

# **REPORTS OF INTERNATIONAL ARBITRAL AWARDS**

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## **RECUEIL DES SENTENCES ARBITRALES**

**Roger B. McMullen et al. (United States) v. Germany**

19 March 1925

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pay to the Government of the United States any amount on behalf of the claimants herein or any of them.

Done at Washington March 19, 1925.

Edwin B. PARKER  
*Umpire*

ROGER B. McMULLEN *ET AL.* (UNITED STATES) *v.* GERMANY

(*March 19, 1925, pp. 602-604.*)

USE OF INVENTIONS NOT COVERED BY GERMAN PATENTS. Claims for loss suffered by alleged use by German Government, without compensation, of inventions not covered by German patents. *Held* that such use not prohibited by German patent laws which strictly conform to Convention for Protection of Industrial Property, and that claim does not fall within Treaty of Berlin.

BY THE COMMISSION:

The cause styled as above<sup>1</sup> is submitted to the Commission on the following Agreed Statement:

#### AGREED STATEMENT

The American and German Agents present the following agreed statement, and make the following recommendation as to further proceedings to be had in the matter of this claim:

Amount demanded by claimant: \$100,000,000.00.

ESSENTIAL FACTS: Roger B. McMullen, a native citizen of the United States (Exhibit 1), has filed a petition in support of a claim on behalf of himself, Henrietta Gathmann, Emil Gathmann, Paul Gathmann, Otto Gathmann, Olga Gathmann Foley, Elman Gathmann, James B. McMullen, Daniel Y. McMullen, George W. McMullen and Davis S. McMullen, all of whom, it is alleged, are either native or naturalized citizens of the United States (Exhibit 2). It is alleged that Louis Gathmann, since deceased, had certain German patents covering high explosive shell and gun for projecting trench mortar projectiles; safety fuse for high explosive shell in which the priming charge was kept separated from the main charge of the high explosive charge contained in the shell upon the discharge of the projectile from the gun; compass for use with submarine or submersible vessels; and periscopes adapted to be adjustably projected above the hull structure of submarine or submersible vessels; and that said patents were infringed by the Government of Germany during the war period. The records of the German Government show that there were three patents granted to Louis Gathmann, of Chicago, in 1896 and 1897, corresponding to three American patents, and the German Patent Office reports that all three patents expired because the annual fees required under German law to be paid on German patents were not paid in compliance with the German patent law. It is further claimed by the German officials that these patents had expired for the reason above stated long before the beginning of the World War (Exhibit 3). The American Agent has furnished the claimant with the information thus obtained from the German Patent Office and no contention is made by the claimant that the annual fee was paid or that the information received from the German officials regarding the failure to pay the said annual fees is not correct. It is also alleged by the claimant that long before the beginning of the World War application had been made to the German Government for the issuance of additional patents covering the devices above referred to and that the German Government was familiar with the said inventions.

<sup>1</sup> Original report: United States of America on behalf of Roger B. McMullen *et al.*, Claimants, *v.* Germany, Docket No. 5004.

The claim on behalf of the petitioner is made that the invention, regardless of a patent, was a property right and that if the claimant can establish that the German Government made use of the said inventions, some of which were covered by American patents, without compensating the claimant for the use thereof, a valid claim can be presented against the Government of Germany for such compensation (Exhibits 4 and 5).

**RECOMMENDATION:** This claim is submitted to the Commission at this time for determination as to whether under the decisions of the Commission heretofore rendered the use by the German Government, if established by the claimant, of inventions not covered by patents in Germany, by the German Government, without paying compensation therefor to the claimant, constitutes a valid claim for damages for which Germany is financially obligated to make compensation to the claimant under the terms of the Treaty of Berlin.

The Umpire and both the National Commissioners have painstakingly examined the record in this case the substance of which is accurately reflected by the foregoing Agreed Statement of the American and German Agents. No serious effort has been made by the claimants or their private counsel to substantiate by competent evidence the allegations in the claimants' petition. On the contrary such private counsel states in substance that until this Commission has decided the question of the liability of the German Government for the use of inventions not covered by German patents "it would be useless to go to the great expense and effort required to offer technical proof".

Both prior to and since the World War American inventors have been entitled, on taking the measures prescribed by the German statutes, to have issued to them letters patent protecting their inventions. On the failure of the patentees, or those claiming under them, to pay to the German Government the annual fees required by these statutes, the rights acquired under the patents are lost. It appears from the record that during 1896 and 1897 three patents were granted by the German Government to Louis Gathmann, of Chicago, but the rights thereunder were forfeited long prior to the World War for failure of the patentee or his assigns to pay the fees required by the German statutes by virtue of which the patents issued. The laws of Germany provide and have long provided that should the German Government, under the restrictive provisions of its statutes, make use of any invention, by whomsoever owned, protected by the patent laws of Germany, it would be required to make compensation for such use and the courts of Germany are open to any such patentee, or those claiming under him, to recover from the German Government the value of any such use made by it. No distinction is made in this regard with respect to patents owned by German nationals and those owned by American nationals. The German statutes strictly conform to the provisions of the Convention between the United States and numerous other powers, including Germany, for the Protection of Industrial Property as last amended by the Convention signed at Washington June 2, 1911. In these circumstances the claimants are not in a position to complain of the use by Germany in German territory of inventions not protected by German patents, even if such use in fact occurred.

On the record submitted the Umpire and the two National Commissioners have no hesitation in deciding that the claimants herein have not suffered any loss, damage, or injury for which Germany is obligated to make compensation under the Treaty of Berlin.

Applying the rules and principles heretofore announced in the decisions of this Commission to the facts as disclosed by the record herein, the Commission decrees that under the Treaty of Berlin of August 25, 1921, and in accordance with its terms the Government of Germany is not obligated to pay to the

Government of the United States any amount on behalf of the claimants herein or any of them.

Done at Washington March 19, 1925.

Edwin B. PARKER  
*Umpire*

Chandler P. ANDERSON  
*American Commissioner*

W. KIESSELBACH  
*German Commissioner*

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WILLIAM MACKENZIE. INDIVIDUALLY AND AS ADMINISTRATOR  
OF THE ESTATE OF MARY A. MACKENZIE, DECEASED, AND  
OTHERS (UNITED STATES) *v.* GERMANY

(October 30, 1925, pp. 628-633.)

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NATIONALITY OF CLAIMS.—NATIONALITY: DETERMINATION BY MUNICIPAL LAW.  
—DUAL NATIONALITY: EXPATRIATION. DOCTRINE OF ELECTION; DIPLOMATIC  
PROTECTION.—INTERPRETATION OF MUNICIPAL LAW: STATE DEPARTMENT  
PRACTICE.—DAMAGES IN DEATH CASES: PERSONAL PROPERTY. Claim for  
alleged losses suffered by estate and children of *Lusitania* victim. Application  
of rules announced in *Lusitania* Opinion, see p. 32 *supra*. and in other  
decisions. Held that nationality determined by municipal law and that,  
under United States law, decedent's husband, born a British subject in  
the United States, had American nationality: (1) he never exercised right  
of expatriation, (2) United States law did not recognize doctrine of election,  
(3) actually, by residing for some time in England and Canada after  
attaining his majority, he never elected to be a British subject only, though  
for that period he might not have been entitled to an American passport  
and American diplomatic protection under State Department practice; and  
that, therefore, decedent herself and two sons were American citizens.  
Damages allowed on behalf of decedent's estate for lost property.

*Cross-references:* A.J.I.L., Vol. 20 (1926), pp. 595-599; Annual Digest,  
1925-26, pp. 273-274; Witenberg, Vol. II, pp. 91-96 (French text).

*Bibliography:* Borchard, pp. 74-75.

PARKER, *Umpire*, rendered the decision of the Commission.

This case is before the Umpire for decision on a certificate of the National  
Commissioners certifying their disagreement.

Mary A. Mackenzie, 58 years of age, widow of Robert A. G. Mackenzie,  
was lost with the *Lusitania*. This claim is put forward on behalf of the adminis-  
trator of her estate, her son, William Mackenzie, her married daughter, Ethel  
A. Purrington, and the estate of her deceased son, James R. D. Mackenzie.

The German Agent challenges the American nationality of the claimants  
and of the claim here presented. A determination of this issue turns on the  
nationality of Robert A. G. Mackenzie, who, the Umpire finds, was born in  
the United States of British parents on June 4, 1858. While still a minor his  
parents with their children returned to England. There Robert married, on  
February 10, 1879, during his twenty-first year, and there his first child,  
James R. D. Mackenzie, was born. Soon thereafter he found employment at  
Hamilton in the Province of Ontario, Canada, whither he went with his wife