be able to print this report in its entirety, because of its length, but perhaps you can quote from it and also say that it was signed by former Commissioners Lawrence Kingsland, Conway P. Coe and myself and was approved by and now correctly states the views of the Patent Section of the D. C. Bar.

In view of the fact that the Senate Committee on Public Works, after a hearing before its Sub-Committee on Public Buildings and Grounds, approved the Prospectus (Project No. 49926) prepared by the General Services Administration, and that quite recently its opposite number Committee of the House suddenly (and without holding a hearing) approved the Prospectus, we face a difficult situation if we choose to try to prevent removal of the Patent Office from Washington to a distant point in Maryland. The Administration, now having initial approval by the Congress of the Administration's own proposal, cannot be expected to change its attitude. The Public Works Committees of the House and Senate cannot be expected to do so. However, the Congress, through its Appropriations Committees, must act before the program can make additional progress and they have not as yet done so. It may still be possible to convince those Committees, or one of them, that the plan of the Administration should not be implemented because it is not in the public interest, and it decidedly is not in the public interest to carry it into effect. The Sub-Committees of the House and Senate Appropriation Committee which will consider, in the first instance, applications for funds for the purpose of implementing the Administration's plans are the "Independent Offices" sub-committees of the parent committees.

Time is of the essence.

At a luncheon meeting yesterday (April 23) Commissioner Brenner said that efforts were now being made to select the site and that maybe three or four months would be spent in site studies. Possibly up to two years, he stated, will probably be spent in making plans and that the building might be ready for occupancy in 1970. It is clear that, if the patent bar and industry, particularly industry, wishes to oppose the proposed move, they should do what they

can before any money has been appropriated. This means that the Appropriation Committees and the subcommittees mentioned must be informed of the desire of the various groups of patent practitioners, and the desire of other groups interested in the welfare of the patent system, to have the opportunity to present their views at regularly scheduled hearings. We believe that the views of industry and the patent bar were inadequately stated to the Senate Subcommittee on Public Buildings and Grounds at the hearing held by that Committee. We believe that it is by far preferable, if crowding is damaging to Patent Office efficiency, to increase the area of rented space (now readily available) outside of the Commerce Building for a few years while we patiently wait to be allotted a building site in downtown Washington, rather than to move to a distant site which is perhaps immediately available but is disadvantageous from every other point of view and with which the public, industry, and the patent profession will be "stuck" for the next fifty years.

The Patent, Trademark and Copyright Section of the District of Columbia Bar Association will continue to be active in this matter and is planning to disseminate information through the National Council of Patent Law Associations. This is written with the knowledge that your members seek information now and the publication date of your information leaflet is close upon you. *It is important that the large New York Patent Law Association become active in this matter as soon as may be.*

Mr. Moorhead, President of the Patent Office Society, has advised me that the Office-wide poll taken by that Society shows that nearly three-fourths (72%) of the employees who voted (1657 in number) voted against the proposed move to Howard or Anne Arundel County.

—Robert C. Watson

Editor's Note—Space does not permit us to reprint the entire report of the D. C. Bar Association referred to above by former Commissioner Watson. A significant passage from that report is as follows:

"The following factors underlie the decision to recommend location of the new facilities within commuting distance of Washington: (1) There is a heavy concentration of patent specialists—lawyers, agents, researchers, scientific and semi-professional personnel—in the Washington area, some of whose practices have been established in Washington for decades; (2) it is necessary to retain the Patent Office staff, which is technically and legally unique; (3) access is required by Patent Office personnel to educational facilities in the Washington area with unique programs adapted for the continuing education of Patent Office personnel; (4) decisions of the Patent Office, by statute, must be reviewed by the Court of Customs and Patent Appeals, which sits only in Washington, and by the U. S. District Court for the District of Columbia; (5) optimal transportation services for the nationwide clientele of the Patent Office—inventors, patent lawyers, scientists and researchers—are required; (6) by statute the Patent Office must work closely with the Department of Defense, National Aeronautics and Space Administration, and the Atomic Energy Commission in processing highly classified documents relating to inventions effected with the national security; and (7) the Patent Office research and development program is necessarily conducted in close collaboration with the National Bureau of Standards, and incidentally, other Government agencies such as the Census Bureau, the Armed Services Technical Information Agency, the relevant units of which are all located in the Washington area."

NEW DOD PATENT REGULATIONS

The Department of Defense announced in April that *Revision 5 to the Armed Service Procurement Regulations* would be issued about May 1st. The new regulations are to implement the statement of Government patent policy which accompanied President Kennedy's memorandum of October 10, 1963, to the Heads of Executive Departments and Agencies, outlining the need for a Government-wide policy for the allocation of rights to inventions. (See **BULLETIN**, Vol. 3, No. 2).

The changes involve the substitution of a new paragraph 9.107 in Section IX of the Regulations which deals with "Patents, Data, and Copyrights." The new regulations are to be mandatory for use 90 days after the revision is placed in effect, but are authorized for immediate use.

Following President Kennedy's original assurance that the policy would "be reviewed after a reasonable period of trial in the light of the facts and experience accumulated," the Defense Department has invited comments on the new provisions and indicates that they will be modified as the need becomes apparent.

CHANGES IN EXPORT REGULATIONS

The U. S. Treasury Department and the U. S. Commerce Department have announced that, effective April 1, 1964, certain of the Treasury Department's controls over foreign export *licensing agreements* will be shifted to the Commerce Department. These changes will mainly affect the provisions of the Commerce Department's General License *GTDU*, and will become mandatory after June 30, 1964.

The details of the changes are set forth in the Department of Commerce "Current Export Bulletin", No. 891, of March 16, 1964, as currently amended. This Bulletin can be obtained from U. S. Department of Commerce Building, Room 6045, Washington, D. C., for 25¢.

The following statement from Bulletin No. 891 should be noted:

"In addition to the regulations issued by the U. S. Patent Office, technical data contained in or related to inventions made in foreign countries or in the United States, are subject to the Department of Commerce regulations covering the exportation of technical data. Patent Attorneys and others are advised to consult with the U. S. Patent Office . . . relative to the U. S. Patent Office regulations concerning the filing of patent applications or amendments in foreign countries."

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REPORT OF FOREIGN PATENTS SUBCOMMITTEE

The foreign patents subcommittee of NYPLA is quite active this year. The patent laws abroad including recent changes and contemplated changes are being considered and discussed.

Infringement in the USSR was discussed by Mr. John G. Schwartz, who indicated that in the USSR, the patent holder is the only person who can use the invention, license it or sell the patent. For those inventions which are of significant importance to the national interest, the Government Council of Ministers will determine the remuneration to be paid to the patent owner. It was indicated that an injunction is obtainable to prevent the illegal use of the patent as are damages which are compensatory to the patent owner for the loss incurred. Infringement proceedings for a foreign owned Soviet patent can be brought to the Peoples' Court (District Court) where the defendant is located. Appeal may be taken to the City Court and ultimately to the Supreme Court of the particular Soviet Republic. It was indicated that the USSR Chamber of Commerce stated: "there have not been known to us any patent infringements in the U. S. S. R."

Mr. Austin S. Phillips discussed "Erosion of Patent System as it Appears in Various Countries." Basically, Mr. Phillips dealt with erosion as it affects the drug industry, and in particular pointed out that effectively, drug patents have been abolished in Turkey, forced licensing of drug patents in Colombia with a nominal royalty for only five years, and the immediate compulsory licensing of drug patents and know-how including interdependent patents in Belgium.

Discussion was had on Report No. EC5-35 dated April 30, 1963 prepared by the Committee for Industrial Development of the Economic and Social Council of the United Nations. The Report is entitled "Transfer and Adaptation of Technology Patents and the Economies of Underdeveloped Countries" seems to like the Russian patent system; the consensus of opinion is that the material in it is quite limited.

The Committee expects to hold another meeting to discuss other topics of current interest including new developments in Africa including the African and Malagasy Union, the defederation of Rhodesia and Nyasaland, and Algeria.