

inventors who have made adequate and satisfactory arrangements for the sale or other disposal of their patents or of their inventions would be embarrassed if it were made compulsory for them to be the applicants for letters patent. The same considerations would obtain to an even greater extent in the case of applicants under the International Convention.

35. A further matter which was discussed at considerable length before us was whether some better and more adequate means should be provided to enable the Crown, or its representatives, to apply for letters patent in New Zealand and elsewhere. This point was discussed by a number of witnesses on behalf of Government Departments and others, and a very helpful statement was presented by Mr. A. E. Currie, of the Crown Law Office. The matter is one of growing importance having regard to the increasing number of inventions which are made by various Government technical officers, such, for instance, as those from the Department of Scientific and Industrial Research, Department of Agriculture, and others, and we recommend that there should be established by statute a Holding Corporation in which would be vested all the necessary powers to apply for letters patent in its name as assignee of the actual inventor.

36. The powers of such Holding Corporation should be wide enough to include the right not only to apply for letters patent and designs, but also to acquire letters patent and designs, and to grant licences thereunder. It likewise should have power to obtain registration of trade-marks, or to acquire them, and inasmuch as such a Corporation would *ex hypothesi* be a holding corporation, it should have the right, in connection with any trademarks held by it, to grant registered user rights under the provisions of section 31 of the Patents, Designs, and Trade-marks Amendment Act, 1939.

37. The constitution of such a holding company or corporation would require careful consideration because it would need the right to acquire and hold inventions, designs, and trade-marks, and to apply for and obtain the relevant letters patent or certificates of registration not only in New Zealand, but also in overseas countries, and the laws of such countries should be examined carefully to ensure that such Holding Corporation would have the necessary status to make or acquire such rights in such countries. We are informed that there are some countries which do not recognize a corporation sole, and it therefore appears to be desirable that the Holding Corporation should be a corporation aggregate.

38. Such a Corporation might also be given powers to acquire, hold, deal with, and dispose of other forms of property.

INVENTIONS MADE BY AN EMPLOYEE DURING THE COURSE OF EMPLOYMENT

39. This particular matter was given very careful consideration in the final report of the Swan Committee, particularly in view of their proposal that the definition of an "applicant" should be extended to enable an assignee to apply. That Committee has dealt with the matter in paragraphs 17 to 28 of their final report, and it can be said that cases coming under this head may be divided into two groups—firstly, where there is a written agreement of service between the employer and the employee, and, secondly, where there is no written agreement. A further line of demarcation may be drawn between those cases in which the employee is an employee of the State or a quasi-State Corporation, and those in which he is in private employment.

40. It may be desirable first to deal broadly with the question of Government employees. We think that a definite policy should be laid down covering all Departments, so that as a general rule the treatment of Government employees may be the same to whatever department they may for the time being be attached.

41. It appears from paragraph 19 of the final report of the Swan Committee that in England, as a result of investigations by a Board of Trade Committee of 1922 under the chairmanship of Sir Kenneth Lee, and subsequently by a Civil Service Committee, a