

SECOND DIVISIONAL COURT.

FEBRUARY 18TH, 1918.

*CANADA BONDED ATTORNEY AND LEGAL DIRECTORY LIMITED v. LEONARD-PARMITER LIMITED.

*CANADA BONDED ATTORNEY AND LEGAL DIRECTORY LIMITED v. G. F. LEONARD.

Trade Publications—Piracy—Evidence—Injunction—Damages—Form of Judgment—Contract—Employee—Misconduct—Remuneration for Services—Reference—Ontario Companies Act, sec. 92—Payment for Services of Director as Travelling Salesman—Absence of By-law.

Appeals by the defendants from the judgment of FALCONBRIDGE, C.J.K.B., 12 O.W.N. 388, in the two actions.

The appeals were heard together by RIDDELL and LENNOX, JJ., FERGUSON, J.A., and ROSE, J.

J. P. MacGregor, for the appellants.

A. C. McMaster and E. H. Senior, for the plaintiffs, respondents.

RIDDELL, J., read a judgment in which he set out in detail the facts in regard to the two actions.

The plaintiff company had for some time published a list of lawyers in Canada whom they recommended to their customers to make mercantile collections. These lawyers they "bonded" with a guarantee company, and undertook to their customers for the solvency and honesty of the lawyers whom they recommended. They also furnished a list of banks, through whom their customers might draw on debtors, instructions being given to the banks that, in case of non-payment, the collections were to be made by "bonded" lawyers.

The defendant Leonard was employed by the plaintiff company, from its inception, as a traveller, and later became also a director; he so remained till the summer of 1916. The defendant Parmiter was from 1913 till the summer of 1916 also in the employment of the plaintiff company.

About the 1st July, 1916, Leonard started an opposition business, and Parmiter joined him. They formed a joint stock company, Leonard-Parmiter Limited, the defendant company, and began the publishing of a "Guide to Bonded Lawyers," much like that of the plaintiff company.