

the action on the ground that the parties had agreed to submit the matters in dispute to arbitration. The Arbitration Act, 1889, authorizes such an application to be made by a defendant before taking "a step in the proceedings," in which respect it differs from R.S.O., c. 53, sec. 38, which authorizes such an application "after appearance and before statement of defence." The defendant before moving had applied for and obtained further time to deliver a defence, and the question was whether that was "a step in the proceedings." The House of Lords affirmed the Court of Appeal's decision holding that it was.

GOOD WILL—SALE OF GOOD WILL—CANVASSING CUSTOMERS OF BUSINESS SOLD—
PARTNERSHIP.

In *Trego v. Hunt*, (1896) A.C. 7, the House of Lords (Lords Herschell, Macnaghten and Davey) have reversed the decision of the Court of Appeal, (1895) 1 Ch. 462 (noted *ante*, vol. 31, p. 298). The facts of the case were that the defendant had been taken by the plaintiff into partnership on the terms that the good will of the business was to be and remain the sole property of the plaintiff. The defendant, while a partner, had obtained a list of the customers of the firm for the purpose of using it for the purposes of an independent business, which he intended to set up at the expiration of his partnership with the plaintiff. The Court of Appeal had affirmed the judgment of Stirling, J., refusing an injunction, on the ground that the defendant was, as a partner, entitled to the information. The case, as presented to the House of Lords, turned upon the point whether *Labouchere v. Dawson*, L.R. 13 Eq. 322, or *Pearson v. Pearson*, 27 Ch. D. 145, was to be followed. In the former case Lord Romilly M.R., had laid it down that on a sale of a business and good will, the vendor might be restrained by injunction from canvassing the customers of the business sold, for the purpose of a new business set up by him; but in *Pearson v. Pearson*, the Court of Appeal decided that in the absence of any covenant not to canvass the customers of the business sold the purchaser had no right to restrain the vendor from canvassing them. In Lord