

## COMMISSIONER'S DECISION

### REISSUE: Control Ticket

The original patent claimed a multi section ticket having an aperature within the confines of the magnetic part of the ticket. In the reissue the applicant claims the aperature adjacent the magnetic part of the ticket.

Final Action: Affirmed

This decision deals with a request for review by the Commissioner of Patents of the Examiner's Final Action dated January 24, 1975, on application 193,998 (Class 235-83). The application was filed on March 4, 1974, in the name of Burton R. Marmer et al, and is entitled "Control Ticket." The Patent Appeal Board conducted a Hearing on March 24, at which the applicant was represented, and ably represented, by Mr. G. Kersey his United States patent attorney, and by Mr. R. Barrigar.

What we are concerned with is an application to reissue patent 905906 of July 25, 1972. The invention is a paper card bearing inventory information used in stores and warehouses to maintain records relating to sales, supplies, and re-ordering of stocks. The card (or "control ticket") is made in two parts detachable one from the other. It is normally affixed to an article being handled, say a dress. When the dress is sold, part of the ticket may be removed and used by the storekeeper for updating his records. The tickets have magnetizable areas on which information may be recorded, and there are apertures in the tickets by which recording heads may be positioned to record and read information on the magnetic areas.

The examiner refused the application to reissue for failing to meet the requirements imposed by Section 50 of the Patent Act. He has said that:

- (1) The original patent is not defective since its claims fairly represent applicant's entitlement in view of prior art;
- (2) At the time of the original application, there was no intention to claim slots between parts of the ticket as having recording positioning functions;

- (3) There was no error on the part of the Canadian agent, as had been suggested by the applicant;
- (4) The new facts stated in the petition are not of a substantive nature (that is they are not significant enough to warrant reissue);
- (5) The reissue claims define different subject matter than that originally claimed, and are subject to rejection under Rule 25 of the Rules and Section 36(2) of the Act;
- (6) Reissue claims 1, 3 and 10 are broader than originally filed claims 1 to 3, which had been cancelled during prosecution as a result of applied art. These claims are also much broader than patented claims, which were rejected on prior art but subsequently allowed in view of strong argument by applicant.

In the petition for reissue the applicant has declared:

- (1) THAT Your Petitioner is the patentee of Canadian Patent No. 905,906 granted on the 25th day of July, 1972 for an invention entitled CONTROL TICKET.
- (2) THAT the said patent is deemed defective or inoperative by reason of the patentee having claimed less than he had a right to claim as new.
- (3) THAT the respects in which the patent is deemed defective or inoperative are as follows:

The invention has been unduly narrowly claimed in Canadian Patent No. 905,906. The invention is considered to be properly claimed in claims 1 to 12 of the revised specification accompanying this petition.

Specifically, Canadian Patent No. 905,906 discloses a control ticket with a magnetic coating, wherein the ticket can be multi-sectioned or multi-part. Referring to Figure 1B, it is apparent that the apertures 22 are surrounded by magnetizable material, but it is also apparent that there is an additional aperture in the ticket namely that which extends between the land areas of joining ticket parts 10-1 and 10-2. The coating 21 only partially surrounds this latter aperture. However, claim 1 in the granted patent states that the aperture in the magnetizable material is "continuously surrounded thereby". This would be true of apertures 22 but not of the other apertures.

It was at all times the intention of the inventors to obtain coverage on a ticket of the kind shown in Figure 1b. However, there was a failure on the part of the attorney prosecuting the Canadian patent application to realize that the Figure 1b embodiment contained two different kinds of apertures, and the unnecessary restriction "continuously surrounded thereby" was introduced without taking due cognizance of the total structure shown in Figure 1b.

- (4) THAT the error arose from inadvertence, accident or mistake, without any fraudulent or deceptive intention in the following manner:

The prosecution of the United States and Canadian patent applications was handled by different attorneys from different firms. The error on the part of the attorney handling the Canadian case has been detailed in paragraph 3 supra. The Canadian application was the first to issue to patent. The United States counterpart issued on 10 April 1973 under No. 3,727,031. Following the issue of the United States patent, a review of counterpart foreign applications and patents was made in the light of the United States prosecution, in view of the fact inter alia that the cases have not been handled by the same attorney. After extended consideration of the difference between the Canadian and the United States applications, the patentee decided to take the necessary steps to make any desired corrections in Canada. A letter was transmitted to your petitioner's Canadian associates on 25 October 1973 and since that date correspondence has been exchanged between your petitioner and your petitioner's Canadian associate with a view to preparation of the present petition.

In his response to the Final Rejection dated July 24, 1976, the applicant stated (in part):

In particular, the U.S. claims are directed to a multi-part ticket where the aperture is located between ticket parts and separates adjoining magnetic regions. This aperture prevents delamination of the magnetic portions of the ticket and also serves to reduce the kind of abrasive wear that would occur if a slitting knife for example were used during the preparation of the tickets or in severing a set of multi-part tickets from the rest of the supply during operation of the machine. Thus the U.S. claims are concerned with the aperture between ticket sections as contrasted with the aperture in a single ticket section.

On the other hand, the embodiment covered by the Canadian claims in the granted patent all depend on the use of a centrally positioned aperture within a magnetic coated portion of the ticket to facilitate the proper positioning of a recording instrumentality with respect to the magnetic surface. The multi-part aspect of the ticket structure is included only by way of certain dependent claims in the Canadian patent. Thus these latter claims are unnecessarily restricted to a ticket structure of the kind set forth in the independent main claim.

The Canadian claims are unduly restricted in view of the art. The claims state that the aperture is continuously surrounded by a coating. This limitation is not necessary to distinguish over the art. If, for example, the art is distinguished on the basis that the aperture is for positioning of a magnetic recording head with respect to magnetic material surrounding the aperture, there is no reason in that case why the aperture would have to be continuously surrounded.

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The Examiner appears to be substituting his own set of facts for the set of facts presented to the Patent Office. It is not possible for the Examiner to know what the "intention" was since it was not the Examiner who formed the intention of the applicant or

the inventors. The petition for reissue states clearly "It was at all times the intention of the inventors to obtain coverage on a ticket of the kind shown in Figure 1b". This is a statement of fact which is not open to the Examiner to challenge. In further support of the applicant's position with respect to this matter, please have regard to the enclosed Affidavits of the two inventors, Burton R. Marmer and Richard F. Stucchi.

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The petition for reissue clearly says that "There was a failure on the part of the attorney prosecuting the Canadian patent application to realize the Figure 1b embodiment contained two different kinds of apertures...". It is not permissible for the Examiner on a statement of fact to contradict the applicant's actual statements. The petition presented must be considered on its merits. The Examiner is not entitled to substitute his own judgement for the erroneous judgement that was in fact made. In further support of the applicant's position, attached is the Affidavit of George E. Kersay, which indicates further facts concerning the background of the U.S. and Canadian prosecution.

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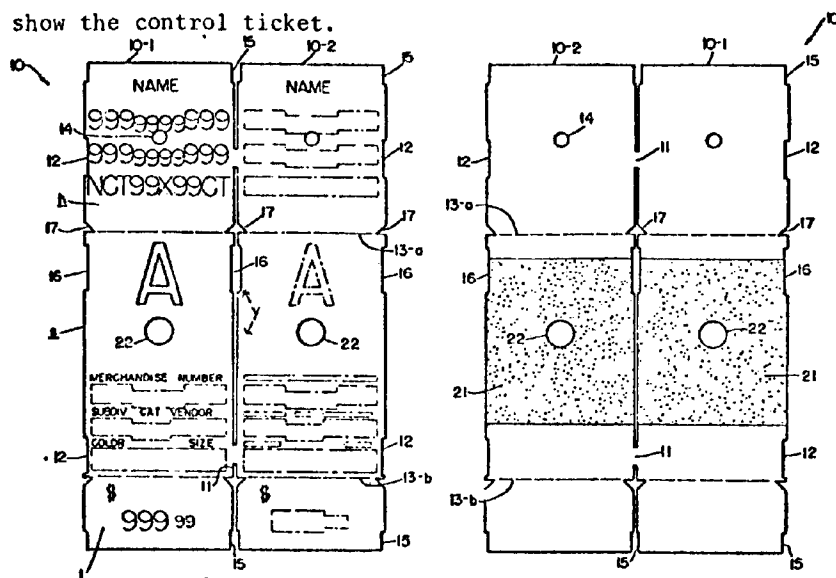
In response, the applicant points out that this is at the heart of the present reissue application. It is precisely because the U.S. claims are directed to a multi-part ticket in which the aperture is located between ticket parts and separates adjoining magnetic regions, which aperture presents the lamination of the magnetic portions of the ticket and also serves to reduce the kind of abrasive wear that would occur if a slitting knife for example were used during the preparation of the tickets or in severing a set of multi-part tickets from the rest of the supply during operation of the machine, that the present reissue application is being presented. The embodiments covered by the Canadian patent claims all depend upon the use of a centrally positioned aperture within a magnetic coated portion of the ticket to facilitate the proper positioning of a recording instrumentality with respect to the magnetic surface. This failure to distinguish the two aspects of the invention is a significant reason for presenting the present reissue petition.

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The applicant challenges the validity of the "Rule" presented by the Examiner. Such a rule is completely out of accord with the holding of the Supreme Court of Canada in the Burton Parsons case above, to the effect that "it is a basic rule in the exercise of judicial discretion in such matters that a party should not suffer a deprivation of his rights due to the error or neglect of his attorney". If the Canadian agent, as is apparent from the facts presented here, made a mistake, the applicant is entitled to correct it. That is one of the functions of reissue, as apparent from the holding in the Burton Parsons case.

For a clearer understanding of the invention we reproduce Figures 1A and 1B,

which show the control ticket.



We believe, unfortunately, that some confusion and ambiguity has arisen because of an impreciseness and inconsistency in terms utilized to describe the invention, and because the applicant is attempting to cover several different aspects of the invention and alternatives in a single claim. For that reason we will restate what we understand to be the principle parts of the invention, employing the terms that we will subsequently utilize. The control ticket is made up of one or more parts (10-1, 10-2). Where there is more than one part they are separated by a slot (Y) which makes it easier to separate the parts. Each part is made of three sections, a header section (h) for recording visual information, a stub section (s) coated with magnetizable material and a tab section (t) on which the price of the article may be marked. The sections are separated by incisions or perforations (13-a, 13-b) so that they may be detached from each other or folded over each other. In the stub is an aperture 22 for positioning a recording head to read the information on the magnetic material. In the header is a hole 14 alignable with aperture 22 when the header is folded over incision line 13a to protect the magnetized layer. Hole 14 is primarily used to attach the control ticket to merchandise.

In the original patent the claims all specify the presence of aperture 22. Claim 16 also includes (in addition to aperture 22) the slot.

In the reissue application the patentee does not wish to be restricted to a ticket containing aperture 22. He wishes to claim tickets which contain any aperture whether that be aperture 22 or slot Y, or both of them.

To indicate some of the reasons for confusion and ambiguity we referred to previously, we need only look to claim 1 of the application for reissue. In it the applicant introduces the term "member" for what he called a "section" in the patent. Then he equates a "section" with a "part." He next refers to an aperture "adjacent" to the magnetizable material (presumably being the slot), whereas the slot will not be present if there is only one part to the ticket.

From the prosecution and what was said at the Hearing it is evident that a key point of dispute is whether there was any accident, inadvertence or mistake when the original patent was limited to control tickets containing aperture 22. During that prosecution the examiner cited prior art showing control tickets containing sections separable along perforated lines and carrying magnetizable material. To clear that art the applicant amended broad claim 1 and stated (letter of April 5, 1971, p. 3):

Claim 1 has been amended to clarify the way in which it distinguishes over all the known prior art, including the references cited by the Canadian Examiner and the references hereafter set forth cited during the prosecution of the corresponding United States application.

In claim 1 as amended the control ticket is specified as being elongated and having a second section, containing magnetizable material, with a single aperture for positioning a recording unit with respect to the magnetizable material which continuously surrounds the aperture. None of the prior art discloses such a control ticket. (emphasis added)

He also cancelled original claims 2, 3 and others which failed to include aperture 22.

We believe that original claim 1 contained aperture 22, but in any event the amendment "clarified" that this was so. Still, the examiner persisted in his objection and the applicant replied on February 17, 1972 at p. 2:

As to the particular aperture recited in the claims, it is for the positioning of a magnetic recording head (underlining by applicant) with respect to magnetic material that surrounds the aperture. It is to be emphasized that none of the references shows an aperture in magnetic material (emphasis added) for that purpose. In the case of reference Stoller, for example, the aperture of the disk shown in Figure 4 is for the spindle of a turn-table, not for receiving the spindle of a recording head.

To clarify this matter, claim 2 has been amended to recite that the single aperture contained in the second section of Applicant's control ticket is for receiving a recording unit with respect to magnetizable material. Claim 3 has been replaced by a substitute claim which emphasizes that the aperture is to receive the spindle of a circular recording head for the recording of control information in a magnetic coating....

It is thus apparent that at the time of the original patent it was intended that aperture 22 should be present, and this feature was relied upon to clear the prior art. As was made clear at the Hearing, the examiner accepted this distinction as being sufficient to avoid the reference, and allowed the application. The particular advantage in having aperture 22 present is indicated in the disclosure at page 7 line 30, at page 8 lines 1-9 and 23 and at page 11 line 2.

At the Hearing the examiner relied upon a decision of the United States courts, In re Beyers (1956) 43 CCPA 804 dealing with reissue. In doing so he pointed out that the provisions for reissuing in Canada are derived from the corresponding provisions in the United States Act. He also pointed to what was said about reissue in Hunter v Carrick (1884), 10 O.A.R. 449 at 468 (affirmed 11 S.C.R. 300) where we find:

Cases may arise for adjudication in which it will be important to keep in view the differences between the two statutes; but as far as they touch the immediate subject before us, viz: the effect of the reissue of a patent upon corrected specifications, as they are styled in the United States statute, or amended or corrected

ones are they are indifferently styled in ours, we may for our present purpose regard them as covering the same ground; and I agree with the learned Judge, whose decision we are considering, that we should treat the judgements in the United States Courts, in which the effect of their statute has been declared, as laying down the rule which we should follow....

We note, too, that in Curl-Master v Atlas Brush (1967) S.C.R. 514 at 527 & 530), Martland J. quoted with approval from two United States decisions on reissue, while in Farbwerke Hoechst v Commissioner of Patents (1966 SCR 606 at 614) he pointed to the distinctions which must be made where there are material differences in the provisions. See also Van Heusen v Tooke Bros. 1929 Ex. C.R. 89 at 100 and Leonard v. Commissioner of Patents, 14 Ex. C.R. 351 (1914) at 361. Keeping in mind, then, such proper distinctions as should be made, we turn to the Byers decision, supra, and find at p. 807:

Thus in Dobson v. Lees, 137 U.S. 258, the Supreme Court of the United States said:

A reissue is an amendment, and cannot be allowed unless the imperfections in the original patent arose without fraud, and from inadvertence, accident or mistake. Hence the reissue cannot be permitted to enlarge the claims of the original patent by including matter once intentionally omitted. Acquiescence in the rejection of a claim; its withdrawal by amendment, either to save the application or to escape an interference; the acceptance of a patent containing limitations imposed by the Patent Office, which narrow the scope of the invention as it first described and claimed; are instances of such omission.

Similarly in Shepard v. Corrigan, 116 U.S. 593, the Court said:

Where an applicant for a patent to cover a new combination is compelled by the rejection of his application by the Patent Office to narrow his claim by the introduction of a new element, he cannot after the issue of the patent broaden his claim by dropping the element which he was compelled to include in order to secure his patent.

...

It is evident that since the deliberate cancellation of a claim in order to obtain a patent constitutes a bar to the obtaining of the same claim by reissue, it necessarily also constitutes a bar to the obtaining of a claim which differs from that cancelled only in being broader. That was the holding in In re White, 23 F. 2d 776, 57 App. D.C. 355, and in In re Murray, supra, this court quoted with approval the following statement from Ex parte White 1928 C.D. 6:



The deliberate withdrawal of a claim in order to secure a patent is conclusive of the presumption that there has been no inadvertence, accident, or mistake, and the invention thus abandoned cannot be regained either by construing the claims of the patent broadly or by obtaining a reissue with broadened claims. The rule is the same whether the claims sought by reissue or otherwise are identical, substantially the same, or broader than the abandoned claims.

Similarly, in In re Wadsworth et al, 27 C.C.P.A. (Patents) 735, 107 F. 2d 596, 43 USPQ 460, it was held that the cancellation of a claim from an original application on which a patent was granted, reciting a process including two steps in a specified order precluded the obtaining by reissue of the patent of a similar claim which was broader than that cancelled in that it did not specify the order in which the steps were performed.

We are of the opinion that the appellant's action in limiting the scope of original claim 20 by amendment constituted a deliberate withdrawal of that claim as originally presented, in order to obtain a patent, and that such withdrawal is a bar to the obtaining by reissue of claim 20 as it originally stood, or of any claim differing therefrom only by being broader. Appealed claims 2 and 3, as above noted, differ from original claim 20 as presented, only in that they are broader than that claim. (Emphasis added)

We think it would also be appropriate to refer to In the Matter of Land's Patent (1910) 27 R.P.C. 481 to show that a deliberate action cannot be considered unintentional, even though that deliberate action was taken because of an error in appreciating what the law might be. That case involved the restoration of a lapsed patent, but we believe the reasoning adopted there is appropriate in assessing whether a deliberate action can be brought within the meaning of "inadvertence, accident or mistake" as used in Section 50 of the Canadian Patent Act.

In this case we are satisfied that the applicant now proposes to enlarge his claims by deleting limitations intentionally included to obtain a patent. We are not satisfied that the necessary element of inadvertence, accident or mistake is present to justify reissuance of the original patent.

An outline of the circumstances leading to the filing of the reissue application is contained in an affidavit by Mr. Kersey, which was placed on file with the response to the Final Action. One of the primary reasons for reissuing given was the discovery that the United States coverage was substantially different

from that obtained in Canada. If we look at the corresponding U.S. Patent No. 3727031, we find that there are some distinctions which should be noted.

1. The U.S. application is a continuation application of U.S. application No. 681,730 (the conversion application corresponding to the original Canadian Patent 905,906). It does not correspond exactly to the Canadian application, though apart from the claims the disclosures are essentially the same.
2. The U.S. patent is not a reissued patent.
3. The claims are different. Those in the United States patent are clearly directed to a different feature of the invention, i.e. the use of the slot to separate parts by a knife without cutting through the magnetized layers. There was no attempt to claim control cards containing positioning aperture 22. Presumably that feature was refused by the final rejection in the original U.S. application which led to the U.S. continuation application

In considering what was intended by the applicant we should also consider the nature and purpose of the invention disclosed both in the original application and in copending applications filed at the same time. There were three of them all filed by Dennison Manufacturing Company on Nov. 8, 1968. They bore the application serial numbers 034,777; 034,778; and 034,779, and subsequently were issued as patents 905,905; 887,741; and 905,906 respectively. It is the last of these for which a reissue is sought. Patents 905,905 and 905,906 are both entitled "Control ticket," and have identical disclosures and drawings. Patent 887,741 is for a "Marking System", and relates to equipment to use the ticket protected by the other two patents.

Patent 905,905 (which as noted has a disclosure and drawing identical to the reissue application) claims an elongated ticket having "a further aperture extending through said carrying means for receiving a recording head... said further aperture being encircled by said coating without making contact therewith."

Patent 905,906, which is requested for reissue, claims an elongated control multi-section ticket having the "second section containing a single aperture therein and extending therethrough for positioning a recording unit with respect to the magnetisable material and continuously surrounded thereby...."

Patent 887,741 is for a marking system comprising a marking machine unit, an interface unit, and a controller unit. The ticket shown in the drawing as 1A, 1B is identical to the ticket shown as 1A, 1B in the two patents. On page 9 the first paragraph at line 12 reads: "In addition, the recording unit itself desirably includes a locating pin, such as a spindle which enters the aperture of the ticket. By virtue of the use of two locating pins, while ticket tension is relieved, the position of the ticket at the recording station is precisely fixed before recording takes place." At page 13 line 32 the disclosure reads, "The only apertures in the ticket structures 21 of Figs. 1A and 1B are centering holes 24 for positioning the ticket with respect to the recording head and string holes 25 by which the ticket 21 can be attached to an item of merchandise, such as a garment." (emphasis added) On page 25 at line 21 the disclosure further states "This creates a clamping effect on the ticket 21 and assists the locating pin 276, as entered into the string hole 25, in preventing inadvertent rotation of ticket 21. The locating pin 276 is convexly tapered from its end to promote proper engagement of the stringhole 25." Even when a linear recording unit is used as outlined on page 26 of the disclosure the locating pin 276 is still required.

When we consider all three patents, the question which arises is "did the inventors intend to claim a ticket having no aperture within the confines of the header section, tab section or stub section?" The disclosure of the patents reveal the manner in which the ticket is printed, recorded and used. These patents clearly show that the use of an aperture within the confines of the perimeter of the header section or stub section is necessary to accomplish the objectives of the invention. We find no indication in any of them that the slot between the land areas and adjacent the ticket parts is sufficient by itself for achieving the objectives. The actual

purpose of the application was the development of a control ticket coupled with its associated marking system. (See the disclosure, p. 9) Since the related patents indicate the necessity of an aperture in the header or tab section, we cannot see that there could have been any "intent" on the part of the applicant not to include this essential feature as being necessary for the purpose of the ticket.

Further on this point, we considered the affidavits filed by the inventors.

These affidavits, which are nearly identical, state:

3. As shown in the drawings our control ticket can be described as being multi-section and multi-part. Each part has at least one section with magnetizable material and the parts of each adjoining part are separated from one another, at least in part, by an elongated aperture. Other apertures are shown with each ticket part, there being one aperture in the section with magnetizable material and one aperture in a section without magnetizable material. (underlining added)
4. It was my intention that the invention be claimed as fully as would be permissible in the light of the prior art. However, my co-inventor and I relied completely upon our patent attorneys to do so since we do not have any expertise in the manner in which an invention is properly described and claimed.

We do not believe these affidavits are helpful to the applicant. To the contrary. They do state that the inventor intended to claim the invention "as fully as would be permissible," But that surely is a natural desideratum of most if not every intending applicant for patent. It would be unusual for him to want something less. Paragraph 3 of the affidavit makes it clear that the invention involved both a slot separating the parts and an aperture "in" the magnetized section. There is no suggestion in the affidavits that the control ticket does not always have an aperture 22. Furthermore, since it is possible for there to be only one part to the control ticket, there would be no "elongated aperture" (which we call a slot) in such a ticket.

At the Hearing, Mr. Barriger suggested the slot might be used to position the recording head. There is, however, no disclosure of that use for the

slot, and the whole tenor of all the disclosures, including the U.S. patent, is that the purpose of the slot is to permit separation of the parts with a knife without damage to the magnetizable coatings. Whether a slot for that purpose is an inventive improvement is, in our mind, questionable, but assuming in arguendo that it is, it must be a different invention than what was claimed originally. Section 50 permits reissuing to claim the "same invention" as was claimed originally, not a different invention. As was stated by Mr. Justice Maclean, for example, in Northern Electric v Photosound, 1936 Ex. C.R. 75 @89:

it is quite clear that the amended patent must be for the same invention and cannot embrace any new invention.

In the vast majority of cases in which a patent is defective or inoperative, its defects must be found to reside in the description given of the invention in the specification or drawings, or in both, and it was to cure such defects that relief was provided by statute. Hence, in most cases, the purpose of a re-issue is to amend an imperfect patent, defects of statement or drawings, and not subject-matter, so that it may disclose and protect the patentable subject matter which it was the purpose of that patent to secure to its inventor. Therefore the re-issue patent must be confined to the invention which the patentee attempted to describe and claim in his original specification, but which owing to "inadvertence, error or mistake," he failed to do perfectly; he is not to be granted a new patent but an amended patent. An intolerable situation would be created if anything else were permissible. It logically follows of course, that no patent is "defective or inoperative" within the meaning of the Act, by reason of its failure to describe and claim subject-matter outside the limits of that invention, as conceived or perceived by the inventor, at the time of his invention.

The applicant has referred to Curl Master v Atlas Brush and Burton Parsons v Hewlett-Packard as establishing that an error by an applicant's attorney is sufficient justification for reissue. We have already noted that the action of the applicant's agent was deliberate, and therefore not an error which may be corrected by reissue. In addition, in the Curl Master decision the patent was found defective by reason of insufficient description and that resulted in a mistake, namely, a failure on the part of the patent agent to fully comprehend and describe the invention for which he had been instructed to seek a patent. The Burton Parsons decision indicates that the failure of the patent agent to alter the claim in view of prior art contributed to the "mistake". What we have before us here, however, does not parallel what

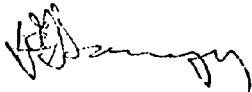
occurred in either Curl Master or Burton Parsons. The filing of several applications, of which one resulted in a patent containing 57 pages of disclosure, 21 claims and 19 figures of drawings, shows that the agent did comprehend the invention. In addition, he also submitted detailed argument to overcome the cited art in the patent being reissued. Consequently neither Curlmaster nor Burton Parsons are precedents of use to the applicant.

We are satisfied that the applicant is not entitled by law to reissue his patent, and recommend that the decision of the examiner to refuse the application be upheld. He is, of course, entitled to claims for a control ticket containing positioning aperture 22 either with or without the separating slot, but that is already protected by the original patent.



G.A. Asher  
Chairman  
Patent Appeal Board

I concur with the recommendations of the Patent Appeal Board and refuse to grant a patent on this application. The applicant has six months within which to appeal this decision under the provisions of Section 44 of the Patent Act.



J.H.A. Gariépy  
Commissioner of Patents

Agent for Applicant

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Dated at Hull, Quebec  
this 27th day of August, 1976