

Patent--Requirements for Patentability-- Assemblage of Old Parts Into a Machine Must Result in a New Mode of Operation (Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., 71 Sup. Ct. 127 (1950))

St. John's Law Review

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Recommended Citation

St. John's Law Review (1951) "Patent--Requirements for Patentability--Assemblage of Old Parts Into a Machine Must Result in a New Mode of Operation (Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., 71 Sup. Ct. 127 (1950))," *St. John's Law Review*: Vol. 25 : No. 2 , Article 23.

Available at: <https://scholarship.law.stjohns.edu/lawreview/vol25/iss2/23>

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PATENT—REQUIREMENTS FOR PATENTABILITY—ASSEMBLAGE OF OLD PARTS INTO A MACHINE MUST RESULT IN A NEW MODE OF OPERATION.—The defendant was sued for infringement of a patent. The patented device was a merchandise handler comprising a three-sided sliding rack or frame between guides on a counter. The rack could be moved between an extension of the counter and the cash register to transport merchandise within the frame from the extension to a position near the register. The device had achieved considerable commercial success. It had in fact been used by the defendant who contended that the patent was invalid. Both the district court¹ and the circuit court of appeals,² bolstered by the finding of wide commercial success, held that the patent was valid and infringed, but failed to make a specific finding that the device was inventive. *Held*, judgment for plaintiff reversed. While the device was both new and useful, it lacked invention. Since neither of the lower courts had specifically found invention to exist, the Court was not upsetting concurrent findings of fact in the lower courts.³ Concurring specially, Justices Douglas and Black proposed that nothing be patentable unless it “push back the frontiers of science”; patents on “gadgets” are not sanctioned under the Constitution. *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 71 Sup. Ct. 127 (1950).

The entire field of patent law derives from the constitutional provision⁴ enacted into statute.⁵ The statutory requirements for patentability, as judicially interpreted, are four: (1) invention or discovery,⁶ (2) novelty, (3) usefulness, (4) classification as an art, machine, manufacture or composition of matter. The last three of these permit relatively simple definition. Novelty is determined essentially by subtracting the substance of prior knowledge in this country; usefulness has its ordinary meaning in the sense of practicality of purpose.⁷ The four categories of inventions are mutually

¹ *Bradley v. Great Atlantic & Pacific Tea Co.*, 78 F. Supp. 388 (E. D. Mich. 1948).

² *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 179 F. 2d 636 (6th Cir. 1950).

³ *Distinguishing, Graver Tank and Manufacturing Co. v. Linde Air Products Co.*, 336 U. S. 271, 275 (1949), wherein the Court stated, “A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error.”

⁴ U. S. CONST. Art. I, § 8: “The Congress shall have Power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries. . . .”

⁵ Principally 46 STAT. 376 (1930) as amended 53 STAT. 1212 (1939), 35 U. S. C. 31 (1946).

⁶ *Hotchkiss v. Greenwood*, 11 How. 248 (U. S. 1850). This “doorknob case” cited by Justice Douglas in the concurring opinion of the principal case is said to be the first case making this requirement. See Feredico, *The Concept of Patentable Invention*, 32 J. PAT. OFF. SOC'Y 118 (1950).

⁷ *Hildreth v. Mastoras*, 257 U. S. 27 (1921).

exclusive,⁸ and each must concern physical, tangible forces, elements and results.⁹

In contrast to an art, manufacture or composition, a machine has three distinctive characteristics. It has more than one part or element; at least one of the parts moves relative to the remainder; the movable parts act in some definite, repetitive fashion.¹⁰ Each of the elements must be necessary to the unit which in turn must "answer a single purpose."¹¹

Invention or discovery¹² is found from the degree of the advance over prior knowledge. It is not sufficient to find novelty; the trier of fact¹³ must measure the novel features against the "standard of invention" and from the comparison determine whether invention exists. When applied to a machine, it is not required that the elements themselves be inventive, or even new; rather, the combination of the elements, looking at all its parts as a unit, must be inventive.¹⁴ It must be more than a new assemblage of the old parts;¹⁵ the assemblage must result in a new mode of operation.¹⁶ When invention is reasonably in doubt, the court may give weight to its commercial success, but doubt there must be.¹⁷ Procedurally, concurrent findings of the lower courts that invention exists are accepted by the Supreme Court unless clear error is shown.¹⁸

The abstract idea of invention has never been, and probably never will be, accurately formulated in words. "More than ordinary mechanical skill"¹⁹ may be required or "inventive genius",²⁰ or "in-

⁸ Expanded Metal Co. v. Bradford, 214 U. S. 366 (1909) (by implication); Corning v. Burden, 15 How. 252 (U. S. 1853) (by implication).

⁹ For example, the following are not patentable: natural principles, DeForest Radio Co. v. General Electric Co., 283 U. S. 664, 685 (1931); business methods, United States Credit System v. American Credit Indemnity Co., 51 Fed. 751 (C. C. N. D. Ill. 1892); processes involving mental acts, Halliburton Oil Well Cementing Co. v. Walker, 146 F. 2d 817 (9th Cir. 1944), *aff'd*, 326 U. S. 696 (1945).

¹⁰ See Henry, *Standards of Invention in Mechanical Cases*, 32 J. PAT. OFF. Soc'y 97, 101 (1950).

¹¹ Sachs v. Hartford Electric Supply Co., 47 F. 2d 743, 748 (2d Cir. 1931), *cert. denied*, 283 U. S. 854 (1931).

¹² These are synonyms in patent law. 1 WALKER ON PATENTS 35-38 (Deller's ed. 1937).

¹³ Invention is a fact. Graver Tank and Manufacturing Co. v. Linde Air Products Co., 336 U. S. 271 (1949); Thomson Spot Welder Co. v. Ford Motor Co., 265 U. S. 445 (1923).

¹⁴ Toledo Pressed Steel Co. v. Standard Parts Manufacturing Co., 307 U. S. 350 (1939); Lincoln Engineering Co. v. Stewart-Warner Corp., 303 U. S. 545, 549 (1938).

¹⁵ Cf. Adams v. Bellaire Stamping Co., 141 U. S. 539 (1891).

¹⁶ Cf. Florsheim v. Schilling, 137 U. S. 64 (1890); Burt v. Evory, 133 U. S. 349 (1890).

¹⁷ Cf. Jungersen v. Ostby and Barton Co., 335 U. S. 560 (1949).

¹⁸ Graver Tank and Manufacturing Co. v. Linde Air Products Co., 336 U. S. 271 (1949); cf. Tyng v. Grinnell, 92 U. S. 467 (1875). FED. R. CIV. P. 52(a).

¹⁹ McClain v. Ortmayer, 141 U. S. 419, 427 (1891).

²⁰ Mantle Lamp Co. v. Aluminum Products Co., 301 U. S. 544, 546 (1937).

tuitive genius”²¹ or “the flash of creative genius.”²² Probably the most descriptive is the test suggested by Justice L. Hand, that of “creative imagination.”²³ The application of such an abstract, “will-o’-the-wisp”²⁴ standard, a process not unique to patent law, necessarily responds to shifting social forces and their impact on judges’ propensities.²⁵ Today Edison’s electric light patent, Bell’s telephone patent, Nikola Tesla’s electric motor patent and others of similar importance might well be invalid.²⁶

The difficulty is apparent in the present case. The trial court²⁷ held the patent valid because it had seen a “flash of creative genius.”²⁸ The concurring opinion in the Supreme Court²⁹ found the patent invalid under the same standard.

The standard proposed in the concurring opinion is believed to be too stringent. The constitutional provision is not limited to the promotion of science; the encouragement of the useful arts is expressly intended. The concurring opinion illustrates one of the great delusions of our time—the confusion of science with technology. Science by itself seldom yields inventions; it is concerned with facts, not with human needs.³⁰ Industry advances through the work of its technologists, the men who design and improve the gadgets frowned upon.

Unquestionably, the patent at issue was invalid. Regardless of its commercial success, novelty and utility, the device was not invention by the meagerest standard. It was not more than an assemblage of old parts, each operating in its same old way to produce a very obvious and ancient result—moving goods along a counter to a cashier. But the problem before the Court remains to be answered—some permanent measurable standard of invention.

Certainly, more should be required than was accepted in the present case by the Patent Office and the two lower courts. The

²¹ Potts and Co. v. Creager, 155 U. S. 597, 607 (1895).

²² Cuno Engineering Corp. v. Automatic Devices Corp., 314 U. S. 84, 91 (1941).

²³ Jungersen v. Baden, 166 F. 2d 807, 812 (2d Cir. 1948) (dissent). Justice Frankfurter’s dissent on appeal quoted Justice Hand’s dissenting circuit court opinion in Jungersen v. Ostby and Barton Co., 335 U. S. 560, 568 (1949).

²⁴ L. Hand, J., in Sachs v. Hartford Electric Supply Co., 47 F. 2d 743, 748 (2d Cir. 1931).

²⁵ See Broder, *Trends in Patent Law*, 32 J. PAT. OFF. Soc’y 936 (1950); see also Henry, *Standards of Invention in Mechanical Cases*, 32 J. PAT. OFF. Soc’y 97 (1950).

²⁶ Dodds and Crotty, “*The New Doctrinal Trend*,” 30 J. PAT. OFF. Soc’y 83 (1948).

²⁷ Bradley v. Great Atlantic & Pacific Tea Co., 78 F. Supp. 388, 392 (E. D. Mich. 1948).

²⁸ Cuno Engineering Corp. v. Automatic Devices Corp., 314 U. S. 84, 91 (1941).

²⁹ Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., 71 Sup. Ct. 127, 131 (1950).

³⁰ See Sachs v. Hartford Electric Supply Co., 47 F. 2d 743, 748 (2d Cir. 1931), *cert. denied*, 283 U. S. 854 (1931).

present decision should have, and already has had,³¹ that effect. Perhaps the cure lies in Congressional enactment of a permanent measuring rod.³²



PRACTICE AND PLEADING—APPLICABILITY OF SECTION 23 OF THE CIVIL PRACTICE ACT—CHANGE OF PARTIES.—In 1946 plaintiff brought suit against PRC Pictures. The contracts upon which the complaint relied contained a nine-month period of limitation within which an action must be commenced on a claim arising under the contracts. Because of the failure of the plaintiff's president to obey court orders for examination before trial, plaintiff's action was dismissed on the merits.¹ On appeal the judgment was affirmed but modified to provide for dismissal not upon the merits.² Plaintiff then commenced a new action, after the time limited in the contracts but within one year after dismissal, against Pathe Industries, who in the meantime had acquired all the assets of the dissolved PRC, including the subject matter of the dismissed suit. The district court held the claim barred by the nine-month period of limitation.³ *Held*, reversed. The suit was timely brought within the meaning of Section 23 of the New York Civil Practice Act.⁴ The fact that defendant was not a party to the earlier suit is not controlling. Where the parties to the second suit are *identical in interest* with the parties to the first, Section 23 applies. *Producers Releasing Corp. De Cuba v. Pathe Industries, Inc.*, 184 F. 2d 1021 (2d Cir. 1950).

³¹ See, e.g., *Paramount Industries, Inc. v. Solar Products Corp.*, 88 U. S. Patent Quarterly 233 (2d Cir. 1951); *Vapor Blast Manufacturing Co. v. Pangborn Corp.*, 186 F. 2d 230 (4th Cir. 1950); *Ingersoll-Rand Co. v. Black and Decker Manufacturing Co.*, 94 F. Supp. 938 (D. C. Md. 1951).

³² See Henry, *Standards of Invention in Mechanical Cases*, 32 J. PAT. OFF. Soc'y 97 (1950).

¹ Cf. *Producers Releasing Corp. De Cuba v. PRC Pictures, Inc.*, 8 F. R. D. 254 (S. D. N. Y. 1948).

² *Producers Releasing Corp. De Cuba v. PRC Pictures, Inc.*, 176 F. 2d 93 (2d Cir. 1949).

³ *Producers Releasing Corp. De Cuba v. Pathe Industries, Inc.*, 10 F. R. D. 29 (S. D. N. Y. 1950) (the court held that the dismissal of the original suit had been for neglect to prosecute).

⁴ N. Y. CIV. PRAC. ACT § 23 provides: "If an action is commenced within the time limited therefor, and a judgment therein is reversed on appeal without awarding a new trial, or the action is terminated in any other manner than by a voluntary discontinuance, a dismissal of the complaint for neglect to prosecute the action, or a final judgment upon the merits, the plaintiff, or, if he dies and the cause of action survives, his representative, may commence a new action for the same cause after the expiration of the time so limited and within one year after such a reversal or termination."

Section 23 applies to limitations by statute or contract. *Littrell v. Allemania Fire Ins. Co.*, 224 App. Div. 523, 231 N. Y. Supp. 520 (3d Dep't 1928), *rev'd on other grounds*, 250 N. Y. 628, 166 N. E. 350 (1929).