

SUPREME COURT OF THE UNITED STATES

Heyer, Doing Business as T.A. Heyer Duplicator Company v.
Duplicator Manufacturing Company

263 U.S. 100 (1923) · No. No. 75 · Decided November 12, 1923

SUMMARY

The Supreme Court considered whether purchasers of patented duplicating machines could replace worn gelatine bands with bands obtained from another source. It held that the purchasers had the right to replace the bands, so the respondent could not establish patent infringement based on the petitioner’s sale of compatible replacement bands, and reversed the decree.

CASE DETAILS

COURT	Supreme Court of the United States
WRITING FOR THE COURT	Oliver Wendell Holmes, Jr.
JURISDICTION	Federal
DECIDED	November 12, 1923
DOCKET	No. 75
DISPOSITION	reversed
PROCEDURAL POSTURE	The respondent patent owner brought a patent-infringement suit in equity. The District Court dismissed the bill, the Seventh Circuit reversed and entered a decree for the respondent, and the Supreme Court granted certiorari.
PRECEDENTIAL VALUE	Published United States Supreme Court opinion; precedential
PARTIES	Heyer, doing business as T.A. Heyer Duplicator Company v. Duplicator Manufacturing Company

TOPICS

- patent law
- patent infringement
- intellectual property
- commercial litigation

PRACTICE AREAS

- patent law
- patent infringement
- intellectual property
- commercial litigation

QUESTIONS PRESENTED

1. Whether purchasers of the patented copying machines had the right to replace exhausted gelatine duplicating bands with bands obtained from any source.
2. Whether a third party infringed the patent by making and selling replacement bands sized and mounted for use in the patented machines.

HOLDINGS

1. Purchasers of the machines had the right to maintain them in use by replacing the exhausted gelatine bands, including by obtaining replacement bands from sources other than the patentee.
2. Heyer's sale of replacement gelatine bands and spools for use in the patented machines did not infringe the patent because purchasers were entitled to obtain and use replacement bands from any source.

KEY QUOTATIONS

"Since Wilson v. Simpson, 9 How. 109, 123, it has been the established law that a patentee has not "a more equitable right to force the disuse of the machine entirely, on account of the inoperativeness of a part of it, than the purchaser has to repair; who has, in the whole of it, a right of use."" (263 U.S. 101)

"We cannot doubt what the fair interpretation is and it would not be affected even if every purchaser knew that the vendor was prepared to furnish new bands." (263 U.S. 102)

FACTUAL BACKGROUND

Duplicator Manufacturing Company owned a patent for improvements in multiple-copying machines, including a machine fitted with a gelatine duplicating band wound on a spool. Heyer made and sold replacement gelatine bands of sizes fitted for use in the patented machines and attached them to spindles, intending that purchasers use them as replacements. The bands were inexpensive, commonly available articles that were exhausted after limited use, while the machines themselves were durable and capable of indefinite use.

PROCEDURAL HISTORY

The District Court dismissed the infringement bill. The Circuit Court of Appeals for the Seventh Circuit entered a decree for Duplicator Manufacturing Company, with one judge dissenting on the principal issue. The Supreme Court reversed the appellate decree.

DISPOSITION

reversed

CASES CITED

- Wilson v. Simpson, 9 How. 109, 123, 126 (1851)
- Leeds & Catlin Co. v. Victor Talking Machine Co., 213 U.S. 325 (1909)

OPINION

Heyer v. Duplicator Manufacturing Co. 263 U.S. 100

HOLMES, J.

263 U.S. 100 (1923)

HEYER, DOING BUSINESS AS T.A. HEYER DUPLICATOR COMPANY,

v. DUPLICATOR MANUFACTURING COMPANY. No. 75. Supreme Court of United States. Argued October 15, 16, 1923. Decided November 12, 1923. CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT. Mr. Samuel Walker Banning, with whom Mr. Thomas A. Banning was on the brief, for petitioner. Mr. George L. Wilkinson, with whom Mr. Henry M. Huxley was on the brief, for respondent. MR. JUSTICE HOLMES delivered the opinion of the Court.

*101 This is a bill in equity brought by the respondent against the petitioner alleging the infringement of a patent. The District Court dismissed the bill, but the Circuit Court of Appeals gave the respondent a decree, one Judge dissenting upon the main point. 284 Fed. 242. The respondent owns a patent for improvements in multiple copying machines, one element of which is a band of gelatine to which is transferred the print to be multiplied and which yields copies up to about a hundred. This band is attached to a spool or spindle which fits into the machine.[1] Anyone may make and sell the gelatine composition but the ground of recovery was that the defendant made and sold bands of sizes fitted for use in the plaintiff's machine and attached them to spindles, with intent that they should be so used. The main question is whether purchasers of these machines have a right to replace the gelatine bands from any source that they choose. If they have that right the defendant in selling to them does no wrong. It is assumed for the purposes of argument that the claim is valid and covers the band when used in this combination, since otherwise there would be nothing to discuss.

Since *Wilson v. Simpson*, 9 How. 109, 123, it has been the established law that a patentee has not "a more equitable right to force the disuse of the machine entirely, on account of the inoperativeness of a part of it, than the purchaser has to repair, who has, in the whole of it, a right of use." The owner when he bought one of these machines had a right to suppose that he was free to maintain *102 it in use, without the further consent of the seller, for more than the sixty days in which the present gelatine might be used up. The machine lasts indefinitely, the bands are exhausted after a limited use and manifestly must be replaced. 9 How. 126. The machine is costly, the bands are a cheap and common article of commerce. In *Wilson v. Simpson*, the purchaser was held free to replace the cutter knives that were the ultimate tool of the invention. The present case seems to us stronger in favor of the defendant. The gelatine probably has to be replaced at least as frequently as the cutter knives and would seem to be less distinctively appropriated to the machine. In *Leeds & Catlin Co. v. Victor Talking Machine Co.*, (No. 2), 213 U.S. 325, the question was not of a right to substitute worn out parts but of a right to use new discs in a talking machine. The authority of *Wilson v. Simpson* and the cases that have followed it was fully recognized and must be recognized here. We have only to establish the construction of a bargain

on principles of common sense applied to the specific facts. We cannot doubt what the fair interpretation is and it would not be affected even if every purchaser knew that the vendor was prepared to furnish new bands. Inasmuch as after the present bill had been dismissed it was reinstated on condition that the plaintiff be limited for recovery of profits or damages to the period after the reinstatement and as the evidence is that the only spools used since that date came from the plaintiff we think it unnecessary to make any order touching the spools. Decree reversed.

NOTES

[1] The claim relied upon is "42. In a multiple copying machine, the combination with a machine frame having on one side thereof a journal bearing and on the opposite side a chuck, of a duplicating band, and a spool on which said duplicating band is wound, said spool having at each end a squared chuck-engaging member and a cylindrical bearing member, whereby said spool is interchangeable end for end between said chuck and journal bearing, substantially as described."