

Foreign Industry and the New Patents Act.

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The archives of the Board of Trade, we imagine, could not reveal many such annals of official obstruction as the story of the movement which led to the passing of the new Patents Act. Mr. Levinstein, of Manchester, whose own part in that movement was probably second to none, has shown in his account to the Liverpool Chamber of Commerce, a charitable leniency towards those whose stupidity so long delayed the realization of that reform, but the facts of the matter ought, for several reasons, to be reviewed from a more critical standpoint. It may be said at once that Mr. Lloyd-George has well deserved all the popularity he has gained from the passage of this measure, though not because he is more deserving of credit than the pioneers who perceived the opportunity and long and strenuously insisted on the need of reform; it is the extraordinary independence which he showed when the matter was brought under his consideration that deserves recognition. Many authorities were against him in the course he took, but he had the courage to question the decision of his predecessors, and he has now the pleasure of seeing their opposition fully condemned by the success of this new Act.

As far back as 1881 Mr. Levinstein called attention to the great injury inflicted upon British trade by foreign inventions patented in this country which were worked exclusively abroad, and in 1883 an act was passed, when Mr. Chamberlain was at the Board of Trade, with the intention of providing an adequate safeguard of British interests, but it was framed in such ambiguous language that it was found to be practically useless for the end it was devised to serve. Mr. Levinstein and others again took up the cause, and in 1897 Mr. Ritchie, then President of the Board of Trade, was pressed to consider the matter, but even at that date he did not consider that the Act of 1883 had failed, and refused to take any action in the matter. The Manchester Chamber of Commerce then began its active support of the movement, of which it has been the foremost champion ever since, and Mr. Ritchie was appealed to again, with some success. To satisfy him of the uselessness of Section 22 of the 1883 Act, by which it had been sought to ensure the working of patents in the United Kingdom, Mr. Levinstein's firm arranged for a test case, by lodging a petition with the Board of Trade for the grant of a certain license. The hearing of this petition took the form of a trial in the Law Court: it extended over 11 days, and although the compulsory license was finally granted, the utter uselessness of the Section for all practical purposes was abundantly proved. The total expenditure of the parties concerned amounted to about \$20,000, the expenditure of the Board of Trade being probably not less than \$3,500. As the result of these proceedings, Mr. Ritchie was induced to appoint a Departmental Committee to enquire inter alia "Whether any and if so, what, amendments are necessary in the provisions of Section 22 of the Patents Act of 1883." That Committee, however, was chiefly composed of officials, lawyers, and a patent agent, while manufacturers and inventors were conspicuously absent, a

deficiency which the Manchester Chamber's appeals could not induce Mr. Ritchie to make good. The economic side of the question was deliberately ignored by this Committee, who met the suggestion that some plan for the defeasance of a patent in the event of its not being worked in this country would be preferable to the compulsory granting of licenses by the curt remark in their report that "We are not able to accede to this suggestion," and Mr. Levinstein has shown that the Committee really misunderstood the object for which the enquiry was sought. To a witness by whom reference was made to the desirability of having as many manufacturers as possible worked in this country, the Master of the Rolls, a member of the Committee, replied, "That it is not very material to our present enquiry." Not satisfied with this Departmental Committee's report, the Chambers of Commerce and other bodies approached Mr. Gerald Balfour, but again to no purpose, for his bill of 1902, as far as compulsory working was concerned, was quite valueless. The Associated Chambers, however, did not lose heart, and in 1906 they passed a resolution which was submitted to Mr. Lloyd-George, and is now embodied in the Patents Act of 1907. It is the provision based on this resolution that has already resulted in the establishment of many foreign manufacturers in this country for the purpose of working their patents, and it is an act by which the Chambers of Commerce have greatly redeemed their vanishing reputation for efficient public service.

Since the passing of the act, Mr. Lloyd-George has raised high expectations of it by his own enthusiastic way of estimating its probable results. The number of British patents owned by foreigners and not worked in this country was generally understood to be very large, but Mr. Levinstein has given in his address to the Liverpool Chamber of

Commerce a more definite basis for such conjectures, which he states as follows:

"Section 27 is retrospective in its application. It includes all patents which were taken out from 1894 to 1904. Putting aside the years 1894 and 1895, as patents taken out in these two years will shortly lapse, there are still remaining the patents granted between 1896 and 1904. The average number of patents granted annually to residents outside the United Kingdom is about 8,000, which would give a total for these eight years (1896-1904) of 64,000. Allowing that, say 75 per cent. of these have lapsed, or are not worked, there still remain about 16,000 patents to be dealt with. If half of these are already worked in this country, which is a liberal allowance, there are finally left about 8,000 patents to which Section 27 applies. I know these figures are rather speculative, and that speculations are somewhat risky, but still they show at least that a very large number of foreign patents, granted in England, must at once come within the province of the new Act."

In addition to the foreign concerns, which we have reported to be erecting works in England, viz., two by German syndicates engaged in the chemical industry and the American Shoe Co., of Boston, and the firm making the Gillette razors, Mr. Levinstein learns that a large foreign electrical engineering company proposes to erect works on the Thames, and a number of other foreign manufacturers are negotiating for the acquisition of suitable sites. Before long Mr. Levinstein expects we shall also see the artificial silk industry fully developed in this country. This is a very profitable business, one German concern paying last year 40 per cent. in dividends. There are, however, a large number of other industries which come within the Act, among which Mr. Levinstein names the motor industry, electrical engineering, labor saving appliances and machinery, chemicals, etc., all largely depending on patented inventions which will have to be worked in this country.

Suggestions for Wood-Working Plant Managers.

By Arches in The Wood-Worker.

"No smoking allowed." A very good notice to have in any wood-working plant, for the public in general, but I think you will all agree that there are other notices that ought to be posted about the mill, expressly for the benefit of the workmen. In most all the mills I have been in I find this fault—everything out of place. The notice I think should be in every mill is this:

A PLACE FOR EVERYTHING AND EVERYTHING IN PLACE.

It is one that should be rigidly enforced. There are always certain tools, such as wrenches, cutterheads, wabble saws, cabinet clamps, straightedges, trammels, etc., used in a general way by different workmen in the shop. What an endless task it is, when you want one of these articles, to go scouring around the mill to find it! There could just as well be a place to keep such things, and

then when they are needed you know exactly where to get them. If they aren't there you know they are in use, provided every workman adheres strictly to the rule to return every tool soon as he is through with it.

Some workmen will borrow a wrench from your machine, and when they get through with it, instead of returning it immediately, will lay it to one side and go on with their work; then when you want it, you must go after it; they make no pretense whatever of returning anything they borrow. It is certainly a pleasure to work in a shop where there is "a place for everything and everything in place," and any of you who have been a little slack in this respect should wake up to the fact that the opportunity for doing what has been expected of you is slipping by.

There are always opportunities to better conditions if one will but keep his eyes open. No matter how small, they should be looked