

extensive and profitable. Evidence was more specially directed to the extent of territory which supplied material for the custom laundry; and it appears that the company did business from the Pacific to the Atlantic provinces of the Dominion—chiefly, I infer, along the line of the Canadian Pacific Railway. It is in evidence that in connection with the laundry work there are fifty or sixty agencies in different parts of Canada. . . . The washing of all custom work is done in Toronto, and the parcels of clothing and furnishings are collected at the various branches with horses and waggons. . . .

Thus there would appear to be an extensive and widespread business, which is able, by present railway facilities, to do profitable trade all over Canada, and its business generally appears to be on the increase.

Lately, however, the defendant has commenced a rival business in the laundry line, in the city of Toronto, and has seriously affected the business of the company and drawn off many of its largest customers. And the question is, whether this can be restrained under the restrictive clause contained in the agreement of the 21st February, 1904, by which the defendant, for good consideration, became bound, for three years after leaving the employment of the plaintiffs, that he would be "neither directly nor indirectly interested or employed in any way, by himself, or with, by, or through any other person, in any business of a similar kind to that carried on by the plaintiffs, within the limits of the Dominion of Canada."

The Chief Justice dismissed the case on the ground that the custom laundry business entered into by the defendant was no breach of his engagement not to enter "into any business of a similar kind" to that carried on by the plaintiffs. That is, the defendant, having been educated in the improved methods of business in the plaintiffs' laundry and intrusted with their secrets, is to be at liberty to cut into that very profitable part of their business by a competitive laundry in the same city.

The defendant is invading one moiety of the business, and has entered into serious competition with the plaintiffs, by means of his former position in their laundry, and through confidential communications derived from his former employment. The very statement of the position should carry its own condemnation. I cannot read any exculpation in the defence, "My business encroaches only on half of your business, and the rest I do not disturb."

Nor is the relation between these parties barren of authority. The test whether the business is of a similar kind to that of the