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Table listing detailed contents of the supplement, including sections on Architecture, Anthropology, Autocars, Chemistry, Electricity, Good Roads, Horology, Mechanical Engineering, Meteorology, Miscellaneous, Naval Engineering, Physiology, Prestidigitation, Railroad Engineering, Social Science, and Technology.

ACCOUNTINGS IN PATENT SUITS.

The procedure in suits for infringement of patents as brought in the federal courts is based usually on well defined and identical methods of procedure. The complaining party asks for an injunction restraining the alleged infringer from using the patented device, and in most cases asks that an accounting for profits be ordered. The injunction may be opposed by the defendant on various grounds. He may allege that his operations were outside of the scope of the patent, and records he may attempt to limit. Or on citations of the same character he may attempt to prove the patent entirely invalid. Usually all such defenses are included in the action. The court reaches a decision after prolonged hearings before a special master and a final hearing in open court. The patent which runs the gauntlet of a well fought patent suit and comes out unscathed acquires a standing which adds greatly to the consideration which will be given it in subsequent actions. After a decision sustaining a patent has been made, an accounting for profits is usually ordered.

An accounting for profits is a proceeding which notoriously is of direct benefit to others than the parties to the suit. As usually conducted it is put in the hands of a master. The counsel in the case appear before him day after day and bring forward all kinds of evidence in support of the opposing claims. The complainant, victorious in the final hearing, calls to the stand any one conversant with the business to determine what advantage in dollars and cents is attributable to the use of the patent. The books of the concern sued, its officers, bookkeepers, and employes, may all be called to testify as to the business done. Opposing counsel argue constantly, object to the testimony, and make of the accounting a prolonged proceeding of question and answer in the line of direct and cross examination with constant objections and arguments before the master. Without attributing too much of the weakness of poor human nature to those who conduct the proceedings, one thing may be noted, the counsel and master are paid according to the amount of work done in the accounting. They have no selfish motive to induce them to try to reach a decision quickly. The absence of such a motive, as well as the reverse feature alluded to, act as a sort of inducement or temptation to prolong the accounting.

One of the most remarkable accountings on record was that carried on in the Webster-Higgins suit. Here an accounting was ordered in a case relating to improvements in the manufacture of carpet. Four years were consumed in bringing the case to a final hearing and then the accounting began. Over \$28,000,000 damages were asked for. Years were devoted to the hearing in the accounting. The cross examination of one witness lasted over two years, and finally the damages appeared as \$1,500,000. Eleven days were devoted to the argument, and a thousand pages of briefs were handed to the master in the accounting. The matter ended somewhat like the great chancery suit of Jarndyce vs. Jarndyce in Dickens' novel "Bleak House," the damages being eventually reduced to six cents so as to settle the placing of taxable costs. The lawyers were the principal gainers.

The decision of the master in these cases is subject to the approval of the court, and very great damages may be set aside or reduced in proceedings, subsequent to the master's report. Thus, in a recent case reported in the Official Gazette, United States Patent Office, the master, as the result of the accounting, gave over \$76,000 as the measure of profits due to infringement. In an elaborate decision the court reviews the case, and makes many interesting points, for whose discussion space is lacking here. It is enough to say that the court takes the matter into its own hands, considers the record, and states that it has been in doubt as to whether it should send the case to a master for a hearing. This would mean a long delay and a repetition of the agony, perhaps at greater length than before. The case had already been pending eighteen years, nine years of this before a master. It had actually survived two masters. The court hesitated to compel an additional expenditure of time, and concluded to ascertain from the record the amount of profits, which it put at \$40,000. One of the points made was that the manufacture had ceased on the large scale, and, as the matter therefore referred to the past, estimates alone as to profits could be given. The decision is interesting, as affording an example of assignment of profits by the court. This meant expedition, for had the case gone again before a master, months or years would have been expended upon the determination of the question, settled at once by the court's decision.

In England at a recent meeting of the Society of Patent Agents the temptation to prolong patent suits was alluded to. The settlement of damages by the court in the case cited was certainly a move in the direction of acceleration, rather nullified in real good by the preceding eighteen years of delay.

The uses of an accounting as far as the parties to the suit are concerned are apt to be of the indirect order. It is sometimes made an instrument to enforce a compromise. The losing party, seeing months of expensive

process before him, is willing to do anything to avoid it, although it may have possibilities in the way of reducing damages. This leads to compromises. Again, an accounting may be closed and a report may be given for an extravagant amount. This again is often the basis for a compromise, for the collection of the immense sums which accountings sometimes determine is apt to be difficult, and the moral effect of such findings is to dissuade infringement.

All this seems unethical and unsatisfactory, but it is hard to see how the objections of delay and expense attaching to these proceedings are to be overcome. The patent practice has been termed the metaphysics of the law, and the best judicial minds on the bench are constantly occupied in interpreting it. The difficulty of the questions which come before it justify the seeming delay. Again, in an accounting neither side is willing to lose a single point, and this desire induces the expenditure of much legal talent in the debating of points which at first sight would not seem likely to arise in an accounting for business profits.

A patent has to go through the courts when the time comes, and the long ordeal, if survived, gives it its value. Its value is affirmed by the proceedings while in progress. They are watched by those interested, and a strong upholding of the rights represented by the patent in suit gives it prestige and leads to its acknowledgment by others, while its status may yet be pending and awaiting determination. The profits from a patent do not come from accountings for profits, but from royalties. The accountings are often powerful inducements toward the payment of such royalties without contest.

PROFITABLE PHILANTHROPY IN THE HOUSING OF THE WORKING CLASSES.

George Peabody, the great American philanthropist, did noble work in the cause of humanity when he provided comfortable homes for the poorer classes of London and placed the rental at a figure which enabled these people to live in comfort and decency and yet feel that they were not in the least degree the objects of charity. This gentleman conceived the idea that if homes for the poorer paid of the working people were intelligently designed, well built, and economically managed, they could be let at greatly reduced rentals and yet yield a reasonable return upon their first cost. The experiment was tried and proved a brilliant success. As the result of the munificence of this one man, nearly thirty thousand of the working people of London are to-day housed amid comfortable and hygienic surroundings at rentals which make a comparatively small demand upon their incomes. All the increase on the capital is devoted to the extension of the enterprise, and so profitable has the undertaking proved, that the original sum has more than doubled from its own increment.

The success of the Peabody houses led to the establishment of model homes companies in many of the cities of Great Britain, and they have all been governed by the principle of adjusting the rentals to cover the necessary repairs of the dwellings, plus a moderate and reasonable interest upon the capital—usually from four to six per cent. The "Eighth Special Report of the Commissioner of Labor: The Housing of the Working People," recently issued by the federal government, in which is embodied the results of three years' close personal study of the question by the United States commissioner, shows that the model housing operations of the world in cities of 100,000 population and over are uniformly a financial success. Eighty-eight per cent of all these enterprises (almost all of them in Europe, where the earnings of capital are less than in America) steadily pay the prevailing commercial rate of interest (from four to six per cent) after putting the property in repair and providing a comfortable contingent fund; six per cent of these companies pay a savings bank rate of interest, and only six per cent can be called partial financial failures.

The above mentioned report comes in as a stinging rebuke to those people who declare that semi-philanthropic schemes for the better housing of the people are visionary and impracticable. It will be found that in many cases the objectors are a class of interested parties, who are determined to squeeze an 8 to 12 per cent interest out of their tenements, even if it does take twenty to thirty per cent of the hard earned and all too scanty wage of their tenants to make such a return.

The term successful, as applied to model tenement enterprise, is strictly relative, and depends upon the financial standard by which such schemes are judged. The parties who call model tenement house schemes a failure would no doubt consider the five per cent interest which they pay a miserably inadequate return upon capital, at least in this country. But it should be remembered that the thirty years which have intervened since the war have seen a steady decline in the rates of interest on every kind of investment, and while the five per cent interest guaranteed by such schemes as we are considering is less than that which capital can demand in certain choice forms of investment, it is questionable if it will much longer remain so.

It gives us much pleasure to note that the experi-