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# COMMERCIAL LAW REPORTS.

(ANNOTATED.)

BEING REPORTS OF IMPORTANT DECISIONS  
RELATING TO COMPANIES, BANKS AND  
BANKING, INSURANCE, INSOLVENCY,  
AND SIMILAR SUBJECTS IN THE  
FEDERAL AND PROVINCIAL  
COURTS ;

TOGETHER WITH

ANNOTATIONS, A TABLE OF CASES CITED  
AND AN INDEX-DIGEST

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OF THE TORONTO BAR.

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# COMMERCIAL LAW REPORTS OF CANADA.

(ANNOTATED.)

BEING REPORTS OF IMPORTANT DECISIONS RELATING TO  
COMPANIES, BANKS AND BANKING, INSURANCE,  
INSOLVENCY, AND SIMILAR SUBJECTS IN  
THE FEDERAL AND PROVINCIAL  
COURTS, TOGETHER WITH  
ANNOTATIONS.

[IN THE COURT OF CHANCERY OF UPPER CANADA.]

CRAWFORD V. SHUTTOCK.\*

(13 Gr. 149.)

*Trade-mark—Injunction—Use of fancy name protected—"Imperial Soap."*

The plaintiff had duly registered under the statute, as his trade-mark in the manufacture of soap, the word "Imperial," with a star following it. The defendant, in his manufacture of soap, put on his boxes the words "Imperial Bibasic Soap." An injunction was granted restraining him from using the word "Imperial," as being a portion of the trade-mark of the plaintiff.

THIS was a motion for injunction to restrain the defendants from using the trade-mark of the plaintiff, or any colourable imitation thereof.

It appeared that the plaintiff had manufactured soap which he labelled as "Imperial Family Soap," having a star placed in the centre of the label immediately after the word "Imperial"—and had registered as his trade-mark the word "Imperial" with a star. The defendants afterwards commenced the manufacture of soap, which they called "Imperial Bibasic Soap," making use also of a star on their boxes. This the plaintiff ob-

[\* Pages 1 to 460 of Vol. III. of these Reports contain a collection of all the Trade Mark cases decided in the Canadian Courts down to the fall of 1903.—Ed.]

jected to, and the defendants, upon being written to, desisted from making use of the star, but insisted on their right to continue to use the words "Imperial Bibasic Soap." The trade-mark used by the plaintiff was printed on paper having a blue ground with a white border, while that used by the defendants was stencilled on the box containing the soap. On the motion coming on the parties agreed to treat it as a motion for decree, the facts having been as fully brought out in the affidavit evidence adduced on the motion, as it could be on any *viva voce* examination of witnesses.

*Mr. Blake, Q.C., and Mr. Clarkson Jones, for the plaintiff.*

*Mr. Moss, for the defendants.*

The following cases were referred to: *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 185; *Hall v. Barrows* (1863), 9 Jur. N.S. 483; *Young v. Macrae* (1863), 9 Jur. N.S. 322; *Leather Cloth Co. v. Am. L.C. Co.* (1864), 10 Jur. N.S. 81, and 13 L.T.N.S. 427; *McAndrew v. Bassett* (1864), 10 Jur. N.S. 550; *Barnett v. Leuchars* (1865), 14 W.R. 166; *Glenny v. Smith* (1865), 13 W.R. 1032; *Braham v. Bustard* (1863), 1 H. & M. 447; *Seixo v. Provezende* (1865), 14 W.R. 357; *Croft v. Day* (1843), 7 Beav. 84; *Williams v. Osborne* (1865), 13 L.T.N.S. 498; *Harrison v. Taylor* (1865), 12 L.T.N.S. 339.

1867. SPRAGGE, V.-C.:—The plaintiff's trade-mark I take to be the word "Imperial" and a star. The defendants did use both, adding the word "Bibasic" after the word "Imperial." I think this was clearly a use of the plaintiff's trade-mark. The defendants have, however, after the remonstrance of the plaintiff, omitted the star from their trade-mark, but insist upon retaining the word "Imperial." I confess I have felt some hesitation, by reason of the frequent use of the word "Imperial" as a term of designation in various branches of manufacture, as to whether the plaintiff has by his trade-mark registered under the statute, appropriated to himself the exclusive use of the word for the article manufactured by him, but upon consideration I incline

to think that he has. If the word had been an adjective such as "superior," "excellent," or the like, I should have thought otherwise, and concluded that the star was the trade-mark; and that a manufacturer had no right to appropriate to his own exclusive use an adjective of description of the quality of the article manufactured by him, but the word "Imperial" is a sort of fancy designation inappropriate as a description of quality, and as a mere term of distinctive designation, and must I apprehend, be taken as a part of the plaintiff's registered trade-mark, and so within the statute, which prohibits the use, by another, of any registered trade-mark or "any part thereof." It is obvious that the plaintiff may be seriously injured by the use by another manufacturer of the same article, of the word "Imperial." His soap may be known among many purchasers by the designation "Imperial" and, his name not being an uncommon one, may be better known by that designation than by the name of the manufacturer, and so the soap manufactured by the defendants might be purchased under the idea that it is the plaintiff's; and with many the addition of the word "Bibasic" would make no difference. I can hardly say that it is a very strong case, and if the defendants had not insisted upon retaining the word objected to, I should not have been disposed to give costs against them. As it is there will be a perpetual injunction with costs.

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**Notes:****TRADE MARKS DEFINED.**

The Trade Mark and Design Act contains no definition of what is a trade mark, though it does contain an enumeration of the classes of symbols which may be registered under the Act as trade marks. A trade mark can exist by user independently of registration (R.S.C. 1886, ch. 63, secs. 3 and 5) so as to secure protection against "passing-off" by rival traders as well as to give a paramount claim to registration or rectification of the register or to afford grounds for objecting to applications for registration of newer marks for the same goods. It is therefore deemed advisable to give here some judicial definitions of trade mark, though, as a matter of fact, no formal definition is to be found in any reported judgment.

In *The Leather Cloth Co. v. The American Leather Cloth Co.* (1863), 4 DeG. J. & S. p. 142, Lord Westbury said "the word trade mark is the designation of these marks or symbols, as and when applied to a vendible commodity, and the exclusive right to make such user or application is rightly called property." Lord Cranworth, in the same case, said (35 L.J. Ch. p. 61): "A trade mark, properly so called, may be described as a particular mark or symbol, used by a person for the purpose of denoting that the article to which it is affixed is sold or manufactured by him or by his authority, or that he carries on business at a particular place."

Bacon, V.-C., in *Ford v. Foster* (1872), L.R. 7 Ch. p. 619, defined a trade mark as follows: "The meaning and use of a trade mark is that the same person dealing in goods, no matter of what kind, whether of his own manufacture or not, having a certain defined shape, or if he stamps upon them some indication that that particular article is his and his only, may thereby acquire so far an exclusive right to it that no man may imitate his mark, and the legal right goes no further than that."

In *The Magnolia Metal Co.'s Trade Marks*, [1897] 2 Ch. p. 390, Rigby, L.J., dealing with the case of a name, said: "In order that the name of an article may in any case be the trade mark of the manufacturer, it is essential that the name should indicate, not the article only, but also that the article is manufactured by the person claiming it as a trade mark, as distinguished from other persons also manufacturing or entitled to manufacture it."

The following is the definition adopted by Kerly, *Trade Marks*, 2nd ed., p. 24:

"A trade mark is a symbol which is applied or attached to goods offered for sale in the market, so as to distinguish them from similar goods, and to identify them with a particular trader or with his successors as the owners of a particular business, as being made, worked upon, imported, selected, certified or sold by him, or them, or which has been properly registered under the Acts as the trade mark of a particular trader."

In *Kerr on Injunctions*, 4th ed., p. 328, trade mark is defined as follows: "A particular mark, brand or symbol used by a trader or manufacturer for the purpose of denoting that the article to which it is affixed is sold or manufactured by him or by his authority, or that he carries on his business at a particular place."

## PROPERTY IN A TRADE MARK.

The right of property in a trade mark was not at first recognized. The Courts interfered to protect a trader from injury through another's false marking where that other was found to be marking his goods with the mark in question in order to denote that they were the genuine manufacture of the plaintiff: *Sykes v. Sykes* (1824), 3 B. & C. 541. It was incumbent on the plaintiff to shew that his reputation in the trade had suffered damage, and to do this it was necessary to prove that the goods sold by the infringer were inferior to those to which the mark in question might rightly be applied or to prove that he had suffered special damage: *Blofeld v. Payne* (1833), 4 B. & Ad. 410; *Edelsten v. Edelsten* (1838), 1 DeG. J. & S. 185.

The decision in *Millington v. Fox* (1838), 3 My. & Cr. 338, lead to the now accepted doctrine that there is a property in a trade mark. Lord Cottenham there held that the plaintiff might secure an injunction restraining infringement of his mark even though the infringement was due to ignorance and was without fraudulent intent. Subsequent to this case there was much discussion as to the nature of the property right, and various definitions were given, but the right itself was firmly established, and Courts of equity based their decisions thereon: *Hall v. Barrows* (1863), 4 DeG. J. & S. 150; *Leather Cloth Co. v. American Leather Cloth Co.* (1863), 11 H.L.C. 523. Common law Courts, on the other hand, continued to make fraud an essential ingredient in the cause of action for the infringement of a trade mark down to the date of the amalgamation effected by the Judicature Act. See also *Collins v. Brown* (1857), 3 K. & J. 423; *Collins v. Cowen, ib.*, 428; *Collins v. Reeves* (1858), 4 Jur. N.S. 865.

This property right in a trade mark is peculiar, and the sense in which and in which alone a person entitled to a trade mark has a property in it is fully explained in the famous case of *Singer Manufacturing Co. v. Loog* (1882), 8 App. Cas. 15.

Lord Selborne there said, at pp. 26-27: "The counsel for the appellants lastly argued, that the plaintiffs, trading under Mr. Singer's name, and using his trade mark, had acquired such a right of property in that name as to entitle them to restrain any rival from introducing it into any of his price lists, circulars, or advertisements, even in such a way as might exclude the possibility of its being understood to represent, directly or indirectly,



that the goods sold by him were manufactured by the plaintiffs, or that his business was identical or connected with the business of the plaintiffs. For that argument no authority was cited; and it cannot, in my opinion, be maintained on any principle. The reputation acquired by machines of a particular form or construction is one thing; the reputation of the plaintiffs, as manufacturers, is another. . . . If the defendant has (and it is not denied that he has) a right to make and sell, in competition with the plaintiffs, articles similar in form and construction to those made and sold by the plaintiffs, he must have also a right to say that he does so, and to employ for that purpose the terminology common in his trade, provided always that he does this in a fair, distinct and unequivocal way." Lord Blackburn, at p. 32 *et seq.*, said: "There is another way in which goods not the plaintiffs' may be sold as and for the plaintiffs'. A name may be so appropriated by user as to come to mean the goods of the plaintiffs, though it is not, and never was, impressed on the goods, or on the packages in which they are contained, so as to be a trade mark, properly so called, or within the recent statutes. . . . And I think it settled by a series of cases, of which *Hall v. Burrows*, 4 DeG. J. & S. 150, is, I think, the leading one, that both trade marks and trade names are in a certain sense property, and that the right to use them passes with the goodwill of the business to the successors of the firm that originally established them, even though the name of that firm be changed so that they are no longer strictly correct."

Lord Watson, at p. 38 *et seq.*, spoke as follows: "I think it established by the evidence that the name 'Singer' as used by the appelland company . . . has been long, and still is, generally understood to denote sewing machines of their manufacture. . . . It is, in my opinion, clearly proved that . . . the sewing machines manufactured by Mr. Singer and the appelland company have been distinguished by their external form and adjustment of parts from the machines of other manufacturers; and that a customer desiring to purchase a 'Singer' sewing machine invariably understood that he was buying and expected to get not merely a machine made by Mr. Singer or the company, but a machine of the same shape and character with one of the classes which he or they were known to be making at the time.

"The legal consequence of these facts is that the appelland company have a right—an exclusive right to use the name 'Singer' as denoting sewing machines of their manufacture; and

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that no one has a right to use the word for the purpose of passing off his goods as theirs, or, even when he is innocent of that purpose, to use it in any way calculated to deceive or aid in deceiving the public. None of the numerous authorities cited at the bar by the appellants' counsel carry the exclusive right of a trader to a particular name, beyond that limit. There is no authority, and in my opinion no principle for giving the trader any higher right. If he cannot allege and prove that the public are deceived, or that there is a reasonable probability of deception, he has no right to interfere with the use of the name by others."

Lindley, L.J., in delivering an able judgment in *Powell v. Birmingham Vinegar Brewery Co.*, [1896] 2 Ch., said, at p. 68: "But it must never be forgotten that a trade mark only confers on the person whose mark it is the right to say, 'Do not imitate my mark in connection with goods like mine so that yours may be mistaken for mine.' There is no exclusive right to the mark except in connection with such goods and to prevent deception on mistake. Still less does a trade mark confer any exclusive right to make or sell the kind of goods denoted by the mark. . . . The mark is only a protection against mistakes in taking one person's goods for another's." His Lordship then referred to and read the passages, set out above, from the judgments of Lords Selborne, Blackburn and Watson in *Singer v. Loog*.

#### FANCY NAME.

See notes to *Davis v. Kennedy*, *infra*, p. 20.

Compare *Watson v. Westlake*, *infra*, p. 144, where the plaintiff was denied the exclusive right to use the word "Imperial" in connection with his candy. It appeared, however, from the evidence that the word had been used as a designation or mark for candy, and was a current name in connection with his manufacture.

In the United States case of *Beadleston & Woerz v. Cooke Brewing Co.* (1896), 74 Fed. Rep. 229, the use of the word "Imperial" was not protected, being held to be descriptive.

[IN THE COURT OF CHANCERY OF UPPER CANADA.]

DAVIS V. KENNEDY.

(13 Gr. 523.)

*Trade Marks—Similarity of—Injunction—Account of Profits—Rights of Alien Friends—Patent Medicine.*

Plaintiffs sold liquor medicine put up in bottles, labelled "Perry Davis's Vegetable Painkiller." Defendant subsequently sold a similar kind of medicine put up in bottles, labelled "The Great Home Remedy, Kennedy's Painkiller." Plaintiffs claimed the word "Painkiller" alone as their trade mark. It was proved that the medicine of plaintiffs was known and sold in the market by the name of "Painkiller" before the defendant's was introduced, and that the trade would not be deceived by the defendant's labels, although the general public might be deceived. An injunction was granted restraining the use by the defendant of the word "Painkiller" as a trade mark, with account of profits and costs. The right at common law of an alien friend in respect to trade marks stands on the same ground as that of a subject.

THE plaintiffs' bill stated that their father, *Perry Davis*, in the winter of the years 1839 and 1840, invented in Taunton, Massachusetts, a medicine which he called "Painkiller," and which was put up in bottles on which, and on the wrappers of which the word "Painkiller" was conspicuously printed; that this medicine had ever since been called and sold as "Painkiller;" that *Perry Davis* invented the word "Painkiller," and first used it as a trade-mark; that the medicine had acquired great sale, and the trade-mark was of great value, and that the medicine was known in the market by the name "Painkiller." The bill further set forth that *Perry Davis* had died in the United States, intestate, in 1862; that the plaintiffs and the widow of *Perry Davis* were his next of kin; that the widow assigned her right in half the interest in said trade-mark to the plaintiffs; that *Edmund Davis* had, in the lifetime of *Perry Davis* acquired the other half from him, and that upon these facts they, according to the laws of the United States, were now the sole owners of the trade-mark. The bill charged the defendant with having fraudulently used the plaintiffs' trade-mark "Painkiller," by applying it to the wrappers of bottles containing a medicine made by him in such

a manner as to deceive the public, and that the defendant had large quantities of the imitation labels in his possession, which he intended using for the purposes above stated, and the prayer was for an injunction, account of profits, and for the destruction of the labels in existence. The bill also stated that the plaintiffs claimed the trade-mark under the Canadian statute 24 Viet. ch. 21 (1861), but as the case was decided on the common law, irrespective of the statute, it is not deemed necessary further to allude to this or to the answer setting up that the registration was not properly made, or the arguments on this branch of the case.

The answer denied that *Perry Davis* was the first inventor of the word "Painkiller," or first used it as a trade-mark, and that the medicine of the plaintiffs was known to the trade or public by the name of "Painkiller," or would be supplied by that name alone; that the word "Painkiller," was never used alone to designate plaintiffs' medicine, but that it had always been designated "Perry Davis' Vegetable Painkiller;" that prior to the introduction of the plaintiffs' medicine into Canada, medicine of a similar kind had been introduced and sold by others (not including the defendant) under the name "Painkiller."

An application for an interim injunction was made before V.-C. Mowat, on the 11th February, 1867, which was resisted by the defendant on the merits, and on the ground of delay when the facts on both sides were brought out substantially to the same effect as on the hearing; the case was argued at considerable length, and on defendant giving the usual undertaking to keep an account, no order for injunction was made, and the costs of the motion were made costs in the cause.

Issue was joined, and the cause heard, before V.-C. Spragge, at Hamilton, on the 16th and 17th May, 1867.

*Mr. Blake, Q.C., and Mr. Edward Martin*, for the plaintiffs. The word "Painkiller" alone designates the medicine of the plaintiffs, the other words are not claimed as part of the trade-mark, and are of no value, and this is the case made by the bill.

It is no answer that the trade, or a person with the two bottles in his hands will not be deceived: *Seixo v. Provezende* (1865), 1 L.R. Chy. 192. It is sufficient if any portion of the public are likely to be deceived; the fact that Kennedy's name appears on his label, with the words "The Great Home Remedy," is no answer: the use of the word "Painkiller" prominently displayed as it is in this case, is proved to be sufficient to enable the defendant's medicine to be sold as that of the plaintiffs, and so injure the plaintiffs, and deceive the general public: *Harrison v. Taylor* (1842), 11 L.J.N.S. 408; *Glenny v. Smith* (1842), 11 L.J.N.S. 964. The name or word "Painkiller" is a good trade-mark: *McAndrew v. Bassett* (1864), 33 L.J.Ch. 567; *Crawford v. Shuttock* (1867), 13 Gr. 149. Protection will be extended to foreigners in the same way as to subjects: *Collins Co. v. Brown* (1857), 3 K. & J. 423; *Collins Co. v. Cowan* (1857), 3 K. & J. 429. That protection has been extended to proprietors of patent medicines: *Holloway v. Holloway* (1850), 13 Beav. 209. Counsel also referred to *Franks v. Weaver* (1857), 10 Beav. 297; *Sykes v. Sykes* (1824), 3 B. & C. 542; *Hunt v. Maniere* (1865), 34 L.J.N.S. 142; *Millington v. Fox* (1838), 3 M. & C. 338.

Mr. Proudfoot, for defendant, contended that plaintiffs did not come into Court with clean hands; it was impossible that their medicine could cure all the diseases it professed to be a remedy for; this misrepresentation disentitled them to any relief: *Perry v. Truefitt* (1842), 6 Beav. 73; *Pidding v. How* (1837), 8 Sim. 477. No fraud was made out against defendant, and no similarity in the bottles or marks. That the word "Painkiller" was descriptive of quality, and was in its nature incapable of being a trade-mark: 2 Story Eq. Jur. 912. That plaintiffs had failed to establish their rights to the trade-mark "Painkiller;" if they had a right to any trade-mark it was "Perry Davis's Vegetable Painkiller." Counsel also referred to *Farina v. Silverlock* (1856), 6 D.M. & G. 214; *Welch v. Knott* (1858), 4 K. & J. 707; *Burgess v. Burgess* (1853), 3 D.M. & G. 896; *Eldelsten v. Vick* (1853), 11 Hare 78; 18 Jur. 7; *Blanchard*

v. *Hill* (1742), 2 Atk. 484; *Hall v. Barrows* (1864), 9 L.T.N.S. 561; 10 Jur. N.S. 67; *Leather Cloth Co. v. American Leather Cloth Co.* (1865), 11 Jur. N.S. 513; and commented on the cases cited by the plaintiffs.

1867. SPRAGGE, V.-C.:—It appears in evidence that in the year 1840 or 1841 one Perry Davis, under whom the plaintiffs claim, and who was then a resident in Trenton, in the United States of America, compounded a liquid medicine, which he puts up in bottles, and to which he gave the name of "Perry Davis's Painkiller;" and which he then and has since sold in considerable quantities. The plaintiffs claim that the word "Painkiller" is their trade-mark, and file their bill to restrain the use of it by the defendant.

They base their right upon the Trade Mark Act (1861), and also upon the common law. Their right under the Act may be questionable, as the declaration produced is not made by the proprietor, as required by the Act, but by a person describing himself merely as acting on behalf of Perry Davis & Son. Their right at common law, however, seems to be clear, the right of an alien friend standing upon the same footing as that of a subject. The point was raised in *The Collins Co. v. Brown* and *The Collins Co. v. Cowan* (*supra*), and the right expressly affirmed in the latter case most explicitly.

The defendant's counsel contend that what the plaintiffs call a trade-mark is not properly a trade-mark, but a term of description of the article of which they prepare. I do not agree in this. I take the word to fall within the class of trade marks usually called fancy names or "trade-marks," which are arbitrarily selected by an inventor or manufacturer to catch the eye or ear of the public and to distinguish his article from others of the like nature. It is true that the term "painkiller" is suggestive of the use of the medicine, but it is not an adjective nor is it used adjectively. It is a quaint combination of words, never probably used together before, forming a name by which the inventor desired that his preparation should be known, and cal-

culated, as he rightly judged from its quaintness to fix itself in the memory of the general public. In *McAndrews v. Bassett* (*supra*), Sir W. Page Wood held that the word "Anatolia," impressed by a particular manufacturer of liquorice upon the liquorice manufactured by him, was a trade-mark to be protected by the Court; although juice from which liquorice is made is imported from Anatolia. It was argued for the defendant that the word "Anatolia," simply denoted the place from which the liquorice came, and that any manufacturer had a right to stamp on his goods the name of the place whence they came, and there seemed a good deal in the argument; but the learned Vice-Chancellor after giving the matter a good deal of consideration, held the plaintiffs entitled to an injunction. He put the matter thus that although the juice had come from Anatolia long before, yet until the plaintiffs set up the manufacture and thought fit to have a new name for the article they were thus introducing, nobody thought of using the name "Anatolia," and it was not wanted for the trade. Upon appeal before Lord Westbury, he came to the same conclusion expressing himself thus: "Property in the word ('Anatolia') for all purposes cannot exist, but property in that word as applied by way of stamp upon a stick of liquorice does exist, the moment the liquorice goes into the market so stamped, and obtains acceptance and reputation in the market, whereby the stamp gets currency as an indication of superior quality, or of some other circumstances that render the article so stamped acceptable to the public."

Every word of this is applicable to the case before me. In the case cited the manufacturer did not mean to denote simply that his liquorice was made from juice brought from Anatolia, but that he chose to designate the liquorice made by him by that name in the market; and so in the case before me the manufacturer did not mean to indicate simply that his preparation was an alleviator or remover of pain, but that he chose to designate it by an odd and entirely new phrase, that it might be known by that name in the market. He thought it attractive, no doubt, and a sort of catchword that could be remembered, and he in-

tended it not merely as descriptive, but as a distinctive name by which his preparation should be known.

The next question is, whether Perry Davis was the first to use the term "Painkiller" as the name of a medicine. Upon this point there is a great deal of evidence that although the term came to be applied to some twelve or fifteen preparations by different persons, Davis was the first to use it. He was indeed the inventor of the term as well as of the medicine. It is attempted to be shewn that the term was first used by a person of the same name, resident in Dundas and afterwards in Hamilton. What is proved is, that the man sold a mixture under that name, and it is not clear that he sold more than one bottle of it. It bore a general resemblance to one of the bottles in which the Davis, under whom the plaintiffs claim, sold his medicine. As to the time, some witnesses say that he went to the United States in 1840, having lived in Canada for some years previously; and the evidence is that he sold the medicine some four years before he left. If this were correct it would give the priority of the term "Painkiller" as applied to a medicine, to the Perry Davis who lived in Canada. It appears from the evidence that this was a different person from the one under whom the plaintiffs claim.

Upon the question of date, however, there is a difference in the evidence. The witnesses who speak of his leaving Canada in 1841, speak only from memory; and mention no circumstances by which they fix the date. On the other hand, we have the evidence of a medical practitioner that he attended him and his family regularly in 1846, 1847 and 1848, and that he left Canada in the spring of 1849. If the evidence of the doctor is more to be relied upon (and I think it is, for he speaks from entries in his books), the sale of the "Painkiller" by this man in Canada must have been some three or four years after its introduction into the States by his namesake.

I come now to the principal question in the cause, viz., whether the defendant has infringed the plaintiffs' trade-mark. He has been for several years the manufacturer and vendor of a preparation to which he ascribes many of the virtues which are



claimed for the plaintiffs, and to which he has given the designation "Painkiller." If he had used that designation alone it would be a flagrant infringement of the plaintiffs' right. But it is contended that the words are so used as not to mislead purchasers. The defendant's article is spoken of by druggists in Hamilton as first known in the trade within the last five years. The defendant says he made it, and advertised it in a local paper (in Dundas) some years before. It is evident that it was obscurely known until the later date. But even at the earlier date the plaintiffs' article had obtained a great reputation, and a very large sale, under the name of the "Painkiller," sometimes with, sometimes without the prefix of the name of the maker.

Differences are pointed out between the appearance of the bottles, and the labels, in which respectively the article of the plaintiffs and that of the defendant are sold. To the eye there is an obvious difference, when the two are seen together, and they are not called by the same name: the plaintiffs' article being called "Perry Davis's Vegetable Painkiller," while the defendant's is called "The Great Home Remedy, Kennedy's Painkiller."

The gravamen of the complaint is of course the use of the word "Painkiller." If the other words used would neutralize the use of this word so that customers would not purchase the defendant's article under the idea that they were purchasing the article which had been extensively known under the name "Painkiller," before the introduction of the defendant's, the plaintiffs would have nothing to complain of. But the contrary is demonstrated by the evidence to be the fact. It is proved that the plaintiffs' article was frequently asked for even by persons in the trade by the name of "Painkiller" simply; that the same was the case very generally with ordinary customers, particularly before the introduction of articles by the name of "Painkiller," made by other manufacturers; that many ask for the "Painkiller" in ignorance of there being more than one article known by that name; that it is the practice of some dealers, when asked generally for the "Painkiller," to inquire of the customers which

"Painkiller" they want; and the dealer is sometimes asked in return which he recommends. A certain consequence of all this must be, that articles other than the plaintiffs' are sold under the name of "Painkiller," when if their medicine alone bore that designation it would be their medicine alone that would be sold, and this is proved as a fact by the varying of the quantity of this medicine sold in Canada, according to the prevalence in the market of other medicines called "Painkiller."

Since the introduction of other articles of the same name, the trade, who wish for the plaintiffs' article, ask for it with the prefix of the name of the maker, and many private customers do the same. But, again, there are many private customers who do not; and it is sufficient for the plaintiffs' case if a class of purchasers or any considerable number of a class are misled by the defendant's use of the term "Painkiller" to purchase his article when otherwise they would purchase the plaintiffs'. In *Harrison v. Taylor* (1865), 11 Jur. N.S. 408, Vice-Chancellor Wood speaks of "the trade" and the ordinary purchasers, many of them "illiterate," as "parallel streams of customers," and Sir Richard Kindersley, in *Glenny v. Smith* (*supra*), uses this apposite language: "It is not the question whether the public generally, or even a majority of them, is likely to be misled, but whether the unwary, the heedless, the incautious portion of the public would be likely to be misled, and I think that not a very inconsiderable portion of the public may safely be so described;" and with this agrees the evidence of a practical man, very well acquainted with the subject of which he was speaking, Mr. Radway, the proprietor of "Radway's Ready Relief." Thousands of persons, he says, "buy patent medicines without examining particularly what they buy;" and, after saying that a person understanding what he was buying could not be deceived by the defendant's bottle, as it does not resemble the plaintiffs', yet adds, "Many persons might go into shops who had heard of a painkiller, and who would purchase Kennedy's preparation because of its having that name, and who would not purchase it otherwise." I think it proved to a demonstration, that in many instances, it is not too much to

say, in a vast number of instances, the defendant's article has been purchased because it bore the name of "Painkiller," when but for its bearing that name it would have been the plaintiffs' article that would have been sold. It was I think emphatically the word "Painkiller" that was the distinctive mark, but taking its whole title to be the trade-mark, the appropriation of the term "Painkiller" would be an infringement. It is proved by the concurrent testimony of a number of witnesses that the right to the use of the term "Painkiller" was a right of great value, and all the circumstances of the case tend to that conclusion.

The defendant makes this further objection to the plaintiffs' suit, that they do not come into Court with clean hands, that they claim for their preparation virtues in the cure of almost all diseases internal and external, and in that way attempt to palm off their article upon the public as a universal specific, which it is not, and cannot be. The same objection was made in *Holloway v. Holloway* (*supra*), the defendant's counsel contending that the plaintiff had disintitiled himself to the assistance of the Court by what he styled the deceit he had attempted to practice on the public; that he had represented that his pills and ointment would cure all diseases in the world, and *Pidding v. How* (the well known Howqua's mixture case) (1837), 8 Sim 499; and *Perry v. Truefitt* (1842), 6 Beav. 66, were referred to. But Lord Langsdale granted the relief prayed for. In the report of the case the distinction between the cases cited and the case before the Court is not pointed out, but I think there is this plain distinction: in each of the cases cited there was a specific false representation of an alleged fact—in the one case as to a tea being grown in a particular district of China, and as to the mode in which it was procured, and made up; in the other case, as to what the report calls a greasy composition for the hair, the recipe for which had been purchased from one Leathart; that it was "made from an original recipe of the learned J. H. Von Bluemanbach, and was recently presented to the proprietor by a near relation of that illustrious physiologist." Each of these statements was a sheer fabrication; a thing differing greatly in character from a mere exaggeration

of the virtues, which the inventor of a patent medicine chooses to apply to his article.

I have not thought it necessary to go through the cases on the law of trade-marks, which is now well understood; the application of it to particular cases is the difficulty. I will refer only to the language of Lord Cranworth in *Farina v. Silverlock* (*supra*), it is peculiarly apposite to the case before me: "Judges may occasionally have erred in the application of the law to particular facts, but I apprehend that the law is perfectly clear, that any one who has adopted a particular mode of designating his particular manufacture, has a right to say, not that other persons shall not sell exactly the same article, better or worse, or an article looking exactly like it, but that they shall not sell it in such a way as to steal (so to call it) his trade-mark, and make purchasers believe that it is the manufacture to which that trade-mark was originally applied."

The practice of appropriating the trade-marks of others has been reprobated by various Judges, and I have no doubt that Lord Cranworth used the word "steal" to mark his sense of its gross impropriety. In the *Collins Co. v. Cowan* (*supra*), Sir W. Page Wood took occasion to characterize it in language not more severe than just. "I cannot conceive," he said, "of anything short of an indictable offence, more discreditable than this course of proceeding."

The plaintiffs are entitled to an injunction in the terms prayed by their bill, and to an account as prayed. The decree will be with costs.

**Notes:**

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ALIENS' RIGHTS.

The principle enunciated in *Davis v. Kennedy* as to the rights of aliens in respect to their trade marks was confirmed by the judgment of Blake, V.-C., in *McCall v. Theal*, *infra*, p. 59, who said: "The authorities seem to shew that the Court would be bound to protect a person who has identified an article with the name in a place other than the country in which he has first done

so." The judgment in the case first cited was based on *Collins v. Brown* (1857, 3 K. & J. 423, and *Collins v. Cowen, ib.*, p. 428, both decisions of Vice-Chancellor Sir W. Page Wood. The plaintiff in the two actions was the same, and was a manufacturer in the U.S. *having no establishment in England, and not even selling goods there.* It was held that a person, who has been in the habit of using a particular mark, may prevent other persons from fraudulently taking advantage of the reputation which the goods have acquired, by using his mark in order to pass off their goods as his and that therefore a foreigner may obtain protection against a defrauding rival, the relief being founded upon the *personal injury* caused to the plaintiff by the defendant's fraud. In the *Cowen Case*, the Vice-Chancellor, at p. 430, said: "It is not a question whether a person is injured in his property in respect of particular rights"—*N.B.*—At a later point in his judgment he said: "No person can acquire property in a trade mark"—a statement which is contrary to the law as now settled: *Singer Mfg. Co. v. Loog* (1880), 18 Ch. D. 395; 8 A.C. 15; *McAndrew v. Bassett* (1864), 4 DeG. F. & J. 380; *Graham v. Ransome* (1882), 51 L.J. Ch. 897; *Maxwell v. Hogg* (1867), L.R. 2 Ch. 307; Trade Mark and Designs Act (D.). R.S.C. 1886, ch. 63—"but whether a direct fraud has been perpetrated on another by your placing on articles which you manufacture that which is to lead everyone else to believe them to be articles manufactured by the other. I apprehend that every subject of every country, not being an alien enemy—and even to an alien enemy the Court has extended relief in cases of fraud—has a right to have a fraudulent injury to his property arrested."

In 1858, in *Collins v. Reeves*, 4 Jur. N.S. 865, Vice-Chancellor Stuart, in a similar case, made an analogous decision basing his decision on the jurisdiction of the Court to prevent fraud. All three cases, it will be noted, were rendered before the Trade Marks Registration Acts (Imp.). It is also to be noted that in the *Collins v. Reeves* case it was alleged by the defendants, uncontradicted by the plaintiffs, and accepted by the Court as a fact, that the plaintiff company had been in the habit of having their goods *manufactured* in England. And it may be presumed that this was the fact in the two other cases which were, according to reports, analogous in all other respects. This, then, being so, these *Collins Cases* are reconcilable with those English cases which decide that a foreigner, to acquire property in his trade mark in England, must conform to the English rules, one of

which requires that the article to which the mark is attached be actually for sale on the British market: *McAndrew v. Bassett, ante*; *Powell's Tm.*, [1893] 2 Ch. 388; [1894] A.C. 8; *Thompson v. Montgomery* (1889), 41 Ch. D. 45; *Hall v. Barrows* (1863), 32 L.J. Ch. 548; *The Leather Cloth Co. v. The American Leather Cloth Co.* (1863), 11 H.L.C. 523. This is what was, in effect, decided in *La Société Anonyme v. Panhard Levassor*, [1901] 2 Ch. 513, where it was held that a foreign trader who has no English agency, but whose goods are *in fact frequently imported into England*, has a sufficient English market to enable him to restrain piracy of his trade name. Farwell, J., said, at p. 516: "The question of the plaintiffs' right to an injunction is covered by *Collins v. Brown*; but, apart from that authority, I should have thought it was plain that in a case such as that I have stated this Court would certainly interfere to protect a foreign trader who has a market in England, in the way I have specified (*i.e.*, by indirect selling to another company and to individuals), from having the benefit of his name annexed by a trader in England who assumes that name without any sort of justification."

It is submitted that the correct rule as established by the above decisions is that a foreigner, owner of a trade mark, has the same right as a subject to the protection of his mark only where the goods to which such mark is attached are manufactured, or sold, directly or indirectly, or imported for sale in this country's market. If these conditions are not fulfilled, a rival trader may use the foreigner's mark and register the same in his own country. The question, however, is by no means clear. Sebastian, 4th ed., at p. 84, says: "Where no goods bearing the foreign mark have been sold in this country, the trade mark can have acquired here no reputation for its foreign user, so that it would appear doubtful whether the protection extended to foreign trade mark owners should be afforded in cases where there has been no user in this country, and the mark does not expressly state a foreign origin. In such a case the first person to use the mark in the United Kingdom is the first person to gain a reputation for it here": *In re Münch* (1884), 50 L.T.N.S. 12; *In re Riviere & Co.* (1884), 26 Ch. D. 48; *In re Leonard & Ellis, ib.*, 288, per Fry, L.J.; *Berliner, etc., Tivoli v. Knight*, W.N. 1883, p. 70; *Jackson v. Napper* (1886), 35 Ch. D. 162; *Newman v. Pinto* (1887), 57 L.T.N.S. 31.

It follows from what has been said that the decisions of Lowe, Deputy Minister of Agriculture, in *Bush v. Hanson, infra*, p.

449, and *Groff v. Snow Drift Baking Powder*, *infra*, p. 454, are contrary to established principles of law and erroneous. The definition of trade mark in the first case cannot be supported by any known decision.

“FANCY NAME” AND “DISTINCTIVE WORDS.”

In the case of *In re Perry Davis & Sons* (1888), 58 L.T.N.S. 695; 15 App. Cas. 315, the facts were that in 1877 Perry Davis & Son were registered as proprietors of a trade mark consisting of the words “Pain Killer” in respect of which they claimed user for forty years prior to registration in connection with a medicine sold by them. On the application of one L. for the removal of the name from the register, the evidence shewed that although the medicine had been spoken of and ordered as “Pain Killer,” it had not been sold under that name alone. The words “Perry Davis” and “Davis” had been used at times in connection therewith.

It was therefore held, by Kay, J., and the Court of Appeal, that as the words had not been used alone as a trade mark before the passing of the Trade Marks Registration Act of 1875, they were not a proper mark for registration under sec. 10 of that Act.

Fry and Lopes, L.JJ., held also that the words were not “special and distinctive” words within the meaning of that section, which requires that in order to enable the registration of words alone they must be “special and distinctive” words, and must have been used as a trade mark before the passing of the Act. This provision is not to be found in the Canadian Act, the requirement therein being that found in sec. 3 (see Appendix) to the effect that the marks, names, etc., should be adopted for the purpose of “distinguishing” any manufacture, etc.

But there were some comments made in the case as to what are special and distinctive words. Kay, J., quoted from the judgments in *Wood v. Lambert* (1886), 32 Ch. D. 247: “I find this definition given by Lindley, L.J.: ‘What is meant by a distinctive trade mark? It must mean some mark which distinguishes the goods to which it is attached as those made or sold by the person who uses the mark.’” And in the same case Fry, L.J., says: “The word or words must be distinctive in this sense, that they distinguish the manufacture of the person who has registered the trade mark from the manufacture of all other persons.” Lopes, L.J.: “But another question arises—Is the word

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'Pain-killer' a special and distinctive word within the meaning of the Act? Now, it is unnecessary to determine in this case whether it need be inherently special and distinctive, though speaking for myself, I should be inclined to think that it must be, . . . but at any rate the authorities are clear to shew that it must be a word distinguishing the article manufactured by another person, and not a word that is merely descriptive of the article itself. I can see nothing distinctive in it (Pain-killer)."

In the House of Lords, the Canadian case of *Davis v. Kennedy*, and the United States case of *Davis v. Kendall* (1850), 2 R.I. 566, were distinguished by Lord Halsbury, L.C., thus: "I must observe that the question which was raised in the American (*sic*) cases was not the question that is now before your Lordships. The right of one trader to prevent another trader imitating his goods and making his goods pass as the goods of a rival trader depends on principles quite besides the question of trade mark legislation, and proceedings could be maintained to prevent the continued infringement of the right of the trader not to have his goods imitated."

As to the meaning of the word "distinctive," he said: "I think it has been held (and I certainly think so myself) that the word 'distinctive' means distinguishing a particular person's goods from somebody else's goods."

*Davis v. Kennedy* was decided under the Act of 1861 of the Province of Canada, "An Act to amend the Act (of 1860) respecting Trade Marks." The defining section (see *infra*, Appendix, "Summary of Trade Mark Legislation") is wider than the corresponding section in the English Act. This was pointed out in the case of *Radam v. Shaw*, *infra*, p. 298, by Boyd, C. The learned Chancellor of Ontario referring to the English case from which the above extracts are made, remarked: "It is also worthy of notice that two other Law Lords, Lord Herschell and Lord Macnaghten, markedly abstain from committing themselves to such an opinion (*i.e.*, the opinion of Lord Chancellor Halsbury and Lord Morris as to the special and distinctive meaning, within section 10 of the Imperial Trade Mark Registration Act of 1875, of the words 'Pain Killer'), and reserve the right to deal with that point when presented for decision." He continued, "It is my duty to follow the decision of Spragge, V.-C., in *Davis v. Kennedy*, so as to support the like term 'Microbe-killer' as a valid trade mark. *Davis v. Kennedy* is in accord with such cases as *Reinhardt v. Spalding* (1880), 49 L.J. Ch. 57. The opinion



of the English Judges was based on the words 'special and distinctive' used in the Imperial statute, but it is noted by Proudfoot, J., in *Smith v. Fair*, *infra*, p. 152, that our trade mark statute is not couched in such restricted terms."

In *Reinhardt v. Spalding*, above reverted to, the use of the words "Family Salve" applied to a medicine under the full name of "Reinhardt's Celebrated Family Salve," was held to be infringed by "Spalding's Universal Family Salve." The wrappers about the bottles containing the medicine were so folded that only the words "Family Salve" were visible. Hale, V.-C., held that the words were both a "distinctive heading" and also "special and distinctive words used before the passing of the Act," within sec. 10 of the Trade Marks Registration Act of 1875. The cases followed were those cited in Sebastian's Digest of T. M. Cases, at pp. 54, 131, 259, 267, 372, including *Cotton v. Gillard* (1875), 44 L.J. Ch. 90, and *Siebert v. Findlater* (1878), 47 L.J. Ch. 233, and an unreported case of *Eno v. Stephens* in reference to Eno's Fruit Salt.

In England, a distinction has been made between "fancy names" and "special and distinctive" words that has not been adopted in Canada. Owing to the greater scope of our Act, the two classes merge imperceptibly: what fails to be protected as a "fancy name" being defensible as a "special and distinctive" word. The following definition of "fancy name" was made in *In re Van Duzer* (1887), 34 Ch. D. 623, per Cotton, L.J.: "It must be a word which obviously cannot have any reference to any description or designation of where the article is made, or of what its character is;" and Lindley, L.J., said: "To be a 'fancy word,' the word must either have to ordinary English people, to whom the Act is addressed, no meaning, like the word 'Eureka,' or the word 'Acilyton,' or, if it has any meaning at all, it must be obviously [non-descriptive] when used as a trade mark." And Lopes, L.J., stated, "A word to be a 'fancy name' must be obviously meaningless as applied to the article in question. It must be . . . so obviously and notoriously inappropriate as neither to be deceptive nor descriptive, nor calculated to suggest deception or description. . . . it must be a fancy name of its own inherent strength." Sebastian, 4th ed. (1899), p. 39, remarks that in only five cases, one of which has since been disapproved, has the fancy word been upheld. The five are *In re Stapley and Smith* (1885), 29 Ch. D. 877 ("Alpine" cotton), disapproved in *In re Van Duzer* (1887), 34 Ch. D. 623; *Slazen-*

*ger v. Malings* (1885), W.N., p. 124 (The "Lawford" racquet); *In re Burgoyne* (1889), 61 L.T. 39 ("Oomo" wine); *In re Den-sham*, [1895] 2 Ch. 176 ("Mazawattee" tea); *In re Bovril Trade Mark*, [1896] 2 Ch. 600 ("Bovril").

Compare the remarks of Spragge, V.-C., in *Davis v. Kennedy*, *ante*, "I take the word 'Pain-killer' to fall within the class of trade marks usually called 'fancy names' or 'trade marks,' which are arbitrarily selected by an inventor or manufacturer to catch the eye or ear of the public and to distinguish his article from others of like nature." This language is reminiscent of that used by Lindley, L.J., in *Wood v. Lambert*, cited *ante*, p. 20, when defining a special and distinctive trade mark. Cf. also the remarks of Fry, L.J., Lopes, L.J., and Lord Chancellor Halsbury, *ante*, pp. 20-1. Spragge, V.-C., continued, "It is true the term 'pain-killer' is suggestive of the use of the medicine, but is not an adjective, nor is it used adjectively. It is a quaint combination of words, never probably used together before. . . . calculated to fix itself in the memory of the general public." He quoted from *McAndrew v. Bassett* (1864), 33 L.J. Ch. 561, the famous "Anatolia" liequorice case, included under the head of "distinctive words" as being a mark consisting of a geographical name. See Sebastian, 4th ed., p. 72. These remarks of Spragge, V.-C., were approved by Chancellor Boyd in *Radam v. Shaw*, *infra*, p. 298.

For a collection of cases in which words have been recognized as special and distinctive, see Sebastian, 4th ed., pp. 48 and 60.

For further Canadian cases on "fancy names" or "special and distinctive" words, see *Crawford v. Shuttock*, *ante*, p. 1; *Radam v. Shaw*, *infra*, p. 298; *Provident Chemical Works v. Canada Chemical Works*, *infra*, p. 414.

## [IN THE COURT OF CHANCERY FOR ONTARIO.]

DAVIS V. REID.

(17 Gr. 69.)

*Trade-Mark—Imitation calculated to deceive—Devices—Common law right effect of non-registration upon.*

A cigar manufacturer, to distinguish his cigars from others, called them "Cable Cigars," and afterwards adopted a method of stamping on each cigar, in bronze, an elliptical figure, with the name "S DAVIS," and the word "CABLE" within the same. A rival firm, two years afterwards, adopted the same method, using for the purpose a trade-mark identical with this, except that they substituted their initials, "CPR&C" for the other's name, and the word "CIGAR" for the word "CABLE." It was proved that persons had bought these cigars supposing them to be the cable stamped cigars.

*Held*, that the manufacturer of the cable cigars was entitled to an injunction to restrain the other parties from using the trade-mark which they had so adopted.

THIS was a motion on behalf of the plaintiff for an injunction restraining the defendants, their servants, etc., from further using the mark or stamp used by them in imitation of that of the plaintiff in the bill of complaint described and referred to, and from stamping, or impressing, or causing to be stamped or impressed, on cigars manufactured or sold by them, the said mark or stamp, or any other mark or stamp identical with or similar to that used, adopted and designed by the said plaintiff on his metal stamp or cable cigars, as in said bill mentioned; or any other mark or stamp in imitation or counterfeit of the mark or stamp used by the said plaintiff on his said cigars or any other cigars so manufactured and sold by him; or any mark or stamp contrived, or designed, or calculated, or intended to mislead or entrap unwary purchasers or others into purchasing the cigars bearing such imitation or counterfeit mark or stamp of the defendants, as and for the genuine metal stamp or cable cigars, the manufacture of the plaintiff; and from further selling and disposing of the said cigars bearing the said mark or stamp, or any similar mark or stamp.

*Bain*, for the plaintiff.

*Hillyard Cameron*, Q.C., *Blake*, Q.C., and *Morphy*, for the defendants.

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January 26th, 1870. MOWAT, V.C.:—The plaintiff is a cigar manufacturer in Montreal. In or before 1867, he adopted a device for distinguishing his cigars from others, by stamping on each cigar a trade mark in bronze, or in some material resembling bronze. Previously to this, a paper label with the manufacturer's name or trade mark thereon seems to have been sometimes slipped into the cigar, or wrapped round it, though this practice was uncommon. The plaintiff, and the persons whose affidavits he has filed, consider the plan of stamping the cigar itself with the maker's mark to have been quite new before the plaintiff adopted it. On the other hand, the defendants have filed affidavits of other persons which, if correct, shew that this method has been used occasionally before its adoption by the plaintiff. The latest date definitely mentioned in these affidavits is some years antecedent to 1867. The stamped cigars thus spoken of, if known elsewhere, do not appear to have ever reached Canada, or to have been much known anywhere. The defendants, whose adoption last summer of the same method of marking cigars has given rise to the present suit, do not allege that it was from the foreign use of the system that they took the idea; nor that they themselves were aware of that foreign use, when they began the practice. All the devices which their witnesses speak of having seen stamped in this way upon cigars, differ in form from the plaintiff's mark. The plaintiff's affidavits throw doubt on the accuracy of the statements on the other side as to the prior use of the same method of stamping cigars: but, giving on the present application full credit to the defendants' affidavits on the point, I think that the unavoidable inference to be drawn from the statements on both sides is, that the plan of stamping cigars, adopted by the plaintiff, if ever used before, had ceased to be practised anywhere long before 1867, the date of its adoption by the plaintiff.

The trade-mark which the plaintiff then began to stamp on his cigars, is a figure of elliptical form with a straight line passing through the centre and extending to not quite the sides of

the figure. Within the upper half of the figure are the letters s DAVIS, being the plaintiff's name; and within the lower half of the figure is the word CABLE, which word he had previously in use to designate one quality of his cigars.

The plaintiff states that he registered the trade-mark in question: 24 Viet. ch. 21; but that statement appears to be an error. He seems to have registered in 1866 the word "cable" only, as a trade-mark for his cigars, and to have subsequently registered another trade-mark, which somewhat resembles that in question, but is larger and more elaborate, and does not appear to have been much used by him afterwards. But a trader may have more trade-marks than one; and, as the present Lord Chancellor said in *Braham v. Bustard* (1863), 1 H. & M. 456; it cannot be "any justification for a defendant to say 'the plaintiff has two ways of identifying his goods, and I have only stolen one of them.'" The non-registration of this trade-mark does not take away the plaintiff's common law right to protection. That was expressly held in *Davis v. Kennedy* (1867), 13 Gr. 523, and I concur in the decision.

The plaintiff's cigars, which were stamped with the trade mark that I have described, had obtained considerable reputation and sale in Upper and Lower Canada before the defendants began to use a stamp for their cigars; and had become known (as I gather from the affidavits on both sides) by the name of "stamped cigars;" and of "metal cigars," or "metal stamped cigars," these two names being employed in allusion, I presume, to the material used, or supposed to be used, in the stamping. They were also known as "cable" cigars.

The trade-mark which the defendants have adopted for stamping their cigars corresponds with the plaintiff's, in shape, size, and colour; also, in the material employed; in the size, number, character, and arrangement of the letters; and in the general appearance of the whole. For "s DAVIS," the defendants substituted, not the name of their firm, but its initials only, "CPR AND C"; and for "CABLE," they adopted the word "CIGAR."

Neither the plaintiff's stamp nor the defendants' always brings out the letters distinctly; and the impression must always be more or less blurred.

From the similarity of the two stamps, and from the other evidence before me, I have no doubt that the defendants copied their stamp from the plaintiff's; and that, whether they had or had not any intention of misleading purchasers—a point which is for the present purpose quite immaterial: *Millington v. Fox* (1838), 3 M. & C.352; *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 199; *Kinahan v. Bolton* (1863), 15 Ir. Ch. 82; *Harrison v. Taylor* (1865), 11 Jur. N.S. 408; their mark is well calculated to have that effect, notwithstanding the different words and letters employed; and there is express evidence of the defendants' stamped cigars having been offered for sale as the plaintiff's to smokers, though not by the defendants; and of persons having been actually misled into purchasing stamped cigars of the defendants' manufacture, when they wished to purchase, and supposed they were purchasing the plaintiff's stamped Cable cigars; and "that being so," as was said by the Court in *Glenny v. Smith*, 2 Drew. & Sm. (1865), 476, "it is in vain for witnesses to say that in their opinion persons could not be misled."

There can be no doubt that there is nothing in the simplicity or other characteristics of the plaintiff's trade-mark which disentitle him to the exclusive use of it. A party has been held entitled to adopt as his trade-mark even the name of the foreign province where the raw material of his manufacture was produced, and from which other persons might procure it: *McAndrew v. Bassett* (1864), 33 L.J. Chan. 561; see also *Seixo v. Provezende* (1865), L.R. 1 Ch. App. 192. Or, he may adopt as his trade-mark a word which is in common use as applied to articles of a different kind: *Braham v. Bustard* (1863), 1 H. & M. 447; *Crawford v. Shuttock* (1867), 13 Gr. 149. He may choose for the purpose the figure of an animal, as a lion: *Ainsworth v. Walmsley* (1865), L.R. 1 Eq. at p. 524-5; an ox: *Harrison v. Taylor* (1865), 11 Jur. N.S. 408; or an eagle:

*Standish v. Whitwell* (1865), 14 W.R. 512; or the device of an anchor: *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 185; a diamond, a crown: *Kinahan v. Bolton* (1863), 15 Ir. Ch. 75; a cross: *Cartier v. Carlile* (1863), 21 Beav. 292; and the like. Or he may adopt as his trade-mark even particular numbers: (1865), L.R. 1 Eq. 518; or letters of the alphabet: (1863), 15 Ir. Ch. 75.

It is also settled law that in such cases the protection of courts of equity is not confined to cases where another uses a mark precisely identical with that of the complaining party. Nor is it necessary that the resemblance should be so close as to deceive, notwithstanding careful examination. If even ordinary purchasers may be deceived, or "incautious purchasers," as Lord Kingsdown mentioned in a case in the House of Lords: *Leather Cloth Company v. American Leather Cloth Company* (1865), 11 H.L. 539; an injunction will be granted. "It is not the question," the Vice Chancellor said in *Glenny v. Smith* (1865), 2 Drew. & Sm. 476, "whether the public generally, or even a majority of the public, is likely to be misled; but whether the unwary, the heedless, the incautious portion of the public would be likely to be misled; and," the learned Judge added, "I think it may be safely said that that is not a very inconsiderable portion of the public." The manufacturer cannot prevent want of caution in purchasers: and it is just that a rival should not be permitted to take advantage of their incautiousness, and by that means to appropriate to himself profits which should go to another: See *Day v. Binning*, Coop. C.C. 489; *Knott v. Morgan* (1836), 2 Keen. 213; *Croft v. Day* (1843), 7 Beav. 84; *Shrimpton v. Laight* (1854), 18 Beav. 164; *Whitney v. Hickling* (1856), 5 Gr. 605; and other cases *supra*.

Lord Cranworth referred in the *Leather Cloth* case to the greater chance of misleading where the devices are small than when they are large, and mentions, as an example of what he considered a small stamp, one of the size of a sixpence or a shilling; p. 536. The stamp here is considerably smaller than a

five cent piece; and is impressed on a cigar, instead of on paper. The probability of a mistake by a purchaser, when the defendants adopted their mark, was further increased by the fact, that until then the plaintiff's cigars were the only stamped cigars made or sold in this country; and probably not one in 10,000 smokers had ever seen or heard of any stamped cigars except the plaintiff's. In such a case, fair dealing manifestly required, and the legal and equitable rights of the plaintiff demanded, that, if the defendants were entitled to adopt the same method of stamping their cigars as the plaintiff had in use, the defendants should have chosen a device differing entirely in general appearance and otherwise, from the plaintiff's mark, and should have thus reduced to a minimum the chance of deception. The only difference which the defendants did make was in the names or letters used, and with that exception the two marks are absolutely identical. It has been held in a multitude of cases that the use of a party's own name, instead of that of the rival whose trade-mark is adopted in other respects, is not sufficient distinction: *Davis v. Kennedy* (1867), 13 Gr. 523; *Millington v. Fox* (1838), 3 M. & C. 338; *Braham v. Bustard* (1863), 1 H. & M. 447; *Cartier v. Carbile* (1862), 31 Beav. 292; *Harrison v. Taylor* (1865), 11 Jur. N.S. 408.

On the whole, I think the plaintiff is clearly entitled to an injunction restraining the defendants as prayed. But the plaintiff should undertake to go to a hearing at the Spring sitting, if the defendants desire, unless he is relieved from the undertaking on a special application for the purpose in Chambers.

NOTE.—The defendants subsequently submitted to a decree being made in the terms of the injunction.

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Notes:

ACTIONS FOR INFRINGEMENT.

(a) *Generally:*

In an action for infringement of a registered trade mark the complaint is that the defendant has infringed the plaintiff's



mark by taking it wholly, or some essential part thereof, and the claim is based on the plaintiff's exclusive right given by statute. In another place it has been pointed out how this species of action differs from passing-off actions: See Notes on Passing-off Actions, *infra*, p. 357.

An alien, not an alien enemy, if he is the owner of a trade mark which exists as such in this country, may probably sue in Canada in respect of infringements therein: *Collins Co. v. Brown* (1857), 3 K. & J. 423; *Collins Co. v. Reeves* (1858), 28 L.J. Ch. 56. But the alien must comply with section 19 of the Trade Mark and Designs Act, requiring registration of the mark before action.

As the action is one of tort, every infringer is liable to be sued, whether he acted on his own behalf or as agent.

Though it is necessary to register the mark before action, and to prove registration; yet, where the claimant is assignee of the original owner, the assignment of the mark need not be registered: *Carey v. Goss*, *infra*, p. 136.

The certificate of registration given by the Minister of Agriculture is *primâ facie* evidence of due compliance with the requirements of the Act and of the facts alleged therein: *Partlo v. Todd*, *infra*, p. 167; R.S.C. 1886, ch. 63, sec. 13.

An action for infringement cannot be maintained by a person claiming under a sale of the infringed trade mark made under an execution: *Gegg v. Bassett*, *infra*, p. 405.

(b) *What Constitutes Infringement:*

Kerly, 2nd ed., at p. 363, thus summarizes the result of the cases: "Infringement is the use by the defendant, for trading purposes in connection with goods of the kind for which the plaintiff's right to exclusive use exists (*i.e.*, goods for which his mark is registered and used), not being the goods of the plaintiff, of a mark identical with the plaintiff's mark, or comprising some of its essential features, or colourably resembling it, so as to be calculated to cause the goods to be taken by ordinary purchasers for the goods of the plaintiff.

"The essential ingredients for constituting an infringement of that right would probably be found to be no other than these: first, that the mark has been applied by the plaintiffs properly (that is to say), that they have not copied any other person's mark, and that the mark does not involve any false representation; secondly that the article so marked is actually a vendible

article in the market; and, thirdly, that the defendants, knowing that to be so, have imitated the mark for the purpose of passing in the market other articles of a similar description": *Per* Lord Westbury, in *McAndrew v. Bassett* (1863), 4 De G. J. & S. 380.

Single acts of infringement have in a few cases been held not to be sufficient: *Hennessy v. Kennett* (1877), Seb. Dig. 331; *Leahy, Kelly & Leahy v. Glover* (1893), 10 R.P.C. 141; *Rutter v. Smith* (1901), 18 R.P.C. 49. But the first case was a "trap" case, and the second and third were passing-off cases. In general, proof of a single act of infringement by the defendant is sufficient: *American Tobacco Co. v. Guest*, [1892] 1 Ch. 630; *Dunlop Pneumatic Tire Co. v. Neal*, [1899] 1 Ch. 807.

Defendant must be shewn to use or to be intending to use, the spuriously marked goods for trade purposes, and the possession of such goods by a trader in goods of the kind, or in large quantities, is strong evidence against him: *Levy v. Walker* (1879), 10 Ch. D. 436; *Richards v. Butcher* (1890), 7 R.P.C. 288; *Upmann v. Forester* (1883), 24 Ch. D. 231.

The infringement must take place within this country: *Ba-dische Fabrik v. Basle Chemical Works*, [1898] A.C. 200; *Morocco Syndicate v. Harris*, [1895] 1 Ch. 534; *Joseph Rodgers v. Rottgen* (1889), 5 T.L.R. 678; *Tm. of the Société, etc., des Ver-veries de l'Etoile*, [1894] 1 Ch. 61; 2 Ch. 26. It is sufficient if goods are spuriously marked in this country for export: *Orr-Ewing v. Johnston* (1882), 13 Ch. D. 434; 7 App. Cas. 219.

The use must be in connection with the goods for which the plaintiff's right exists: *Templeton v. Wallace*, *infra*, p. 376; *Hall v. Barrows* (1863), 4 DeG. J. & S. 150.

The infringement must be in respect of spurious goods, for anyone may use the plaintiff's mark on the plaintiff's goods: *Farina v. Silverlock* (1855), 1 K. & J. 509; *Condy v. Taylor* (1887), 56 L.T. 891; *Siebert v. Fendlater* (1878), 7 Ch. D. 801; *Richards v. Williamson* (1874), 30 L.T. N.S. 746.

The plaintiff must have used and adopted the mark. Mere use by the public of the mark or name in question to indicate the plaintiff's goods or business will not confer any right in the mark or name: *Robinson v. Bogle*, *infra*, p. 217.

The infringing mark need not be actually affixed to the goods, provided it is so used in connection therewith as to be calculated to cause them to be taken for the plaintiff's goods; *Jay v. Ladler* (1888), 40 Ch. D. 649; *Chamclon Patents, etc., Co. v. Marshalls*

(1900), 17 R.P.C. 527; *Guinness v. Ullmer* (1847), 10 L.T.O.S. 127; *Jameson & Son, Ltd. v. Johnston & Co., Ltd.* (1901), 18 R.P.C. 517; *Rose v. Henley* (1877), 47 L.J. Ch. 577; *Barnett v. Leuchars* (1865), 13 L.T.N.S. 405.

The infringing mark may be an actual or substantial copy of the plaintiff's mark. This was the case in *Provident Chemical Works v. Canada Chemical Mfg. Co.*, *infra*, p. 414 ("C.A.P."); *Robin v. Hart*, *infra*, p. 232 ("C.R.C."); *In re Melchers and De Kayper*, *infra*, p. 301 (heart-shaped labels). In these cases actual deception of purchasers need not be shown: *Wilson v. Lyman*, *infra*, p. 325; or even that the use is calculated to deceive: *Edwards v. Dennis* (1885), 30 Ch. D. 454. The plaintiff relies on the statute: his registration being conclusive evidence of his right to the exclusive use of the trade mark.

Where the essential feature is taken a case of infringement may be made out, for, though the plaintiff's right is to the trade mark as a whole, the use of an essential feature may be so calculated to mislead purchasers as to be an infringement in effect: *Crawford v. Shuttock*, *ante*, p. 1; *Davis v. Kennedy*, *ante*, p. 8; *Barsalou v. Darling*, *infra*, p. 71; *Spilling v. Ryall*, *infra*, p. 425. In *Partlo v. Todd*, *infra*, p. 167, Proudfoot, J., said: "To constitute an infringement it is not necessary that every part be copied; it is sufficient if enough be copied to have a tendency to deceive the public." *Cf. per Moss, C.J.O.*, in *Wilson v. Lyman*, *infra*, p. 325. But it is not an infringement to take non-essential particulars from a mark: *Linoleum Mfg. Co. v. Nairn* (1878), 7 Ch. D. 834; *Watt v. O'Hanlon* (1886), 4 R.P.C. 1; *Humphries v. Taylor's Drug Co.* (1888), 59 L.T. 820; *Native Guano Co. v. Sewage Manure Co.* (1888), 8 R.P.C. 125; *Rugby Cement Co. v. Rugby & Newbold Co.* (1891), 9 R.P.C. 46; *Wilson v. Lyman*, *infra*, p. 325; *Grand Hotel Co. v. Wilson*, *infra*, p. 434; *Kerry v. Les Sœurs*, *infra*, p. 42; *Watson v. Westlake*, *infra*, p. 144.

The cases most frequently met with are those of colourable imitations. The test here, as well as where an essential feature has been copied, is whether or not the defendant's mark is calculated to cause his goods to be taken by the public for the goods of the plaintiff: *Barsalou v. Darling*, *infra*, p. 71; *Davis v. Reid*, *ante*, p. 24; *Kerry v. Les Sœurs*, *infra*, p. 42; *Canada Publishing Co. v. Gage*, *infra*, p. 119; *Wilson v. Lyman*, *infra*, p. 325; *Partlo v. Todd*, *infra*, p. 167. This was the law before the Registration Acts: *Mitchell v. Henry* (1880), 15 Ch. D. 181; *Singer Mfg. Co. v. Loog* (1870), 8 App. Cas. 15; *Edwards v. Dennis* (1885), 30 Ch. D. 454.

Actual deception is not required to be proved, especially where the imitation is marked and decided, yet it is an important circumstance in a case where the essence of the plaintiff's case is that the mark is so connected with the plaintiff's goods as to denote them and no other: *Per Moss, C.J.O., in Wilson v. Lyman, infra*, p. 325. So where no one is shewn to have been deceived, the Court may look at the marks in order to judge whether or not the public could be deceived: *Watson v. Westlake, infra*, p. 144. But the plaintiff is not bound, it has been said, to wait to see whether his customers will, in fact, be deceived, for "the very life of a trade mark depends upon the promptitude with which it is vindicated.": *Johnston v. Orr-Ewing* (1880), 13 Ch. D., p. 464; 7 App. Cas., p. 230.

Intention to deceive is quite immaterial: *Davis v. Reid, ante*, p. 24, following *Millington v. Fox* (1838), 3 My. & Cr. 352; *Edelsten v. Edelsten* (1863), 1 De G. J. & S. 199; *Kinahan v. Bolton* (1863), 15 Ir. Ch. 82; *Harrison v. Taylor* (1865), 11 Jur. N.S. 408; and *cf. Reddaway v. Bentham*, [1892] 2 Q.B. 639; *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219; *Powell v. Birmingham*, [1896] 2 Ch. 54; Notes on Passing-off Actions, *infra*, p. 357.

As to what resemblance is calculated to deceive: See Notes on Resemblances Calculated to Deceive; Rules of Comparison, *infra*, p. 319.

In one Canadian case it was said by Burbridge, J., that it was the duty of the Minister of Agriculture to refuse to register a trade mark where it was not clear that deception might not result: *In re Melchers and De Kuyper, infra*, p. 319. The Courts have not, however, taken such a pronounced stand. They will, however, consider how the mark will appear when used in an ordinary way of business, bearing in mind its size: *Davis v. Reid, ante*, p. 24; imperfections in its impression, and indistinctness resulting therefrom: *ibid*; *Barsalou v. Darling, infra*, p. 71; the circumstances under which the mark was adopted: *ibid*; *Canada Publishing Co. v. Gage, infra*, p. 119; *In re Melchers and De Kuyper, infra*, p. 319; *Provident Chemical Works v. Canada Chemical Mfg. Co., infra*, p. 414.

The following are instances in Canada where it was held that there was an infringement either by taking the mark in its entirety, or in some substantial part, or by colourably imitating it:

"*Imperial Family Soap*," plus a star, infringed by "*Imperial Bibasic Soap*," plus a star: *Crawford v. Shuttock, ante*, p. 1.

"Horse's Head," substantially imitated by a "Unicorn's Head," the only distinguishing mark being a horn placed on the forehead of the unicorn, which, *in practice*, was not clearly brought out: *Barsalou v. Darling*, *infra*, p. 71.

"Beatty's New and Improved Headline Copy-Book," held to be a colourable imitation of "Beatty's Headline Copy-Book.": *Canada Publishing Co. v. Gage*, *infra*, p. 119.

"The Commercial Travellers' Journal," known as "Commercial Traveller" or "Traveller," infringed by "The Traveller.": *Carey v. Goss*, *infra*, p. 136.

A monogram, "R.S.," with the words "red seal," infringed by a monogram, "A.F.S." and the words "A.F. seal.": *Smith v. Fair*, *infra*, p. 152.

"C.R.C.," imitated by "C.R.C." (the defence here was that the plaintiff had no title): *Robin v. Hart*, *infra*, p. 232.

"The Boston Rubber Shoe Company," infringed by "The Boston Rubber Company of Montreal.": *Boston R. S. Co. v. Boston R. Co. of M.*, *infra*, p. 408.

"C.A.P." ("Cream Acid Phosphates"), infringed by "C.A.P." (Calcium Acid Phosphates): *Provident Chemical Works v. Canada Chemical Mfg. Co.*, *infra*, p. 414.

Vignette of King Edward with "Our King" above and "King Edward VII." below, infringed by a *fac simile* of the Royal Arms surmounted by "King Edward.": *Spilling v. Ryall*, *infra*, p. 425.

See also devices in *Davis v. Reid*, *ante*, p. 24; *In re Melchers and De Kuyper*, *infra*, p. 301.

Probability of deception being, of course, a question of fact, decided cases are of no assistance in determining new questions of fact raised under new circumstances, except in so far as they establish a general principle of comparison. "How can observations of Judges upon other and quite different facts bear upon the present case, in which the only question is what is the result of the evidence?" Lord Westbury asked in *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219.

#### (c) Defences:

It may be shewn that the mark is not a valid mark, and should not have been registered at all: *Smith v. Fair*, *infra*, p. 152; *Partlo v. Todd*, *infra*, p. 167; as where the words are in common use or are descriptive: *Ibid*; *Gillett v. Lumsden*, *infra*, p. 409;

*Watson v. Westlake*, *infra*, p. 144; *Wilson v. Lyman*, *infra*, p. 325. In *Partlo v. Todd* it was said that where the statute prescribes no means of rectification of an improperly registered trade mark, the Court may afford relief by way of defence. It is apprehended that this is true even now, when the statute does afford a means of rectification: *Asbestos v. Sclater*, *infra*, p. 392, and Notes on Interpretation of the T.M. Act, *infra*, p. 442.

It may be shewn that the requirements of the statute have not been complied with: *Davis v. Kennedy*, *ante*, p. 8; *Davis v. Reid*, *ante*, p. 24.

Or that there has been no infringement: *Kerry v. Les Sœurs*, *infra*, p. 42, and *ante*, p. 30, "What Constitutes Infringement."

Or that the plaintiff is not entitled to bring the action; as where the plaintiff claimed under a sale to him by the Sheriff: *Gegg v. Bassett*, *infra*, p. 405.

The defendant may shew an independent or concurrent right to use the mark complained of: *Jackson v. Napper* (1886), 35 Ch. D. 162; *Mouson v. Boehm* (1884), 26 Ch. D. 398; *Edge v. Gallon* (1900), 16 R.P.C. 509; *Meaby v. Tricitine* (1897), 15 R.P.C. 1.

Absence of fraudulent intent is not a defence: *Rose v. McLean*, *infra*, p. 271, *per* Boyd, C.

The plaintiff may be shewn to be debarred from suing the defendant for all or part of the relief he seeks, by (a) an agreement; (b) acquiescence or license; (c) delay; (d) because the mark is deceptive or his trade is fraudulent: (a) *Grezier v. Aultram* (1896), 13 R.P.C. 1; *Oldham v. James* (1862), 13 Ir. Ch. 393; 14 Ir. Ch. 81. (b) *Mouson v. Boehm* (1884), 26 Ch. D., p. 406; *Weldon v. Dicks* (1878), 10 Ch. D. 247; *Re Farina* (1879), 27 W.R. 456; *Kinahan v. Bolton* (1863), 15 Ir. Ch. 75. (c) *delay* not sufficient to call the Statute of Limitations into operation does not bar the right of action, but may modify the relief granted: *Provident Chemical Works v. Canada Chemical Manufacturing Co.*, *infra*, p. 414; *Fullwood v. Fullwood* (1878), 9 Ch. D., p. 178; *Harrison v. Taylor* (1865), 12 L.T.N.S. 339; *Beard v. Turner* (1865), 12 L.T.N.S. 746; it may amount to abandonment if long continued: *Hyde's Tm.* (1878), 7 Ch. D. 724; *National Starch Mfg. Co. v. Munns & Co.* [1894] A.C. 275; *Ripley v. Baudey* (1897), 14 R.P.C. 591. (d) *Leather Cloth Co. v. American Leather Cloth Co.* (1863), 4 De G. J. & S. 137; *Ford v. Foster* (1872), L.R. 7 Ch. 611; *Templeton v. Wallace*, *infra*, p. 376; *Davis v. Kennedy*, *ante*, p. 8; it is only where the trade mark

itself contains misrepresentations that the plaintiff will be non-suited: See cases just cited and *Wood v. Lambert* (1886), 32 Ch. D. 247; *Chcavin v. Walker* (1877), 5 Ch. D., p. 862; *The Apollinaris Case*, [1891] 2 Ch. 186, decided that it is fatal to indorse upon a trade mark anything which is calculated to mislead the public as to what is the mark of which the proprietor claims the exclusive use: See also *Hammond v. Brunker* (1892), 9 R.P.C. 301.

(d) *The Relief Granted:*

The plaintiff may obtain an order for:—(i) An injunction restraining further infringement of his rights; (ii) The delivery up for destruction, or for the erasure of the marks, of any goods already marked with the spurious mark, and in the possession or control of the defendant, or for the destruction of any labels in existence shewing the spurious mark; (iii) And damages in respect of the past infringement, or, in lieu of damages, an account of profits, or for some one or more of these.

The grant of an *injunction* in trade mark cases is governed by the general rules governing it when other rights are concerned. There must be some threat or probability that the infringement will be commenced, continued, or repeated. But one act of infringement is sufficient; it need not be repeated for "the life of a trade mark depends upon the promptitude with which it is vindicated."; *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219; *Upmann v. Forester* (1883), 24 Ch. D. 231. An injunction will be granted even though the defendant has discontinued the use of the labels complained of and offered to undertake not to use them any longer: *Guinness v. Heap* (1878), Seb. Dig. 377; and though no actual infringement has occurred: *Emperor of Austria v. Day & Kossuth* (1861), 3 De G. F. & J. 217; *Upmann v. Elkan* (1871), L.R. 12 Eq. 140.

The form of injunction used in *Metzler v. Wood* (1877), L.R. 9 Ch. D. 606, was adopted in *Canada Publishing Co. v. Gage*, *infra*, p. 119. Other forms are given in the following cases: *Carey v. Goss*, *infra*, p. 136; *Davis v. Reid*, *ante*, p. 24; *Singer v. Charlebois*, *infra*, p. 336. A number of forms are given in Seton, 5th ed., Vol. I., 534, and Kerly, 2nd ed., p. 748.

An interim injunction is usually obtained as soon as the action is commenced, to restrain the defendant from continuing the acts complained of until the hearing or further order: *Wilkinson v. Griffith* (1891), 8 R.P.C. 370; *Cowie v. Herbert* (1897),

14 R.P.C. 436. It may be obtained *ex parte* in special cases, but is usually after notice of motion. When there is some likely or plausible defence offered at the hearing of the interlocutory motion, the Court is guided principally by the balance of convenience, that is, by the relative amounts of damage likely to result if the injunction is granted and the plaintiff ultimately fails, or, if it is refused, and he ultimately succeeds: *Read v. Richardson* (1881), 45 L.T. 54; *Radde v. Norman* (1872), L.R. 14 Eq. 348. Delay on the part of the plaintiff may be ground for refusing: *North British Rubber Co. v. Gormully Co.* (1894), 12 R.P.C. 17; *Apollinaris Co. v. Herfeldt* (1887), 4 T.L.R. 9. An interim injunction is limited as closely as possible and is granted only on terms of an undertaking as to damages: *Ibid*; *Mansell v. British Linen Co. Bank*, [1892] 3 Ch. 159.

*Delivery up* of the marked articles for destruction has never been asked for in a Canadian case, but the practice is established in England in cases where the false marks cannot be erased: *Farina v. Silverlock* (1858), 4 K. & J. 650; *Slazenger v. Feltham* (1889, 5 T.L.R. 365. In *Davis v. Kennedy*, *ante*, p. 000, the destruction of labels bearing the infringing mark was ordered. Under the Criminal Code of Canada, section 450, every chattel, article, instrument or thing by means of which any trade mark has been falsely applied or forged (which offences include applying to any goods a trade mark or any other mark so nearly resembling a trade mark as to be calculated to deceive) shall be forfeited.

*Damages or an account of profits*, or both, may accompany the injunction. *Damages* were awarded in *Barsalou v. Darling*, *infra*, p. 71; *Rose v. McLean*, *infra*, p. 271; *Vive Camera Co. v. Hogg*, *infra*, p. 344; *Provident Chemical Works v. Canada Chemical Manufacturing Company*, *infra*, p. 414. But where the defendant did not in any way seek to put off his goods for those manufactured by the plaintiff, or in any way to gain any trade advantage, only an injunction was granted: *Spilling v. Ryall*, *infra*, p. 425. The onus for shewing substantial damages lies, of course, on the plaintiff: *Leather Cloth Co. v. Hirschfield* (1865), L.R. 1 Eq. 299; *Magnolia Metal Co. v. Atlas Metal Co.* (1896), 14 R.P.C. 389. The modern English rule is that *both* damages and account of profits will not be granted, though such combination was formerly allowed: *Lever v. Goodwin* (1887), 36 Ch. D. 1; *Neilson v. Betts* (1871), L.R. 5 H.L. 1. This is apparently not so in Ontario. In one case both were asked for, and, though



only a reference as to damages was granted, this was because it had not been shewn that any profits had accrued: nothing was said as to the two being inconsistent, or that, by the taking of an account, the infringement was condoned: *Provident Chemical Works v. Canada Chemical Mfg. Co.*, *infra*, p. 414. In *Smith v. Fair*, *infra*, p. 152, the *account of profits*, it was held, should not be limited to the time subsequent to registration of the mark, especially so where the infringement prior to the registration has been fraudulent. Damages can only be recovered, and profits to be included in the account can only be reckoned, in respect of infringements occurring within six years from the issue of the writ: *Per Lord Mellish in Ford v. Foster* (1872), L.R. 7 Ch., p. 633. An account of profits has been refused where the plaintiff has been dilatory or has acquiesced for a time in the infringement: *Harrison v. Taylor* (1865), 11 Jur. N.S. 408; 12 L.T.N.S. 339; *Beard v. Turner* (1865), 13 L.T.N.S. 746; *Cave v. Myers* (1868), Seb. Dig., p. 181; *Lee v. Haley* (1869), L.R. 5 Ch. 155.

Until the result of the reference as to damages or account is known, the costs of the reference should be reserved: *Stark v. Midland Rail Co.* (1880), 16 C.D. 81; *Provident Chemical Works v. Canada Chemical Mfg. Co.*, *infra*, p. 414.

(e) *Costs*:

The costs, as the costs of any other action, are in the discretion of the Judge: See Holmsted & Langton's Judicature Acts, 1897, rule 1130 and Notes. The unsuccessful party is usually ordered to pay costs, but the Court has deprived a successful party of his costs on account of unmeritorious conduct: *Robinson v. Bogle*, *infra*, p. 217; *Rose v. McLean*, *infra*, p. 271; *Leather Cloth Co. v. American Leather Cloth Co.* (1863), 11 H.L.C. 523; *Rodgers v. Rodgers* (1874), 31 L.T.N.S. 285; *Estcourt v. Estcourt* (1874), 31 L.T.N.S. 567; *Meaby & Co. v. Tricitrine* (1898), 15 R.P.C. 1.

And where the plaintiff failed to prove his title to the mark in question as a *trade mark*, and so failed in the main point involved, but proved that the defendant was "passing off" his wares in a manner calculated to deceive the public, costs were given to him and the Court refused to make any division thereof: *Canada Publishing Co. v. Gage*, *infra*, p. 119; *cf. Ainsworth v. Walmsley* (1866), L.R. 1 Eq. 518; *Browne v. Freeman* (1864), 12 W.R. 305; *Lever v. Bidingfield* (1898), 15 R.P.C. 453.

So where the plaintiffs alleged fraud, which charge proved unfounded, the costs of the issues of fraud found in favour of the defendants were allowed them: *Robin v. Hart*, *infra*, p. 232; *Humphries v. Taylor Drug Co.* (1888), 59 L.T. 820; *Hargreaves v. Freeman*, [1891] 3 Ch. 39; *Standish v. Whitwell* (1866), 14 W.R. 512; *Saxlehner v. Apollinaris*, [1897] 1 Ch. 893.

In *De Kuyper v. Van Dulken*, *infra*, p. 246, the plaintiff claimed for a declaration that his mark was essentially a heart-shaped label; that the defendants' heart-shaped label was an infringement of his mark, and for other relief. The Exchequer Court, which was affirmed by the Supreme Court of Canada, refused to make such a declaration, but at the same time denied the defendants' right to register a label in the shape of a heart, and ordered rectification of the register. The defendants were ordered to pay the general costs of the action and of the particular issue concerning the shape of the defendant's trade mark, while as to the other issues of fact, each party having succeeded in part, no costs were given.

Where the infringer offers complete redress before action or redress and costs incurred if an action has been begun, he may escape liability for subsequent costs: *Burgess v. Hills* (1858), 26 Beav. 244; *McAndrew v. Bassett* (1864), 4 De G. J. & S. 380; *Fennessy v. Day* (1886), 56 L.T. 161; *Millington v. Fox* (1838), 3 My. & Cr. 338; *Molt v. Couston* (1864), 33 Beav. 578; *Clark v. Hudson* (1901), 18 R.P.C. 310.

Where only nominal damages are recovered, costs follow because the defendant disputed the validity of the trade mark: *Carey v. Goss*, *infra*, p. 136; *Templeton v. Wallace*, *infra*, p. 376.

(f) *Pleading*:

See Notes on Interpretation of the Act, *infra*, p. 442.

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DEVICES.

Compare *Barsalou v. Darling*, *infra*, p. 71, where a device consisting mainly of a horse's head stamped on a cake of soap was held to be infringed by a device consisting mainly of a unicorn's head also stamped on soap. The only difference at all obvious between the two heads was a horn sprouting from the forehead of the unicorn, though in other minor particulars there were various differences.

And compare *De Kuyper v. Van Dulken*, *infra*, p. 246; *In re Melchers and De Kuyper*, *infra*, p. 301; *Thompson v. Mackinnon*, *infra*, p. 104.

A collection of cases of marks and devices held to have, or not to have, such resemblance to each other as to be calculated to deceive will be found in Kerly on Trade Marks, 2nd ed., 1901, pp. 249-251.

In *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 188, an anchor was protected as a "device"; *Standish v. Whitnell* (1866), 14 W.R. 512, an eagle; *Cartier v. Carlisle* (1862), 31 Beav. 292, a cross; *Bass v. Dawber* (1869), 19 L.T.N.S. 626, a pyramid or triangle; *Robinson v. Finlay* (1878), 9 Ch. D. 487, a crest, name and coat of arms; *In re Rosing* (1885), 54 L.J. Ch. 975.

In *Beard v. Turner* (1866), 14 L.T.N.S. 746, a crest was established as a trade mark. Wood, V.-C., said: "I am far from adopting the assertion by some of the defendant's witnesses that a man cannot have his crest, or any other distinctive mark, if he chooses to make it by which he shall assert his claim to designate his goods as goods known by that mark, and shall be entitled to exclude all others from so using the mark. . . . I am not prepared to say or hold that a man putting his crest should not so put it as to establish his right to say, 'Nobody else shall use my crest.' It is incumbent on him, as on every plaintiff, to shew that this crest is an essential part of his trade mark."

A man may register his own portrait as a trade mark: *Rowland v. Mitchell*, [1897] 1 Ch. 71; and compare *Richmond Nervine Co. v. Richmond* (1895), 159 U.S. 293; *Kathreiner's Malz Kaffee Fabriken, etc. v. Pastor Kneip Medicine Co.* (1897), 82 Fed. Rep. 321.

Monograms are not allowed registration in England except as old marks used before the Trade Mark Registration Act of 1875. See *Lucke v. Webster*, an unreported decision of Jessel, M.R., made April 4, 1879. But in the U.S. case of *United States v. Marble* (1882), 22 U.S. Pat. Gaz. 1366, the letters "W. G." in a monogram were registered. And in *Smith v. Fair*, *infra*, p. 152, the letters "A.F.S.," forming a monogram, were considered to be capable of registration as a trade mark. In the same case, a seal of common wax in any colour was held to be the subject of a trade mark. Compare with this case, *In re James* (1886), 33 Ch. D. 392, where a trade mark for black lead, consisting in the representation of a dome-shaped cylinder of black lead.

A combination of devices which are common to the trade may, on the principle that the mark must be looked at as a whole, be protected as a new and distinctive device. See the extract from the report of Lord Herschell's Committee, 1888, cited *infra*, p. 320. See, also, *Orr-Ewing v. The Registrar of Tms.* (1879), 4 App. Cas. 479; *Crompton & Co.'s Trade Mark*, [1902] 1 Ch. 758.

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[IN THE COURT OF QUEEN'S BENCH FOR QUEBEC.]

JOHN KERRY ET AL.

V.

LES SŒURS DE L'ASILE DE LA PROVIDENCE DE MONTREAL.

(26 L.C.J. 51.)

*Trade Mark—Infringement—Descriptive Words—"Syrup of Red Spruce Gum"—"Compound Syrup of Spruce Gum"—Right of Non-trading Corporation.*

*Held*—That a trade mark consisting of a label with the seal of the corporation (defendant), composed of a virgin sitting on a throne, etc., with the words "Compound Syrup of Spruce Gum," is not a colourable imitation of a trade mark consisting of the words "Syrup of Red Spruce Gum," and that the appearance of the preparation sold under the mark first mentioned was essentially different, and not calculated to deceive. That the defendants, being a corporation without right to trade, could not maintain an action for damages to their trade as vendors of a syrup of spruce gum.

*Per* MACKAY, J., the words could not be a good trade mark, being descriptive.

THIS appeal was from a judgment of the Superior Court, Montreal, MACKAY, J., rendered on the 24th of November, 1876, dismissing an action brought by Messrs. Kerry, Watson & Co., the present appellants, against the Sisters of Providence, respondents, for infringing the trade mark obtained by the appellants for a preparation known as Gray's Syrup of Red Spruce Gum. The pleadings and facts are fully set out in the remarks of Mr. Justice Mackay in rendering the judgment of the Superior Court, which was unanimously confirmed in appeal.

MACKAY, J.:—The plaintiffs are the firm of Kerry, Watson & Co., the defendants a corporation under the Acts 4 & 5 Vict. ch. 67, and 24 Vict. ch. 115, by which last Act they have given to them their present name.

Henry R. Gray, in October, 1872, obtained a trade mark to be registered, which consisted of the words "Syrup of Red Spruce Gum," and so obtained the exclusive right to the said trade mark, to wit, the said name "Syrup of Red Spruce Gum," or, in French,

"Sirop de Gomme d'Epinette Rouge." In February, 1875, the plaintiffs bought from Gray the recipe for his Syrup of Red Spruce Gum, and his said trade mark, and duly registered the transfer.

The defendants, early in March, 1875, obtained a trade mark to be registered for a manufacture of theirs. The mark consisted of the seal of the defendants' corporation, composed of a virgin on a throne, at the foot of which are two saints, of the legend "Charitas Christi urget nos," and of the letters A. P. M., underneath the throne, the whole encircled by fleurs de lys, and around the seal the words "Sirop de Gomme d'Epinette Compose," and "Compound Syrup of Spruce Gum," with statement of the source of the syrup, and the doses to be taken of it.

Later in the same month the defendants obtained a registration of another like trade mark; but not for syrup.

Gray's Syrup seems to be an elegant preparation, and commands an extensive sale. Gray was manufacturing three to five thousand gross a year of it when he sold to the plaintiffs.

The plaintiffs, by their declaration, accuse the defendants of violation of their trade mark right, and of fraudulently selling a liquid or syrup under the name of "Compound Syrup of Spruce Gum," in bottles labelled with an essential portion of plaintiff's trade mark, and with an imitation thereof in imitation of plaintiffs' syrup of red spruce gum, with intent to deceive the public and consumers into believing that the defendants' preparation is the same as sold by Gray formerly, and now by plaintiffs.

They say that in 1875 the defendants made and sold large quantities of syrup in imitation of the plaintiffs, and have put up their syrup in bottles enclosed in stiff pasteboard case or cover made to assume the same shape and appearance as plaintiffs' bottles, the case enclosing defendants' bottles surrounded by a paper wrapper of a somewhat similar appearance as those around plaintiffs' bottles, the defendants' wrappers also having printed thereon a label infringing on plaintiffs' trade mark by the adoption of an essential portion thereof, to wit, the name and words in English, Syrup of Spruce Gum, and in French, Sirop de Gomme

d'Epinette, which words are calculated to deceive the public and buyers and consumers of plaintiff's syrup into believing that defendants' syrup is as valuable as Gray's or plaintiffs'. The declaration goes on to say:—That the said name is contrived and used by defendants in connection with the said article in order that by the similarity of sound and appearance buyers may be deceived, as they are in fact, into buying defendants' article for the plaintiffs'. The declaration goes on to say, in March, 1875, the defendants fraudulently obtained a certificate of registration of their trade mark, which is an infringement of plaintiffs', which certificate is null and should be so declared; that \$30,000 damages have been done to the plaintiffs by defendants' infringement of their trade mark, and plaintiffs have right to demand the nullity of defendants' trade mark.

The plaintiffs further allege that the defendants were originally incorporated by 4 & 5 Vict. ch. 67, under the name of "Montreal Asylum for Aged and Infirm Women," and it was provided by the said Act that nothing therein contained should affect the rights of Her Majesty, or of any person, or of any body corporate, such only excepted as are mentioned in the said Act; that supposing the defendants should not infringe the rights of the plaintiffs as above mentioned, the defendants, by manufacturing for sale and by selling their article, the Compound Syrup of Spruce Gum, as an article of trade, act in breach of their charter, and beyond the powers granted to them by law, and affect the rights of the plaintiffs in the premises, the defendants causing to the plaintiffs damages of \$30,000 by their unjust competition on the market and vending the said article; that the plaintiffs, to carry on their trade, have to pay heavy municipal taxes on their business, and on the property by them occupied for their trade, while the defendants, under pretence that they are a religious and charitable society, are granted exemption from all taxes; therefore, say plaintiffs, for the cause last mentioned, as well as for the causes above alleged, plaintiffs are well founded in restraining the defendants from practicing a trade incompatible with the objects of their incorporation; conclusions—that the cer-

tificate gotten by defendants be declared null; that the defendants be restrained from preparing or selling the Compound Syrup of Spruce Gum, bearing plaintiffs' trade mark or any portion of it, or imitation of it; that the defendants be condemned to account for all profits, etc., and be enjoined to desist from making or selling "any article whatever, for want of authority and power so to do," and that defendants be further condemned to pay to plaintiffs \$30,000 damages, etc.

The defendants plead:—That they are an institution of charity, and sustain numbers of houses of charity in the Province, in which are taken care of sick people, superannuated and deaf and dumb; that they do this by means of help gotten from charitable persons, and by their work and industry; that in 1843, defendants got the recipe for their syrup from the Hotel Dieu; from 1851 it has been made and used by the Hotel Dieu, and since 1843 by defendants, and sold to the public; and it is false that Gray, before any syrup of spruce gum was known and sold, had composed the syrup of which defendants claim the property; that all profits made by defendants have always been spent in the sustenance of defendants' institution of charity; that the defendants have never imitated, or attempted to imitate, plaintiffs' trade mark, or any essential part of it; that defendants' trade mark is essentially different from plaintiffs'—there is no resemblance between the two; that the name "Syrup of Red Spruce Gum" could never form or be a trade mark; that it is a *nom générique*, applicable to all syrup of red spruce gum, made or to be made by anybody; that Gray had no right to the name (Syrup of Red Spruce Gum) as a trade mark; that Gray never obtained any patent for his syrup, and so the plaintiffs cannot claim that he has, or they exclusively have, right to make or sell it; that plaintiffs are unfounded in complaining of defendants selling their syrup, seeing that defendants and the Hotel Dieu have made and sold it for years before Gray made any; that defendants' is far superior to Gray's; that the syrup of defendants does not imitate Gray's; it is different in colour, taste, composition, package and labels, and name; that the plaintiffs



have been persecuting defendants for a long time, running down defendants' syrup, representing it as of no value, and threatening defendants and their agents with persecutions for selling it, doing them damage of over \$25,000.

Then the plea states the trade marks of defendants and the registrations obtained, and claims them as their property; that the plaintiffs opposed the granting of said registrations, but in vain; so that there is *chose jugée* in favour of defendants; and in selling as they have done, defendants have only exercised their right; that the Superior Court cannot annul such Acts as those granted by the Minister of Agriculture and his deputy in favour of defendants; that it is false that the defendants have violated their charter, as alleged; that, on the contrary, they have only exercised an art towards the maintenance of their institution, and towards accomplishing the ends or object of their charter; but, though this were not so, it was and is not for plaintiffs to prosecute, but only for Her Majesty, or her Attorney-General.

Conclusions for dismissal of the action.

The defendants not only plead, defending themselves from plaintiffs' demand, but they bring an incidental demand for damages against the plaintiffs. They commence their declaration by reciting all their works of charity; then they say that in 1843 Sister Frigon, of the Hotel Dieu, gave Sister Caron, of incidental plaintiffs' corporation, the recipe for Compound Syrup of Spruce Gum; that this syrup since 1851 has been prescribed by the physicians attending the Hotel Dieu and the incidental plaintiffs' institution, and in fact since 1843 the incidental plaintiffs have made it, and been in the habit of giving it away gratuitously, and of selling it in large quantities; that spruce gum always entered into the same syrup with other matters, and hence the name, Compound Syrup of Spruce Gum, and the sales of it have constantly increased since 1843, and in 1875 the incidental plaintiffs were making great profits by it, sustaining their poor and their institution in great part by such profits.

That to distinguish their syrup the incidental plaintiffs have for years past placed on all bottles containing it the seal of their

incorporation or community, viz., a virgin on a throne, etc., with an inscription or motto, "Charitas Christi urget nos," and below it the letters A. P. M., the incidental plaintiffs adopting so their seal as their mark of commerce or trade mark, and their syrup attained great popularity in Canada and the United States.

That their said trade mark was approved by the Minister of Agriculture, and registered on 9th March, 1875.

That on another application, dated 27th March, 1875, claiming the proprietorship of the said trade mark, registration was granted of it again on 30th March, 1875. That the incidental defendants opposed those registrations, but the Minister of Agriculture overruled their objections, and this ruling is *chose jugée*.

That, notwithstanding the incidental plaintiffs' rights, the incidental defendants have maliciously and fraudulently, knowing of the incidental plaintiffs' rights to use their trade mark and sell their syrup, interfered to prevent them selling it by menaces against them and their agents, and by lies to the damage of the incidental plaintiffs. That particularly since March, 1875, the incidental defendants by themselves and agents have gone about in shops in Quebec, Montreal and elsewhere, and cried down the incidental plaintiffs' syrup as being of no value, at the same time falsely and fraudulently representing that the incidental plaintiffs were violating the trade mark of the incidental defendants, and had no right to make or sell their, the incidental plaintiffs', said syrup, and proclaiming that all who would buy or sell it, would incur forfeitures and penalties, thus frightening apothecaries and dealers from buying or selling the syrup, from fear of prosecutions, and many discontinued buying and selling in consequence.

That, by reason of the incidental defendants' manœuvres and threatenings alluded to, the sale of the incidental plaintiff's syrup has diminished at least one-half, and damages have resulted of over \$25,000, so the incidental plaintiffs have been deprived of a great part of the means necessary to support their institution, lodge their poor, and nurse the sick, etc. Conclusions for \$25,000 damages.

The incidental defendants' only defence is the general issue.

Upon the principal demand the first question is as to whether or not the defendants have been using or imitating Gray's trade mark.

This is not a patent case; it is not, as to the two syrups, who first made them, as from such of the evidence one might take it to be. It cannot be pretended that the defendants make a syrup like Gray's. The chief question is about a trade mark obtained by Gray. It is said that the defendants have fraudulently imitated it. They were free to imitate the syrup; both syrups, even now, may be imitated, but not so Gray's trade mark, perhaps. As to the syrups, the defendants have been making them for over twenty years. Gray swears that he has been making his since the fall of 1859, so the defendants have the priority of date of manufacture, as proved by many witnesses. Trade marks are legal possessions. What they may consist of our statute 31 Viet. states in its third section. The better to protect trade mark property we have made special laws.

To prove the branch of their case against the defendants for violation of Gray's trade mark, the plaintiffs have called a good many witnesses. One of them, Devins, was agent for defendants for a time to sell their syrup. He resigned because plaintiffs threatened him with law proceedings. He says the defendants, in 1875, just before employing him, spoke to him, and the name they proposed to use for the syrup was "Sirop de Gomme d'EpINETTE," that afterwards the word "Composé" was added; Devins says it was at his suggestion, owing to Gray's Syrup being on the market. He says that there was conversation as to the wrappers for the bottles; that the defendants proposed blue colour, and he told them that that would be infringing on Gray's rights, as his wrapper was blue; yet the defendants adopted the blue colour, he says. Being asked as to persons being deceived, into buying the defendants' syrup for Gray's, he says that he "has often sold the Nuns' for Gray's." "People asked for Gray's, and I gave them the Nuns'."

Other witnesses say that they, asking in shops for Gray's Syrup, have had the defendants' given to them.

Other witnesses say that the colour of the wrapper of defendants' syrup is very much, if not the same, as Gray's; another says that the sound of the name of the defendants' trade mark is the same as the sound of the name of Gray's; another says that it would be easy to pass one manufacture for the other, from the similarity of the names.

The defendants bring up numerous witnesses. These prove that the defendants' syrup has been in use for from twenty to twenty-five years, and has always been the same preparation; several of them prove that the trade mark of defendants is different from Gray's, and not imitation of it. The Court, appreciating the proofs made *pro* and *con*, cannot say otherwise than that the evidence is overwhelmingly in favour of the defendants. This part of plaintiffs' case is weak, although they have brought up fourteen witnesses. Some of their witnesses prove in favour of defendants, for instance, Dr. Picault, who says that unless a purchaser were blind he could not take the defendants' article for Gray's; and again, "si l'on peut lire on ne prendait pas l'un pour l'autre!"

Devins' evidence for plaintiffs is not satisfactory, and surely the defendants cannot be held for his misconduct in giving their syrup to people asking for Gray's. Devins' ethics, it is plain, seemed irregular, even to plaintiffs' attorney, who was shocked a little at his statements, and, smiling, said to Devins: "I suppose you reflected at the time that this was not very fair?" This reproof was not pleasant to anybody; Devins upon it merely said: "I looked at it as a business transaction."

Plaintiffs' witness Birks is not a satisfactory witness. After saying all that he had to say, the Court asked him a question, to which he gave a poor answer; this was followed by another, which he again did not answer; then there was a third question: "Is the syrup so marked as to import that it is manufactured by Kerry, Watson & Co. or by Gray?" To which Birks answers:

"From the appearance it would almost indicate that, *from the colour of the wrapper.*"

What is Gray's trade mark—the colour of the wrapper? No; he may use any colour.

He states in his declaration his trade mark to be the name and words "Syrup of Red Spruce Gum," and in French, "Sirop de Gomme d'Épinette Rouge."

The defendants' trade mark consists of a ticket or label having the seal of their corporation, composed of a virgin sitting on a throne, at the foot of which are two saints, and a legend or motto, "Charitas Christi urget nos," is in a semicircle over the virgin and throne, and the letters A. P. M. are under the throne, the whole encircled by fleurs de lys. Around the seal, too, inside, in a kind of hoop semicircle, are printed the words, "Sirop de Gomme d'Épinette Composé" and words "Compound Syrup of Spruce Gum," with indication of the source or origin of the syrup, and of the doses of it.

The Court agrees with those of the witnesses who say that there is not imitation of Grays' trade mark. It is not even an imitation colourable or in disguise. Both trade marks use the word "Syrup," also the words "Spruce Gum"; but the one is called "Compound Syrup," and the other is not. One is a syrup of red spruce, the other is not. It is said that an absolute resemblance need not be, and yet violation of trade mark may be seen. True; but here is no resemblance, but quite the contrary. The altar, the virgin, the saints, the Latin motto, and the statement of whence the syrup comes from, all of which must always be exhibited as essential components of defendants' trade mark, go to make it very different from Gray's. Gray is free to omit all figures, or any, or put what figure he pleases on his labels, not so the defendants. It cannot be said that their trade mark has a general resemblance to Gray's; certainly it does not resemble it so as to be easily confounded with it; this was found so by the Minister of Agriculture. The defendants force upon the Court another question. They say:—Supposing that in their trade mark imitation could be seen of Gray's, this would amount to no-

thing, for Gray's name, or words, "Syrup of Red Spruce Gum," could never properly be a trade mark; that they involve only a generic term, do not designate the origin of the goods, but the mere name of the thing; that they are the words commonly used for indicating the thing manufactured to be of a particular kind or class of manufacture. They say that, unless a fancy name were resorted to, the product had naturally to be called Syrup of Red Spruce Gum, and that, under the circumstances, that name could not be appropriated by Gray to or for himself alone. Some English and United States authorities support the defendants, and it ought to be held so here, I think. Our 35 Viet. ch. 32, sec. 9, seems framed with design that so it should be held.

Gray's mark, it is to be observed, is the mere name of the substance in his bottles; this is not described as of his ownership, or invention, to distinguish it from other's manufacture. We see that Gray, or plaintiffs, as his substitutes, are claiming the monopoly of that name of substance, but this ought not to be allowed.

The chief part of plaintiffs' case is thus disposed of.

The plaintiffs say to defendants, "you mix *illegally* in trade," as if plaintiffs themselves mixing in it did so with license or peculiar right; but we do not see how this is; plaintiffs ought to have made it plain to demonstration. Not doing so, they have no right then to damages, and their action must be dismissed.

There remains the incidental demand. Its allegations have simply been denied, but they have been proved true to a great extent. The threats made by the incidental defendants against the incidental plaintiffs' agents, and the unfounded accusations made against the incidental plaintiffs, were and are good cause of action; they caused loss to the incidental plaintiffs of trade profits, and no justification is pleaded. If, instead of these incidental plaintiffs, and that such house had made such proofs as the incidental plaintiffs have, and mere general issue been pleaded, the court would probably award large damages, hundreds of pounds. Is the case to be differently treated because of the incidental plaintiffs being, as we know, an eleemosynary corporation, lay corporation, not having right to carry on com-

merce? Upon reflection it has occurred to me that the incidental plaintiffs ought not to be allowed damages from defendants except upon indisputably clear right; here I see weakness in the incidental plaintiffs' case. They had no right to trade and by illegally trading, contributed to the trouble they complain of. They claim damages for loss of commercial profits, but themselves were and are lay or eleemosynary corporation, bound to keep within a certain sphere, and to whom commerce was and is unlawful.

The incidental demand must be dismissed, but without costs, as the judgment has proceeded upon grounds not pleaded by the incidental defendants.

The judgment is registered as follows:—

“The Court, having heard the parties by their counsel respectively, as well upon the *défense en droit* of defendants as on the merits of the principal and the incidental demands in this cause; having examined the proceedings, etc., doth dismiss the *défense en droit* first pleaded, with costs, distracts, etc., and doth also dismiss the *défense en droit* secondly pleaded to part of plaintiffs' declaration, etc.;

“And adjudging upon the principal demand:

“Considering that the defendants have not violated the trade mark, alleged property of the plaintiffs; that the plaintiffs' allegations charging them with having done it are not proved, but disproved;

“Considering, further, that the words “Syrup of Red Spruce Gum” cannot and could not properly constitute a trade mark, involving, as they do, only the name of a substance, and not designating particular origin or ownership of it;

“Considering that Gray never had, nor have plaintiffs, right to the monopoly of those words;

“Considering upon the other head of plaintiffs' complaint, save in so far as complaining of private damage to themselves, personally, through defendants' violation of their charter or charter rights, or exceeding their powers by trading, the plaintiffs had and have no right to prosecute, it being for the Crown alone, or the Attorney-General (for the Crown or the public) to

prosecute corporations for exceeding their powers, or for excesses in the exercise of their charter rights or powers;

“Considering that though the defendants have been competing improperly in the market with plaintiffs, no special damages are proved, and that, as to nominal damages, plaintiffs show no right to any; proving no license or privilege possessed by themselves to trade;

“Considering, finally, that plaintiffs have not right to judgment for anything against the defendants, upon the proofs of record, doth dismiss plaintiffs’ action with costs, distracts, etc.

And adjudging upon the incidental demand;

“Considering that incidental plaintiffs have proved most of their allegations material, and particularly that the incidental defendants interfered with them in their selling Syrup of Spruce Gum, and threatened them and their agents with prosecutions, and damaged incidental plaintiffs by making them lose commercial gains, as alleged;

“Considering, however, that the incidental plaintiffs, being a corporation lay, eleemosynary corporation, could not lawfully enter into and carry on trade, and that the trouble they complain of they have contributed to draw upon themselves, by the fact of trading without lawful warrant or right, but in excess of their charter rights, and that, therefore, incidental plaintiffs have not clear right or title to a judgment against incidental defendants for any damages; doth dismiss said incidental demand, but without costs, as incidental defendants only pleaded a general denial, and not any justification.”

The appeal was from the judgment dismissing the principal action. There was no cross appeal.

SIR A. A. DORION, C.J. (who had sat in the case), said he had discovered that the firm of which he had been a member had formerly acted as counsel for the respondents in relation to this matter, and he would not, therefore, take any part in the judgment. But as the other four Judges who had heard the case were unanimous, the judgment would be rendered.



RAMSAY, J.:—The action in this case is purely and simply for the violation of appellants' trade mark. There was an incidental demand on the part of the respondents, retorting on appellants. Both actions are dismissed, and the respondents have not appealed from so much of the judgment as dismissed their cross action.

We have, therefore, only to enquire: 1st. Whether the respondents have violated appellants' rights in counterfeiting their trade mark. 2nd. Whether, not being a trading company, the respondents are liable for having created a competition with appellants in the sale of spruce gum.

On the first point the evidence is very lengthy, but the production of the two marks is more to the purpose than almost anything that witnesses can tell us. To my eyes the trade mark used by respondents bears no resemblance to that of appellants. Both are called spruce gum, and both, so far as we know, are spruce gum.

The second question appears to me to suffer as little difficulty as that which precedes. I entirely agree with the learned Judge in the Court below, that under their charter, and at common law, the respondents could not maintain an action for damage to their trade as vendors of spruce gum; but I do not go the length of saying that they had no right to make spruce gum and to sell it, either wholesale or retail. There are only two ways I can see by which such a right could be tested:—By maintaining it was a forfeiture of their charter; or by suing them in damages, as in the present action. I think it would hardly be contended that the respondents selling spruce gum, or any other fruits of their own industry, for the purpose of maintaining the objects of their incorporation, could thereby forfeit their charter of incorporation. Again, to examine this action carefully, let us put an extreme case:—Did ever anyone hear of an action of damages by a licensed victualler against his unlicensed neighbour who deals in his trade? The reason why such an action would not lie is clear enough. The act of the unlicensed is at most only a nuisance. As

such, no private party can abate it, unless he has a special interest. If it is less than a nuisance his interest is still less direct.

I think the judgment should be confirmed.

*Judgment confirmed..*

*Doutre, Doutre, Robidoux, Hutchinson & Walker*, for appellants.

*Trudel, Taillon & Vanasse*, for respondents.

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Notes:

The decision of the Court of Queen's Bench, it will be noted, does not contain any express declaration that the words used by the plaintiff—"Syrup of Red Spruce Gum"—does or does not constitute a valid trade mark. Ramsay, J., who delivered the judgment of the Court, seems to take it for granted that the phrase was a valid trade mark, and then holds that there was no infringement. But Mackay, J., in the Superior Court, held in a hesitating manner that the words could not be a good trade mark, being descriptive. His hesitancy does not seem justified in view of the subjoined decisions in which the words were held descriptive: *Young v. Macrae* (1862), 9 Jur. N.S. 322 ("Paraffin Oil"); *Liebig's Extract of Meat Co. v. Hanbury* (1867), 17 L.T.N.S. 298 ("Liebig's Extract of Meat"); *In re Hudson* (1886), 32 Ch. D. 311 ("Carbolic Acid Soap Powder"); *In re Dunn* (1890), 15 App. Cas. 252 ("Fruit Salts"); *Caswell v. Davis* (1874), 58 N.Y. 223 ("Ferro-phosphorated Elixir of Calisaya Bark"); *In re Price's Patent Candle Co.* (1884), 27 Ch. D. 681 ("National Sperm" candles); *McCall v. Theal*, *infra*, p. 56 ("Bazaar Patterns" for clothing); *Rumford Chemical Works v. Muth* (1888), 35 Fed. Rep. 524 ("Acid Phosphate"); *California Fig Syrup Co. v. Putnam* (1895), 66 Fed. Rep. 750; 69 Fed. Rep. 740 ("Fig Syrup").

## [IN THE COURT OF CHANCERY OF ONTARIO.]

MCCALL v. THEAL.

(28 Gr. 48.)

*Trade-mark—Principles on which the Court acts in protecting—Names, marks or indicia calculated to deceive purchasers—"Bazaar Patterns"—Injunction.*

The principle, on which the Court acts in protecting trade-marks, is that it will not allow a man to sell his own goods under the pretence that they are the goods of another man, and so it will not allow the use of names, marks or other *indicia* by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person.

THIS was an action by James McCall against Arminius M. Theal for an injunction restraining the defendant from manufacturing and exposing for sale paper patterns under the name "Bazaar Patterns," in such a manner as to induce the public to believe they were purchasing patterns manufactured by the plaintiff.

The action was heard at the Autumn Sittings of 1880, at Toronto. The facts are sufficiently stated in the judgment.

*Robinson, Q.C., and J. H. McDonald, for the plaintiff.*  
*McCarthy, Q.C., and J. M. Reeve, for the defendant.*

The following, among other references, were made in the argument:—*Taylor v. Taylor* (1854), 23 L.J. Ch. 255; *Singer Machine Mfg. Co. v. Wilson* (1875), L.R. 2 Ch. D. 434; *Davis v. Reid* (1870), 17 Gr. 694; *Smith v. Woodruff* (1867), 48 Barb. 438.

At the conclusion of the argument,

BLAKE, V.C.:—I do not know that any further consideration would cause me to alter my mind in the conclusion at which I have arrived, and, as Mr. Robinson says, the authorities define so well the position of the plaintiff and defendant that it is scarcely

necessary to reconsider them. So far as the term "Bazaar" is concerned, it seems to be very clear where that originated, as proved by some of the witnesses. In the year 1868, the Harper Brothers in the City of New York issued a publication called "*Harpers' Bazaar*." But at a period of time, not very exactly defined, after the issue of the paper, as an adjunct to that, and in order to increase its circulation, they added some patterns to it, and these were called and known as patterns which were found in "*Harpers' Bazaar*," or "*Harpers' Bazaar Patterns*," variously described, but all drawing their origin from the paper of the Harpers, called "*Harpers' Bazaar*." The origin of the name is quite clear and distinct, and I think it is reasonably clear that within a very short time after that, in the year 1870, the name of "*Bazaar Patterns*" and "*Harpers' Bazaar Patterns*" became so well known, that, according to the letter of the plaintiff himself, he felt that it would be a matter of very great moment to him to be able to use that name. It is perfectly true, that giving his evidence here, he did not admit distinctly that what he had done in either 1870 or 1871—I should judge that it was in the year 1870—and found to be wrong, did not arise from the use of the name "*Bazaar Patterns*," but from the use of cuts from the paper that was called "*Harpers' Bazaar*." From the letter, however, which he wrote,\* and which was not satisfactorily explained by him, it

\* The letter here referred to was as follows:—

NEW YORK, May 11th, 1880.

G. A. WALTON,

DEAR SIR,—In reply to the enclosed notice marked "A," when I explain the circumstances you will better understand.

In the fall of 1871 I commenced manufacturing cut paper patterns under the name of *Bazar Patterns*. After six months I found, or supposed I had found, a mistake in using the name. The labour of six months, in which time we manufactured 50,000 patterns at a cost of \$10,000, was all destroyed. Believing, as we then did, that we were infringing on the rights of *Harper & Bros.*, I went directly to Mr. *Harper* and explained my position, and they, Mr. *Fletcher Harper, Sr.*, and Mr. *Fletcher Harper, Jr.*, advised me to go on manufacturing the patterns under the name and title of *Bazar Patterns*, and gave me a letter, a *fac simile* of the enclosed, marked "A." I manufactured under this name for more than a year; I had then a large amount of money in the pattern business, and to my astonishment I then learned that the Messrs. *Harper & Bros.* had no trademark on the word "*Bazar Patterns*."

Messrs. *Harper & Bros.* stated to me that they did not use the name *Bazar Patterns*; neither did they cut *Bazar Patterns* nor offer them for

is perfectly clear that in 1870 or 1871 he had taken from this paper a large number of cuts, and was about to enter into this business, and to use the name of the "*Paper Cut Patterns from the Bazaar*," or "*The Bazaar Patterns*," or "*Harpers' Bazaar Patterns*." For a reason that is not assigned by him he felt that he should not proceed with the manufacture, and he then approached the Harpers after destroying some \$10,000 worth of property which was to have been the means of his entering into this trade. The only reason it is necessary to dwell upon that is, that from the letter of the plaintiff, and from the acts of the plaintiff, so far back as 1870, there was evidently in his mind a property in that name, and there was then in his mind the fact that he had not the right to use that name. He then approached the Harpers, and some arrangement that is not very clearly defined—Mr. Harper not bearing it in mind, and Mr. McCall giving an account of it, the whole of which is not entirely satisfactory, but giving an account of it which leads to the conclusion that then some kind of an arrangement, whereby he was to get the benefit of this name, and whereby the Harpers were to get the benefit of the increased circulation of their "*Bazaar*" which would arise from the plaintiff's work being used as an advertising medium,

sale, but advised me to procure a trade-mark on the words "*Bazar Patterns*." Before doing so I set to work at considerable expense and labour and searched all the books and papers I could find in Europe and America, which occupied one or two years in the search, and could not find the words in print as applying to patterns; nor in any way applying to patterns, direct or indirect, up to the time which I secured my patent; and I here state that the words *Bazar Patterns*, as applying to cut paper patterns, were never used previous to the date of my trade-mark, at least so far as I know, or have been able to find. Mr. *Theal*, of your city, had full knowledge of my trade-mark at the time, and was fully aware of my action in the matter.

Messrs. *Harper & Bros.*, and myself have worked harmoniously in the pattern business for eight years. It was agreed between us when I took out my trade-mark that they—*Harper & Bros.*, should have the right to use the words *Bazar Patterns*, but they never used the words in any way until the year 1873, that is, *Harper & Bros.* sold their patterns under the name and title of "*Cut Paper Patterns*" in *Harper's Bazar*.

From 1871 to 1878, the name *Bazar Patterns* does not appear in any of their publications up to 1878. I have spent over one hundred thousand dollars in advertising over the name *Bazar Patterns*, and should the trade-mark not be sustained it would be a damage to me and a very heavy loss.

JAMES MCCALL.

was made. That he then thought so is perfectly clear from the instructions that were sent to his agent. He sent out the "*Harpers' Bazaar Patterns*," and this name was used in the United States, and the name was more or less used in Canada, and it was a means whereby these articles, "*Bazaar Patterns*," were designated, all arising from the fact that they had appeared in the first instance in a paper which was called the "*Bazaar*" or "*Harpers' Bazaar*." The means of describing the articles required was from a number, and by sending for that number you got the pattern—the cut not giving you the full information—you got the pattern and you got the plan of making that up, thereby paying these persons for these cuts on account of the charge for the patterns, which was inevitable if you took a fancy to the cut, and desired to obtain the article. Then the name was used more or less by other dealers. There is no question but that, from the year 1871, at all events, till the year 1878, these were called the "*Bazaar Patterns*," or "*Harpers' Bazaar Patterns*." I do not know what right the Harpers had acquired in that name up to the year 1878, or what their rights would have been, but I think there can be no doubt whatever that in the United States these patterns were termed the "*Bazaar Patterns*." That came to be the name whereby they were known, and that term to my mind became very clearly public property, and it was impossible for any person, after it had been used for that time, to acquire a property in it, or to affix it to his goods so as to prevent others using it.

Then the question is, whether the plaintiff has acquired a right in this Province, although he might not have that right in the United States. The authorities cited seem to shew that the Court would be bound to protect a person who has identified an article with the name in a place other than the country in which he has first done so. If in England they protect an American manufacturer, certainly in this country they would also protect one who has acquired a property in that name. I think that during that period of time, particularly by the intervention of the plaintiff himself, by, as he says, a large expenditure of money in

advertising, etc., —\$26,000 a year—he helped to make this public property, and he was getting the advantage of it. He was trading to a certain extent upon the reputation of the Harpers, and was making that as public as possible, and was building up his own business by virtue of the word “*Bazaar*,” which had introduced this class of work, and every occasion on which he advertised this he was virtually making it public property, gaining for himself by virtue of the Harpers’ reputation, and “*Harpers’ Bazaar*,” an increased profit to himself. The plaintiff aided, therefore, in making this public property, not only throughout the United States, but also throughout the Dominion, inasmuch so that up to the year 1878 these were generally known as the “*Bazaar Patterns*”; or the “*Harpers’ Bazaar Patterns*.” The principal words would be the “*Bazaar Patterns*,” traced back to the newspaper which was called “*The Bazaar*,” and the patterns which, to a certain extent—to a greater extent later, to a smaller extent in the earlier issue of the paper—were to be found connected with it. So that I think this was public property, that the plaintiff had not the right to endeavour to attribute to that which he might manufacture a name which had been for years before a well-known and current name by which that article was defined.

Then the second branch of the case is, has the defendant so conducted his business as that he has sought to make a sale of the article which he has manufactured not upon its own merits so much as upon the merits of the name and reputation of the plaintiff? I do not know that any case we have had since the case of *Perry v. Truefitt* (1842), 6 Beav. 66, lays down better the principles upon which the Court should be guided. That seems to be the foundation in reality of all these cases, and there Lord Langdale says: “I think that the principle on which both the Courts of Law and Equity proceed, in granting relief and protection in cases of this sort, is very well understood. A man is not to sell his own goods under the pretence that they are the goods of another man; he cannot be permitted to practice such a deception, nor to use the means which contribute to that end. He cannot,

therefore, be allowed to use names, marks, letters, or other *indicia* by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person. I own that it does not seem to me that a man can acquire a property merely in a name or mark; but whether he has or has not a property in the name or mark, I have no doubt that another person has not the right to use that name or mark for the purpose of deception, and in order to attract to himself that course of trade, or that custom which, without that improper act, would have flowed to the person who first used, or was alone in the habit of using the particular name or mark." That seems to me to be useful as it is extended to names, marks, letters, or other *indicia* by which he might induce a purchaser to take as the article of another that which in reality he has manufactured. In the present case the defendant occupied this position.

He having been employed by the plaintiff for the sale of these articles, the arrangement terminates. It is utterly immaterial, and it is so conceded by the learned counsel both for the plaintiff and defendant, whether that was improperly or properly done, or whether a right of action existed in regard to the termination of that arrangement. We have nothing here to do with that, but the question of the termination of the agreement is material in this aspect of the case; the defendant having been left with a considerable number of patterns of the plaintiff, he was entitled to dispose of those patterns, and therefore, means which might have been objected to if he had none of these patterns, would be unobjectionable if he used these endeavours to dispose of the articles which he had received from the plaintiff for the very purpose of sale.

He commenced this business for himself in such a way as that it was evident he was endeavouring to continue the same business in the eyes of the public. He admits himself that he did not desire to draw any distinction between the business conducted for himself, and the business he had conducted for the benefit of the plaintiff.



He admits that was so; and it appeared even to himself, prejudiced as a man would be in his own case, that there was so much similarity between what he, the defendant, was doing in conducting the business for himself, and the way which he had conducted the business for the plaintiff as that it might be objected to, and so he felt it proper to make an alteration.

He sought, in the first instance, to conduct the business as like the business of the plaintiff as it was possible. He, for the purpose of carrying this out, invents a company in New York, because the plaintiff had upon his papers the name of some persons there, and in order to copy the plaintiff, in even this, he stated that he was acting by the authority of some person: he invents the name of the "New York Fashion Company," and then puts his own name as being the person that was acting in developing this business for that company. So down to the minutest matter everything was conducted after the plaintiff's fashion. The defendant sought to have an imitation of the business of the plaintiff, so that those dealing with the defendant might consider that they were in reality getting the goods of the plaintiff. Nothing could be plainer than that to any man's mind. In fact it was even plain to the mind of the defendant himself.

He got the very pamphlets of the plaintiff, he purchased these, and then he put a wrapper upon them and thus we find a colourable imitation of the books of the plaintiff.

*Mr. McCarthy*—That was before he commenced the manufacture.

BLAKE, V.-C.—I know it was before he commenced. The man had in his mind the course by which he was going to manufacture: he then forms a scheme by which he is going to carry on his business, and the scheme whereby he was going to manufacture and carry it on was a scheme by which there was to be an imitation of the business of the plaintiff, and it is immaterial whether it was before or after, for I am at present only dealing with the question, what had the defendant in his mind when he ceased the business he had been carrying on with the plaintiff, and began the conduct of it on his own behalf.

The scheme he had was a business that was to differ so slightly from that which he had previously carried on that the world would consider it was a continuation of it, and that every one would think, "here is the business of the plaintiff conducted by the defendant," and thus he was to gain the advantage of the reputation and skill and advertising and the large expenditure of money which had been incurred by the plaintiff.

Then he makes an alteration in his business, so apparent was it that it was the subject of attack, and the question is to-day, not what the defendant did in 1878 or earlier, but is he conducting the business to-day so as to lead persons to conclude that it is the business of the plaintiff? It is material to look at what the intention of the defendant was: was it his intention at once to construct it into a business to be carried on upon the strength of a reputation which he was to make, that is, was it to be *Theal's* business, or was it to be the business so far as he was concerned of *Theal*, and as far as the public was concerned a continuation of the *McCall* business?

There is no doubt of the great resemblance originally, and I think it is equally clear to-day that there has been so great a resemblance as that people are misled by what the defendant is doing. All these matters taken together shew this, although, as I said when Mr. *Robinson* was arguing the case, if there was only one of these matters, then the Court might say that it was so trifling that it could not be that a purchaser was misled by it.

We must bear in mind also that the authorities quite clearly lay down that the question is not, whether a person that is skilled in this class of business or a person that scrutinizes the difference between the article presented by the plaintiff and defendant would come to the conclusion that there was a difference, but the question is, whether one of the ordinary customers—a person that does not naturally scrutinize—would be misled? Now we have in the one paper produced, which it is said contains 145 cuts, 139 identical with the cuts of the plaintiff.

There is a great similarity in that book: 145 cuts, and of these 139 that are identical with the cuts of the plaintiff. It was

very mildly argued—and indeed it could only have been so argued—that this great similarity was a coincidence. I believe there is an authenticated case in which a Frenchman and an Englishman wrote a book, and they were very much alike indeed, a book of travels; but it only happened once in the world.

Here I think it must be perfectly clear that the defendant took these patterns from the plaintiff. As Mr. *McCarthy* very properly remarked, although that may be considered an honest thing in the trade, of course it is not considered an honest thing outside of the trade, that a man is at liberty to steal the work and reputation of others and not give him anything for it, but we have not to deal with that question here. It seems, according to the practice of the trade, the defendant was justified in taking these cuts; but what is material in this case is the manner in which these cuts are given to the public, and we have them here collected as cuts of the defendant, and out of 145, 139 represent the actual cuts of the plaintiff with only this one difference, that they are in the reverse form in the book of the defendant. That is a matter that is incapable of satisfactory explanation for the defendant.

The explanation of the plaintiff would not suit him; but I believe his statement and that of his agent, that the way it comes to be reversed is that the very article of the plaintiff must have been used as the model, and transferring it from one to the other it gives it in the reverse shape: so that we trace the whole of this work of the defendant directly to the material of the plaintiff.

Then we find what strikes me, and has been very justly argued—as a matter that is most apt to mislead—the very numbers that were employed by the plaintiff were employed by the defendant. He did not commence with No. 1. I do not blame him for that. We know that many persons do not want to shew that their business has just commenced, and instead of beginning with No. 1, they begin with number 1,000 or 10,000; that is not a point that is worthy of comment. But it is argued that the numbers are identical with the numbers of the plaintiff, and I think that the way this is apt to injure the plaintiff and aid the defendant is,

that persons would carry in their minds the number and demanding at the establishment the pattern to answer the number, and finding the number and pattern to correspond they would naturally think they were getting actually one of the plaintiff's patterns from the defendant. It was the plaintiff's work that they demanded and expected to get; but they in reality would be getting the work of the defendant. I cannot conceive any means whereby one person can more plainly mislead another than by taking his cuts and putting opposite each cut the very number, which is there placed simply for the purpose of identification. We have the same resemblance as exactly as it possibly can be; we have that carried out in every department; we have a similarity of envelopes—I am not dealing with the question that the plaintiff and defendant are both using simply an envelope—but it is the same so far as the material and colour, and so far as the size is concerned it is made as identical with the envelope of the plaintiff as it is possible to make one resemble the other. It is said that the Harpers used an envelope, but it was an oblong envelope, of a class that could not mislead the public.

These are all considerations which shew the intentions of the defendant. When he began he assimilated his mode of carrying on his business as exactly as it was possible for one man to assimilate his business to that of another; there is the resemblance of number and form and name. We perceive every matter in the defendant's business, down—as Mr. *Robinson* has observed—even to displaying the book of the plaintiff to the last moment in his window. What is there to correct this, the impression thereby made? The only thing done to correct it is, the putting the defendant's name on the envelope in the same place as the plaintiff has put his. Where everything else is so similar in the business of the one person with the other, is there sufficient to nullify all this by simply putting the name there? I think not.

I omitted the fact, that although the plaintiff has not got a property in the word "*Bazaar*," yet still the defendant has put that as a principal matter on his envelopes and in his various

sheets just as the plaintiff has put it in his, so that it is one of the concomitants or surrounding circumstances to identify that which has been issued by the defendant as being that which has been issued and is in the course of being issued by the plaintiff. I do not think the mere insertion of the name on the envelope is sufficient to counteract all that is there to lead the public to believe that what has been issued by the defendant is the article of the plaintiff. I think that the statement of the defendant is correct, that he had an intention in doing what he has done; that he not only put these numbers there, used these envelopes, made as like those of the plaintiff as he could; that he intentionally put on the back of it a cut; that he desired to imitate the manner and mode of making it up; and that he intentionally clothed his articles with everything that was to make them as similar to the plaintiff's as possible, and this was so very plainly an infringement of the rights of the other that he qualified it by simply inserting his, the defendant's name, which would not, however, attract the eye of many persons who, finding the number to be the same, the cut and number to coincide, would not consider the name of "*McCall*," "*Theal*," "*Demorest*," or any one else, but wanted and desired a pattern of such a number, and the moment they found and got a number to correspond, they had the article they were in search of. Therefore I think, following the case of *Perry v. Truefitt* (1842), 6 Beav. 66, the defendant has been employing the very *indicia* by which the plaintiff has been making known his goods, and though I find there is no right in the plaintiff to the exclusive use of the word "*Bazaar*," yet still the defendant has been infringing, and seriously, on the rights of the plaintiff in what he has done, and therefore the plaintiff is entitled to an injunction restraining the defendant from representing that the goods in the bill referred to are the goods of the plaintiff.

As the plaintiff has failed in the main branch of the case, that is, as to use of the word "*Bazaar*," and the defendant has succeeded in that, and the plaintiff has succeeded in the other branch of the case, the relief I give is without costs.

**Notes:**

## GENERAL PRINCIPLES OF TRADE MARK LAW.

That no man will be allowed to use a trade mark similar to that of another person so as to be calculated to deceive or mislead the ordinary purchaser into the belief that the goods are those of another man, whether he has or has not the intention to deceive or mislead, is the great basic principle upon which the Courts act in protecting registered and unregistered trade marks. This has been so ever since the decision in *Millington v. Fox* (1838), 3 My. & Cr. 338, when Lord Cottenham held that an injunction could be obtained to restrain infringement of a trade mark even though the infringement was due to ignorance and was without fraudulent intent. Lord Chancellor Cairns, in *Singer v. Wilson* (1877), 3 A.C., p. 391, said: "I wish to state in the most distinct manner that, in my opinion, fraud is not necessary to be averred or proved in order to obtain protection for a trade mark . . . . A man may take the trade mark of another ignorantly . . . or in the belief, mistaken, but sincerely entertained, that in the manner in which he is taking he is within the law . . . or he may take it knowing it is the trade mark of his neighbor, and intending and desiring to injure his neighbor . . . . But in all these cases . . . the injury to the plaintiff is the same. I have never known any serious doubt entertained on this subject since the case of *Millington v. Fox*." This principle is based on two grounds: (1) The prevention of injustice to the owner of the trade mark—for his trade mark is a sign of the quality of the article—and, (2) The protection of the public from imposition—for the mark is an assurance to the public that it is the genuine product of the owner's manufacture.

Bacon, V.-C., in *Ransome v. Graham* (1882), 51 L.J. Ch. 897, at p. 900, states the law as follows: "The law relating to trade marks has been established by decisions extending over centuries, and although its application has been somewhat modified by the recent statutes relating to trade marks, the law has undergone no change in its essential principle. That principle may be stated thus: A manufacturer who produces an article of merchandise which he announces as one of public utility, and who places upon it a mark, by which it is distinguished from all other articles of a similar kind, with the intention that it may be known to be of his manufacture, becomes the exclusive owner of that which is henceforth called his trade mark.

By the law of this country he obtains a property in the mark which he so affixes to his goods. The property thus acquired by the manufacturer, like all other property, is under the protection of the law, and for the invasion of the right of the owner of such property, the law affords a remedy similar in all respects to that by which the possession and enjoyment of all property is secured to the owners."

Lord Cranworth, in *Seizo v. Provezende* (1865), L.R. 1 Ch. 192, set out the law in these words: "The principle on which relief is given in these cases is that one man cannot offer his goods for sale representing them to be the manufacture of a rival trader. Supposing the rival to have obtained celebrity in his manufacture, he is entitled to all the advantages of that celebrity, whether resulting from the great demand for his goods, or from the higher price which the public are willing to give for them, rather than for the goods of other manufacturers whose reputation is not so high. Where, therefore, a manufacturer has been in the habit of stamping the goods which he has manufactured with a particular stamp or brand, so that thereby persons purchasing goods of that description knew them to be of his manufacture, no other manufacturer has a right to adopt the same stamp. By doing so he would be substantially representing the goods to be of the manufacture of the manufacturer who had previously adopted the stamp or mark in question, and so would or might be depriving him of the profit he might have made by the sale of the goods which, *ex hypothesi*, the purchaser intended to buy. The law considers this to be wrong towards the person whose mark is thus assumed, for which wrong he has a right of action, or which is the more effectual remedy, a right to restrain by injunction the wrongful use of the mark thus pirated."

In *Davis v. Kennedy*, *ante*, p. 8, Spragge, V.-C., quoted the language of Lord Cranworth in *Farina v. Silverlock* (1856), 6 DeG. M. & G. 44, as peculiarly apposite: "I apprehend the law is perfectly clear, that any one who has adopted a particular mode of designating his particular manufacture, has a right to say, not that other persons shall not sell exactly the same article, better or worse, or an article looking exactly like it, but they shall not sell it in such a way as to steal (so to call it) his trade mark, and make purchasers believe that it is the manufacture to which that trade mark was originally applied." "I have no doubt," continued Spragge, V.-C., "that Lord Cranworth used the word 'steal' to mark his sense of the gross impropriety of the practice of appropriating the trade marks of others."

Mowat, V.-C., in *Davis v. Reid*, ante, p. 24, said: "From the similarity of the two stamps, and from the other evidence before me, I have no doubt that the defendants copied their stamp from the plaintiff's; and that whether they had or had not any intention of misleading purchasers—a point which for the present purpose is quite immaterial: *Millington v. Fox* (1838), 3 My. & Cr. 352; *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 199; *Kinahan v. Bolton* (1863), 15 Ir. Ch. 82; *Harrison v. Taylor* (1865), 11 Jur. N.S. 408; their mark is well calculated to have that effect; and there is express evidence of persons having been *actually misled* into purchasing the stamped cigars of the defendant's manufacture, when they wished to purchase, and supposed they were purchasing, the plaintiff's stamped 'Cable' cigars; and 'that being so,' as was said by the Court in *Glenny v. Smith* (1865), 2 Drew & Smith 476, 'it is vain for witnesses to say that in their opinion persons could not be misled.' "

Speaking of the similarity existing between the two marks, "Nor is it necessary that the resemblance should be so close as to deceive, notwithstanding careful examination. If even ordinary purchasers may be deceived, or 'incautious purchasers,' as Lord Kingsdown mentioned in a case in the House of Lords: *Leather Cloth Co. v. American Leather Cloth Co.* (1865), 11 H.L. 539; an injunction will be granted."

In *Singer v. Charlebois*, *infra*, p. 336, while not forbidding absolutely the use of the name "Singer" by the defendant, Archibald, J., granted an injunction against the use of the name in any way which would deceive the public and lead to the belief that the sewing machines made by her were of the plaintiffs' manufacture.

In *Rose v. McLean*, *infra*, p. 271. Ferguson, J., sitting in the Court of Appeal, after saying that "the law bearing generally upon subjects of this character has been frequently stated, so frequently that, in some instances, learned Judges in the English Courts have assumed it would no longer be a matter of contention," continued, "For the purposes of the present case I think it may be stated thus: To entitle the plaintiff to the interposition of the Court the name of his journal must be used in such a manner as to be calculated to deceive or mislead the public or the trade in which the journal circulates, or is intended to circulate, and to induce them to suppose that the journal published by the defendant is the same as that which was previously being



published by the plaintiff, and thus to injure the patronage and circulation thereof; cases of actual fraud may stand on a different footing. The absence of proof of a fraudulent intention is no defence in cases of this kind if there is such an imitation as to be calculated to deceive: see Sebastian, 4th ed., p. 221, and cases and authorities there referred to."

In *Wilson v. Lyman*, *infra*, p. 325, Moss, J.A., in delivering the judgment of the Court of Appeal for Ontario, said: "The plaintiffs' contention is that the defendants in so using the word on their labels have adopted the essential part of the plaintiffs' trade mark, but it does not appear to me that the latter presents in general appearance of lettering or pictorial design any resemblance to the plaintiffs' *likely to mislead* anyone. In cases where the plaintiff has obtained an injunction on this ground, it is to be seen that the word taken out of the plaintiff's trade mark and used by the defendant in connection with his goods was given great prominence. . . . Or it is to be found placed in such a conspicuous connection with the manufactured article itself as to represent in effect that it is the plaintiff's manufacture, or to lead careless and unwary persons into whose hands the document may come to suppose that such is the case." See also remarks of Ferguson, J., and Ritchie, C.J., in *Canada Publishing Co. v. Gage*, *infra*, p. 119.

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Barsalou and Darling—ONE                      Part 4  
[IN THE SUPREME COURT OF CANADA.]

JOSEPH BARSALOU ET AL. V. DAVID DARLING ET AL.

*Trade Mark—Infringement—Imitation calculated to deceive the public—Injunction.*

ON APPEAL FROM THE COURT OF QUEEN'S BENCH FOR LOWER  
CANADA (APPEAL SIDE).

(9 S.C.R. 677.)

*B. et al.* manufactured and sold cakes of soap, having stamped thereon a registered trade-mark, described as follows:—A horse's head, above which were the words "The Imperial;" the words "Trade Mark," one on each side thereof; and underneath it the words "Laundry Bar." "*J. Barsalou & Co., Montreal*," was stamped on the reverse side. *D. et al.* manufactured cakes of soap similar in shape and general appearance to *B. et al.*, having stamped thereon an imperfect unicorn's head, being a horse's head with a stroke on the forehead to represent a horn. The words "Very Best" were stamped, one on each side of the head, and the words "*A. Bonin*, 115 St. Dominique St.," and "Laundry" over and under the head. At the trial the evidence was contradictory, but it was shewn that the appellants' soap was known, asked for and purchased by a great number of illiterate persons as the "horse's head soap."

*Held* (Henry, J., dissenting), reversing the judgment of the Queen's Bench (appeal side) and restoring the judgment of the Superior Court, that there was such an imitation of the *B. et al.*'s trade-mark as to mislead the public, and that they were therefore entitled to damages, and to an injunction to restrain *D. et al.* from using the device adopted by them.

APPEAL from a judgment of the Court of Queen's Bench for Lower Canada (appeal side) reversing the judgment of the Superior Court, sitting at Montreal.

This action was instituted before the Superior Court, at Montreal, for the purpose of restraining the defendants (respondents) from making use of a trade-mark belonging to the plaintiffs (appellants) and for the recovery of damages thereby occasioned to the latter.

The plaintiffs alleged:—

"That at Montreal, in the district of Montreal, on the 5th December, 1877, and for a long time before, the plaintiffs manu-

\* PRESENT—Sir W. J. Ritchie, C.J., and Strong, Fournier, Henry and Taschereau, JJ.

factured and sold, at Montreal and elsewhere, in large quantities, a soap stamped with a horse's head, such as that upon the cake of soap filed by plaintiffs as exhibit No. 1;

“That after the plaintiffs had begun to manufacture the said soap, and had long used as trade-mark for the sale thereof the stamp of a horse's head aforesaid, they sought and obtained from the Minister of Agriculture of Canada, at Ottawa, on the 5th December, 1877, the registration according to law, for the Dominion of Canada, of their said trade-mark, as appears by the certificate filed as exhibit No. 2;

“That the plaintiffs were, at the said times, the sole manufacturers of the said soap bearing the said trade mark or stamp of a horse's head; that they had and still have the exclusive right to employ the said trade mark; and that their said soap, largely sought after by tradesmen and consumers in the Province of Quebec and elsewhere, was universally known by the said stamp of a horse's head.

“That during the month of August, 1878, or thereabouts, the defendants, well knowing the foregoing facts, had, in fraudulent violation of plaintiffs' rights to the exclusive use of the said trade-mark, manufactured, sold and caused to be sold in large quantities, at Montreal and elsewhere, a soap bearing a stamp made in imitation of plaintiffs' said trade-mark, to wit, the stamp borne by the cake of soap filed as plaintiffs' exhibit No. 3;

“That this stamp, which defendants have employed for the sale of their soap as aforesaid, is a fraudulent imitation of plaintiffs' trade-mark, and that defendants used the same with intent to deceive the public, and to induce purchasers to buy their soap for that of plaintiffs, and to profit by the custom which plaintiffs had succeeded in gaining for their soap;

“That the defendants, in so using their imitation of plaintiffs' trade-mark had sold and caused to be sold a large quantity of their soap to persons who intended to buy plaintiffs' soap, the whole to the great prejudice of the latter;

“That on or about the 25th August, 1878, plaintiffs notified defendants that proceedings would be taken against them for the illegal use they had made and were making of the said fraudulent imitation of their said trade-mark; but that notwithstanding this notice, the defendants have since continued and still continue to use the said fraudulent imitation of plaintiffs’ trade-mark;

“That the defendants, by reason of the above mentioned facts, have caused to plaintiffs, who own and operate at Montreal a large soap manufactory, damage to the extent of at least two thousand dollars;”

And the plaintiffs prayed that by the judgment to be rendered, it be declared that defendants had, illegally and without any right, made use of a fraudulent imitation of the plaintiffs’ trade-mark; that they be enjoined to cease using the same or any imitation of plaintiffs’ said trade mark and selling or causing to be sold soap bearing such imitation; and that, for the causes aforesaid, the defendants be condemned jointly and severally to pay to plaintiffs a sum of two thousand dollars currency, by way of damages, with costs.

To this action the defendants, now respondents, pleaded,—

“That the soap manufactured and sold by the defendants does not bear the plaintiffs’ trade-mark, nor any fraudulent imitation, nor any imitation whatever thereof; that their soap bears the stamp of a unicorn’s head and not of a horse’s head; that there is no resemblance between the words printed upon the soaps manufactured by the plaintiffs and the defendants; that the soaps have no resemblance, either in size, color or otherwise, and that the one could not be taken for the other;

“That the soap manufactured by the defendants was manufactured only for one A. Bonin, and that in small quantities, and that in manufaturing their soap, the defendants had no intention of imitating, and have not in fact imitated, plaintiffs’ trade mark.”

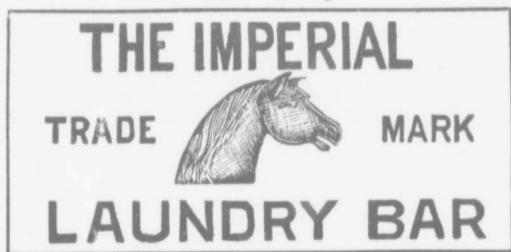
There was also a plea of general denial.

The plaintiffs answered generally, and after proof judgment was rendered in the Superior Court, condemning the defendants to pay plaintiff's \$100 damages.

The defendants appealed from this judgment and had it reversed in the Court of Queen's Bench, by whose judgment plaintiff's action was dismissed.

The facts of the case and the evidence bearing on the case are reviewed at length in the judgments hereinafter given; the following will show the stamps used on the cakes of soap sold by the appellants and respondents respectively.

**Plaintiffs' Stamp.**



**Defendant's Stamp.**



On the reverse side of the plaintiff's stamp are the words "J. Barsalou & Co., Montreal."

*Beique and Geoffrion*, for appellants.

*Pagnuelo, Q.C.*, and *Cruickshank*, for respondents.

The points relied on and cases cited are referred to in the judgments.

March 28, 1881. RITCHIE, C.J. :—

I think that the first judgment in this case was correct. I think that there was an infringement of the plaintiffs' trade mark. This appeal should be allowed and the judgment of the Court below confirmed, with an injunction.

STRONG, J., was of opinion that the appeal should be allowed.

FOURNIER, J. :—The appellants proceeded against the respondents, before the Superior Court at Montreal for infringement of their right to the exclusive use of the trade mark printed on each piece of soap turned out from their manufactory. This mark consists principally in a horse's head on one side and on the other in the arrangements of certain words such as appears by the samples produced as exhibits in this cause. The appellants have secured for themselves the privilege of using this mark by registration in conformity with the law concerning trade marks.

The respondents, who are also soap manufacturers, have adopted, as a distinctive mark for their soap, a certain emblem which they style a unicorn's head. They have not registered this mark. The appellants complain that this pretended mark is only a fraudulent imitation of their proper trade mark; that it constitutes an infringement of the right to the exclusive use of it secured to them by registration and a cause of damages to them. They have set up the following conclusions:

"For these causes the plaintiffs pray that by the judgment to intervent herein, it may be declared that the defendants have illegally and without any right, made use of a fraudulent imitation of the above mentioned trade mark of plaintiffs, that they be enjoined to cease using same and any imitation of plaintiffs' said trade mark and selling or causing to be sold soap bearing such imitation, and that for the causes aforesaid, the defendants be

condemned jointly and severally to pay to plaintiffs a sum of two thousand dollars currency, by way of damages; the whole with costs to the undersigned.'

The respondents' plea can be summed up in a general denial. The imitation and the intention of fraud are specially denied. To justify the use of the unicorn's head, the defendants have given in their plea the detail of the circumstances in which they adopted this mark.

Numerous witnesses have been heard on the one hand, by the appellants, for the purpose of establishing the resemblance between the two marks; and on the other, by the respondents to show that the difference between them is such that an ordinary purchaser could not confound them. The question to decide resolves itself into the appreciation of this proof. If there has been really imitation, whether it has been accompanied with fraud or not the appellants' rights should be protected.

Before the service of the action, the respondents were requested to desist from the use of the unicorn's head because it was an imitation of appellants' mark. Notwithstanding this demand they have continued to make use of it, as has been proved by the evidence of Brody, one of the respondents. This person acknowledged also that when they commenced to manufacture on the demand of Bonin the soap bearing the mark in question, they knew that the appellants sold a soap bearing as a trade mark the imprint of a horse's head. They had samples of it in their establishment.

The Deputy Minister of Agriculture, Mr. J. C. Tache, one of whose by no means least important duties is that of deciding contestations of this nature, is the sole competent expert who has been examined on this delicate question of the resemblance of the two marks in question, and on what can constitute a sufficient imitation to be contrary to the dispositions of the law. He expresses himself on this subject as follows:

"The principal part of the trade mark of plaintiffs as a practical question is constituted by the emblem which represents a horse's head and the arrangement of the words

which surround the emblem also make part of the general appearance of this trade mark."

To the question which is particularly addressed to him on the similitude existing between the two marks, he replies as follows:

"R.—I find that one of these imprints constitutes an imitation of the other; the words are different but their arrangement is almost the same. The emblem which characterizes one of these trade marks being a horse's head, the other a unicorn's head, the sole difference which exists in the emblem is constituted only by the addition of a simple dart placed in front of the horse's head."

Interrogated to know if after the registration of the appellants' mark, he had granted to the respondents a trade mark similar to that which they claim in this cause, he says among other things, in reply to this question:

"I believe from my impression of to-day, that if there had been furnished with the description the two pieces of soap which are produced here and marked exhibits Nos. 1 and 3, bearing the impression exhibited, we would have refused the second registration or rather we would have notified the two parties of the necessity of proceeding to proof of priority of usage, according to the sixth clause of the Trade Marks Act of 1868."

To the question, to find out if the priority of usage would have been sufficient to refuse the registration of respondents' mark, he gives the following reply:

"The case would have been difficult if one had had for guidance the technical description solely of the two trade marks; but the production of the impression such as is shown on each of the pieces of soap produced appears to me to clearly prove the imitation. I have had a search made in our books by the clerk charged with the business of trade marks and he told me that nothing exists that has reference to defendants' trade mark."

After having given in reply to cross-questions a description of the two trade marks, he declares in one of his replies:



"There is a difference in the depth of the impression, but I have no hesitation in stating that the two emblems are made in such a manner that ordinary purchasers may take one for the other."

The other witnesses of appellants have made the same proof. Barcelou finds a great deal of resemblance between the two marks:

"I find," says he, "that in general it has (respondents' soap) the same appearance and that it is a very good imitation."

He considers that he could sell the one for the other. The witness Corbeil finds also that it is a fine counterfeit

"Really," adds he, "the people can be deceived very often, especially the ordinary purchasers and take one soap for the other."

At first he himself was deceived. On being cross-questioned, he admitted as follows, that there was a certain difference.

"Of course, there is a difference between the two soaps, and I find a difference when I look at it sharp. The greatest difference between this kind of unicorn's head on Bonin's soap and the horse's head on the plaintiff's soap is the kind of horns on Bonin's soap."

Hilaire Brais dit Desrochers proved that the person named Alderic Payette wished him to sell the soap manufactured by the respondents for that of appellants. Urgèle Perreault, being questioned if he finds any resemblance between the two soaps, replies:

"R.—Yes, there is a great deal of resemblance to the plaintiff's soap and what strikes me more in this resemblance, was the horse's head, because I found, that the two pieces bore the horse's head, and it deceived even myself; I have had occasion, sometimes, to go to a grocery establishment of a wholesale merchant, I believe it was that of Mr. Cusse, but I am not sure, and although I sold plaintiff's soap for a long time, I at first took that of Mr. Bonin for that of the plaintiff's. It was only by regarding it more closely that I perceived the error that I had made and the merchant at whose establishment I was remarked that it was in effect Mr. Bonin's soap and not plaintiff's. I am con-

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vineed that I can sell this Bonin soap every day for that of plaintiff's to those who ask for the soap with the horse's head, and I am certain also that a great number of buyers used it without noticing it."

Lockerby, wholesale grocer, interrogated on the resemblance of the samples of soap, says:

"A.—Well, this soap at the first glance a person would take Mr. Bonin's soap for Mr. Barsalou's soap, and to the consumer who couldn't read the lettering on them he would take the soap of Bonin for that of Barsalou's, the plaintiff's.

"If the two soaps were not side by side and no name on Bonin's soap with this head as it appears here on the bar of soap, I could be led to believe that it was Mr. Barsalou's soap on account of the resemblance of the head and the general appearance of the goods."

Riendeau, clerk, speaking of the resemblance of the marks, says:

"I consider by the trade mark, that the Bonin soap produced in this cause, is a counterfeit of plaintiff's. I find sufficient resemblance between the two heads for this soap to be taken the one for the other on account of the trade mark, and I consider that purchasers can be easily deceived if they do not examine the writings."

To these witnesses so positively establishing the imitation of appellants mark, the respondents have opposed others to prove that there exist between this mark and theirs differences so characteristic that an ordinary purchaser would not take them one for the other. I will only give some extracts from them, for most of these witnesses, like those of appellants, although in a contrary sense bring out in almost the same terms the difference of the two marks.

Alfred Bonin, the respondents' first witness, whom we may consider as the author of the difficulty between the parties, gives us the origin of the respondents' mark. Wishing, says he, also to have as good a soap as that of Strachan or the appellants, he engaged respondents to manufacture a soap of this quality for him. Thinking that it would be suitable to his business he asked

respondents what emblem would be proper to put on this soap with his address. Mr. Darling, son of one of the respondents and their book-keeper, designed the mark in question. Having shewn it to Bonin, the latter declared himself satisfied and ordered a model of it to be made. At the time when he ordered the soap from respondents' establishment, he had ceased to buy that of appellants which he sold for about six months before and in fairly large quantity. The apparent reason for having decided to have a soap manufactured bearing his name, was the refusal that he had suffered from appellants to give him a discount which is only granted to wholesale merchants. He then said to them that he could have a soap manufactured for him and introduced as his own. He denies having said that he was going to have an imitation of appellants' soap made. He considers that this unicorn's head is not of much use to him, that another would have been equally good, but seeing that this head was shewn him on the design, he accepted it thinking that he was the only one who had this unicorn's head. He pretends that respondents' soap is better known by the word Imperial which is, says he, easier for the ladies to say than horse's head. To the following question: "Do you think, for example, that persons who do not know how to read, the word Imperial strikes the eyes more than the horse's head?" He replies:

"As to that, the word Imperial is known, and it takes an expert to decide whether it is a horse's head or another head."

He adds that the unicorn's head on his soap resembles a unicorn's head as much, in its way, as the plaintiffs' trade mark resembles a horse's head. There is a difference on the paper and on the soap. Being cross-questioned, he says:

"I always have found a great deal of difference between the two, as also in the size.

"I believe that no ordinary purchaser could be deceived in these two soaps; during five months that I have had my soap, no person has ever mistaken my soap for the plaintiffs'.

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Despite the positive character of this declaration, it is difficult to believe in Bonin's sincerity.

The idea of having a soap manufactured bearing his mark comes to him only after appellants' refusal to grant him the discount that he wished to have. The choice that he has made of his mark indicates the desire to compete with appellants. Darling, junior, shews him many samples of soap impressions of different marks; none can satisfy him, not even the mark of a unicorn's head very well imitated, which the respondents had formerly used as their own mark and which they were prepared to give him. This unicorn's head could not fulfil his purpose, because it did not sufficiently resemble the horse's head on appellants' soap.

J. M. Darling, the respondents' book-keeper, the witness who made sketches of emblems for Bonin, declares that an ordinary purchaser cannot be deceived by the resemblance of the two marks. I am sufficiently led to believe that that would be true if the unicorn's head on Bonin's soap resembled even a little the description which he gives of a unicorn's head:

"The head of a unicorn is surmounted with a horn which a horse has not, and that a unicorn's head, in my consideration, is smaller and features sharper, and on the whole a very distinct animal."

In place of that the samples shew us that the pretended unicorn's head is only a servile copy of the horse's head on appellants' soap, to which has simply been added a dart which is supposed to represent a horn, to dissimulate the imitation. Another witness of respondents, Mr. Adams, says in regarding only the head alone, one can take this pretended unicorn's head for a horse's head. He believes that the class of poor customers could take the one for the other, especially if he had the seller's guarantee or word. In his cross-examination, he says that this head can altogether be taken as well for an ass's head as a horse's head. Cunningham declaring, on the whole, that an ordinary buyer could not confound the two marks, says in cross-examination that if he were shewn the emblem on respondents'

soap without the dart on the front, he could not take it for the head of any animal. How can this be reconciled with the declarations so positive that it is not possible to confound the two marks. A. W. Hoods, after saying that there is a great difference between the two emblems, adds in cross-examination that if it had no horn, very probably he would take the emblem on Bonin's soap for a horse's head.

Although in general respondents' witnesses concur in establishing differences between the two marks of such a nature that an ordinary buyer could not be deceived, a goodly number amongst them admit also that by suppressing the dart which simulates the horn in the unicorn's head, this head resembles a horse's head. Foster, himself, the engraver who made the emblem in question, and who is so interested as to deny the imitation, cannot help admitting that if the horn were not on the head, it would slightly resemble a horse's head; that it could not be taken, if it had no horn, for a zebra's head or "that of a horse or for that of any other animal of the horse species." Even for the artist who made this emblem there is a resemblance, hence, *a fortiori*, it ought to exist for the ordinary purchasers to the extent of drawing them into error. It seems to me that there are no other conclusions to draw from all the proof than that there has been imitation of appellants' mark. If the appreciation of the proof could offer some difficulties, the examination of the samples would make them disappear. I share entirely, on this report, the opinion of Mr. J. C. Tache, Deputy Minister of Agriculture, when he says:

"But the production of the impression such as is shewn on each of the pieces of soap produced appears to me to clearly prove the imitation."

Although Bonin may be the original author of the infringement which has been committed against the exclusive right that the appellants had to the use of their mark, the respondents are no less responsible than he. They are the ones who had the emblem made according to their instructions. They were then in possession of samples of appellants' soap. It was easy for

them to make or avoid the resemblance. Before having been proceeded against, they were invited by the appellants to desist from the use of the mark in question. Despite this intimation they persisted in the manufacturing of soap bearing the same mark. It is then with a perfect knowledge of the wrong that they were doing to appellants that they continued the imitation of their mark and they ought to suffer the consequences. Applying the authorities cited in the appellants factum to this appreciation of the facts, I have come to the conclusion that the appeal ought to be granted with costs.

HENRY, J.:—This is an action brought by the appellants to recover from the respondents damages for infringing a trade-mark registered and used to distinguish an article of laundry soap which they manufactured. Their trade mark consists of a horse's head, over which are the words "The Imperial" and under it the words "Trade-Mark"—the first of the two latter words being on the left side of the horse's head and the other on the right, with the words "Laundry Bar" in a third line beneath. On the reverse side are the words "J. Barsalou & Co.," and beneath them the word "Montreal." An injunction was also sought to restrain the respondents from using a trade-mark they adopted upon soap of something of a similar kind, which they manufacture, as being like the trade-mark of the appellants. No judgment was given by the court of original jurisdiction as to the latter and none by the Court of Appeal, and it was not asked for at the argument. The question is not therefore before this Court. The allegations as to the similarity of the two trade-marks is denied; and the respondents contend that the one used by them is no imitation of that of the appellants, and that there is no probability, with the exercise of ordinary observation and intelligence, of the one article being taken for the other.

A great many witnesses were examined on both sides as to the probability of the one being taken for the other. The proof of the issue was on the appellants and great latitude was given

to the witnesses, but no evidence was given that any one person had been induced to buy soap manufactured by the respondents for that manufactured by the appellants. The appellants have a large factory and were making their soap for upwards of seven years before the commencement of their action. The respondents, too, have a large factory and have manufactured several kinds of soap for upwards of thirty years, and similar in shape and general appearance, but somewhat different in color compared with the cakes of soap made by the appellants.

They used various devices on the cakes of soap manufactured by them, and, about a year before the institution of the present proceedings, commenced to use one with the head of a unicorn.

Before doing so, they were applied to by one *Alfred Bonnin*, a grocer, of 115 St. Dominique Street, to manufacture for him a superior article of soap, with his address impressed thereon, so as to serve him as a means of advertising his business. *Bonnin* proposed as a device a female head, but a clerk in the respondent's establishment suggested, amongst others, the head of a unicorn, which was agreed upon. It was also agreed to have the inscription "*A. Bonnin, 115 St. Dominique Street, Very Best Laundry.*" disposed in four lines to surround the device, with no device or inscription on the obverse side. Thus the respondent's inscriptions were in four lines whilst the appellant's were in three, and many of the letters of the former were cut longer and much finer than the respondents'. On the latter the words were all on one side—the other being smooth and plain—the two cakes presenting a strikingly different appearance, even to the eye of illiterate persons. With the difference indicated by the "horn," most conspicuously appearing on the head of the unicorn, the difference altogether is most apparent. Taking, then, the two, in view of the law as applicable to such cases, can we arrive at the conclusion that the trade mark of the respondents is an infringement of that of the appellants'? Is the one a literal copy of the other, or is it a colorable one, so as to deceive persons of ordinary intelligence when using ordinary care.

so that when purchasing the one they would think they were purchasing the other? It must be remembered that no evidence was given that any person had been so deceived when purchasing; that the evidence of the appellants went no further than as a matter of opinion that parties might be deceived, the principal reason given being that the soap of the appellants was sometimes asked for as the "horse head soap," and that the head of the unicorn being so much like that of the horse, illiterate people and children might be deceived. This is the strength of the appellants' case. It is freely and fully admitted that, taking the whole of the marks together, no intelligent person, who took the trouble to use ordinary observation, could be deceived. It is said that this soap is largely used by illiterate people who cannot read, but the same might be said of a great variety of articles—patent medicines, so called, included. Suppose a medicine, called by any particular name, were put up with the same colored labels, wrappers on the bottles, the same kind of printing, the same kind of bottles as those used by another previously; one, however, has the device of a church and the other that of some other building, alike in general appearance; but the latter has also the figure of a tower or steeple; each has the name of the manufacturer on it; could it be properly said the one was an infringement of the other, because ignorant people did not know that the tower or steeple was an important distinguishing feature, and that, being illiterate, they could not read, and profit by, the different manufacturer's names being printed on the bottles?

It is well known that illiterate people are often more instinctive in the practical knowledge they possess; and, in the purchase of articles of constant daily consumption, they are generally harder to deceive than their more intelligent and educated neighbors. Besides, if they cannot read, they can see; and if one accustomed to purchase and use the cakes of soap of the appellants, even if not held to be bound to see the horn on the head, would be bound, in my judgment, by the fact that those cakes



had plainly indented marks *on both sides*, while the respondents' cakes had all the marks on *one* side, the reverse side being wholly smooth. I am of opinion that the mere fact of the appellants' soap being called by some the "horse head soap," should have little weight in the consideration of this case, particularly when one of the appellants' witnesses, who sold quantities of both soaps, swears it was not known or asked for as such, as customers asked for "seven cent soap or *Barsalou's* soap," and called it "Imperial," that when they wanted "*Bonnin's* soap they asked for the six cent soap, and some for *Bonnin's*"; and it is strange in this connection to find the appellants calling it "Our Imperial Laundry Soap."

We are to be governed solely by the two trade marks as I feel satisfied, from the evidence, there was no intention of infringing the appellants' trade mark, for it is distinctly shown how the device was adopted, and if it were otherwise, why should the address of *Bonnin* have been stamped on the cakes? That would frustrate any object to sell it, as the appellants'. It was suggested that it was he who proposed and adopted the trade mark, because the appellants would not ameliorate the terms upon which they had previously been supplying him; but the evidence negatives that suggestion, and by the whole evidence it is shown that *Bonnin* received from the respondents and sold all the cakes of soap so marked, and that he did not sell them as the manufacture of the appellants, but as his own. Samples of the two kinds of cakes were exhibited in the case, and inspected by the members of this Court. I found no difficulty in ascertaining the difference in the two devices, and I cannot see how any other person, knowing the appellants' trade mark, with reasonable diligence and ordinary eyesight, could find any, unless, indeed, they lived in a country where horses were found to have a horn in the centre of their foreheads. But, under any circumstances, the reverse side of one being wholly smooth while the other had words indented upon it, was a sufficient indication of difference to the most illiterate.

The appellants in their declaration allege that the respondents fraudulently imitated the horse's head, which is alone stated to be their trade mark—leaving out the words "Imperial laundry bar" and "trade mark." It appears to me that the words "Imperial laundry bar," at least constitute a part of it, and that the trade mark is improperly described in the declaration, but which defect is cured, I think, by the reference to the appellants' registry, as shown by their exhibit No. 2. That document shows the trade mark to include the other words I have just stated, and also to include the name of the appellants, etc., on the reverse side.

To such a trade mark the respondent pleaded, and denied all the allegations in the declaration as to their having fraudulently imitated it. It is alleged in the declaration that the appellants' soap was universally recognized by the said imprint or horse's head, but several of the witnesses who sold large quantities of it say that it was not so known, but as the "Imperial Laundry."

It is further alleged that the impression that the respondents used for the sale of their soap, is a fraudulent imitation of the appellants' trade mark, and that the respondents used it with the intention of deceiving the public, and to make sale of their own soap for that of the appellants, and to profit by the custom secured, or by the reputation that the appellants had the knowledge to acquire for their soap, and that the respondents had sold and caused to be sold a large quantity of their soap to persons who intended to purchase the soap of the appellants.

It is not necessary to show a fraudulent imitation of a trade mark, where one is an actual imitation, because in the absence of evidence, that would be generally assumed, but it might be shown not to have been fraudulently done. The owner of the trade mark would in that case be entitled to an injunction, and also to recover at least nominal damages. When the complaint is made of a colorable infringement it is founded on a charge of fraud. That is not, however, what is here charged against

the respondents. They are charged with using the exact trade mark of the appellants, and that is the issue raised, and the only one; and according to long and well-established rules of pleading, they should succeed or fail according to the proofs offered as to that sole issue. Were the charge for a colorable imitation, they should have set out in their declaration what the nature of it was. Both trade marks should have been set out and described. In the English precedents that I have been enabled to consult, and in the American also, such is the practice; and it is done so that, by a comparison of them, the Court can ascertain whether in law it is such a colorable imitation as could possibly mislead, or where any doubt existed, so to direct a jury that they can find whether such charge is sustained. Suppose the respondents in this case had pleaded only a general denial of the appellants' allegations, and on the trial the appellants put in evidence the trade mark of the respondents, there would have then appeared, in my opinion, an important and fatal variance. That is an important issue, and if found—as it unquestionably should be—for the respondents, they would be entitled to judgment in their favor. But it may be said that in another plea the respondents set out their trade mark. To succeed they need not have done so, and inasmuch as no colorable imitation is charged, the appellants could not recover, as such a remedy would be for a cause of complaint not alleged.

But, had such been the complaint, the charge of a colorable imitation, such as arises in this case must necessarily include a charge of fraud. In fact the word colorable necessarily implies a charge of fraud. From all the principles laid down in reported cases and by text writers on the subject in *England* and the *United States*, the action for a colorable imitation necessarily implies that the defendant was aware of the plaintiff's trade mark, and fraudulently made such a change of a part or parts of it as would vary it; but still retain such parts as would leave the general aspect and appearance materially untouched. Some

cases are reported in which it was decided that the change of the christian name only, where both surnames were alike, was insufficient to authorize the use of the trade mark of another, and the same, in others where the change was made by adding or leaving out one or more words, but the general appearance not materially altered.

I have referred to the charge of a colorable imitation involving necessarily a charge of fraudulent intention, and it was held by Lord Chelmsford in *Wotherspoon v. Currie* (1892), L.R. 5 H.L. 508, that where the two marks are not identical proof of a fraudulent intention on the part of the defendant must be given to entitle the plaintiff to relief.

It is said by Mr. Adams in his treatise on the law of trade marks, at p. 107, that:

The main thing to be taken into consideration is whether such an inspection of the defendant's mark taken as a whole, and having regard also to the mode of affixing it to the goods, and to all the circumstances attending its use, as a purchaser of ordinary intelligence exercising a proper amount of caution might be expected to bestow upon it, would lead him to suppose he was buying the manufacture of the plaintiff.

On this point I will quote the language of Lord Cranworth in *The Leather Cloth Company v. American Leather Cloth Company* (1865), 11 Jur. 517, and hereinafter pretty fully recited, when saying, that in such cases:

The maxim *vigilantibus non dormientibus leges subserviunt* is not to be lost sight of, and even an unwary and incautious person must be expected to bestow some attention upon the mark when purchasing an article.

In the same case Lord Cranworth says:

The gist of the complaint in all these cases is that the defendants, by placing the plaintiffs' trade mark on goods manufactured by the defendants, have induced persons to purchase them, relying on the trade mark as showing them to be of the plaintiffs' manufacture. This necessarily supposes some familiarity with the plaintiffs' trade mark.

When referring to the want of any evidence to show that any purchaser had been deceived, I did not intend to assert that such evidence was absolutely required, but referred to the fact, to establish the position that the case of the appellants is therefore weaker, and it is wanting in another important feature, which is, that none of the witnesses on the part of the appellants assert that, taking the whole of each trade mark as presented by the impressions on the cakes of soap, ordinary purchasers would be liable to be deceived. Some of them say that by looking only at the figure of the horse's head in the one case, and of the unicorn's in the other, they or others might be deceived, but that I hold, in view of the principles laid down and acted on in the case just cited, should not be the test.

The question, in the case of a complaint for a colorable imitation, in a common law Court, that the fraud of the defendant is a necessary ingredient, may be considered as judicially settled. It has been ruled and decided that the imitation must appear as fraudulent. In *Crawshay v. Thompson* (1842), 4 Man. & Gr. 357, Chief Justice Tindal left the matter of the intention of the defendant in using the trade mark to the jury "because it seemed to him that unless there was a fraudulent intention existing (at least before notice) the defendant would not be liable." The jury found a verdict for the defendants, and there was a motion for a new trial, but the Court held the direction right. In that case an attempt was made to make the defendant liable for the use of trade marks without reference to his intention, but it was thoroughly canvassed and rejected by the whole bench. See *Browne on Trade Marks*, at p. 395.

In the *Treatise on the Law of Trade Marks in England* (1877) of Ludlow and Jenkins, the authors on this point say:

But although in the opinion of the authors the view that the action depends on fraud is incorrect, still, as it has long maintained its ground, and has never in the common law Courts been judicially abandoned, it is necessary for the practitioner to be acquainted with it.

According to the view which we are now considering, it becomes necessary therefore in an action for the infringement of a trade mark to show:

1. That the defendant asserted that which was false as by selling his manufacture as and for the manufactures of the plaintiff.

2. That the defendant did this knowingly, that is, with the intention to pass them off as the plaintiff's manufactures.

3. That the plaintiff has been injured.

Every case of putting another trade mark on one's own goods is not actionable. It must be put on with the intention to deceive.

In *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 199, Lord Chancellor Westbury, when giving judgment, said:

At law, the proper remedy is by an action on the case for deceit; and proof of fraud on the part of the defendant is of the essence of the action. But this Court will act on the principle of protecting property alone, and it is not necessary for the injunction to prove fraud in the defendant.

In equity the rule is different in this respect from that of the Common Law Courts. This is essentially an action brought in a common law court irrespective of equity jurisdiction, and must be so dealt with.

The Dominion statute 31 Viet., ch. 55, which provides for the registry of "Trade Marks," imposes penalties for the use of another person's trade mark, and for the close imitation of it so as to deceive ordinary purchasers. In a succeeding section is reserved the right of action by the proprietor of a trade mark "against any person using his registered trade mark or any fraudulent imitation thereof, or selling articles bearing such trade mark or any such imitation thereof."

To sustain an action under the statute for using a trade mark, a fraudulent intention is not required to be shown, but no action for an imitation lies under it, unless it is found to have been done fraudulently. The statute is therefore but an affirmation of the common law on the subject. In all the cases in the Com-

mon Law Courts, I have had an opportunity of seeing where the complaint was not for the use of a trade mark, but for a simulated imitation of one, fraud was charged, and in all the cases where the plaintiffs were successful, it was found.

If, then, such be the state of the law, we must consider the circumstances under which the respondents adopted and used their trade mark. They did not manufacture the particular kind of soap when applied to by Bonnin, but, having been applied to, they agreed to make the article for him. They adopted the trade mark, as is proved by one of the partners, called as a witness by the appellants, without any reference to that of the appellants. That statement is fully sustained by Bonnin, another witness called by the appellants, and also by the son of one of the defendants; and their statements being uncontradicted should be received as true. That position is, also, sustained by Bonnin, who states that he never intended to, or did, sell any of the soap as that made by the appellants; and also by the fact that no evidence was given to show that any person bought Bonnin's soap for that of the appellants. It is admitted the respondents and Bonnin knew the appellant's trade mark; but, from all the surrounding circumstances as furnished by the evidence, I have no difficulty in concluding that in adopting the trade mark neither the respondents, nor Bonnin had any intention of making fraudulently a simulated imitation of that of the appellants. If fraud is necessary to be established and the authorities show that it is, I am clearly of the opinion that the evidence calls for a finding, that it did not exist on the part of the defendants in this case.

But admitting that the rule in equity should govern in the Common Law Courts, we must next decide whether there was really such a similitude between the two trade marks as would make the respondents liable. Browne in this treatise on trade marks, at p. 24, says:

It is frequently a difficult matter to determine what is an infringement. The two marks which are supposed by the plaintiff in a case to conflict may resemble each other and

yet be different. The question then arises, is the difference only colorable? No general rule can be laid down as to what is, or what is not a mere colorable variation. All that can be done is to ascertain in every case as it occurs, whether there is such a resemblance as to deceive an ordinary purchaser, using ordinary caution.

See for his authority Lord Cranworth in *Leather Cloth Company Case* (*ante*).

According to that authority, the rule, which is always applied, is in substance that the resemblance must be such as to deceive an ordinary purchaser using ordinary caution. Evidence on the part of the appellants was given by witnesses, all of whom, I think, could read; and, although saying they would not themselves be deceived, gave it as their opinion that parties who could not read might be. As some intimacy with the trade mark said to have been imitated is necessarily assumed, I have already shown two important features by which illiterate persons who could not read could frustrate an attempt to deceive them in regard to the soap of the appellants, the one the horn conspicuously shown on the unicorn's head, and the other, that in the case of Bonnin's soap the trade mark is all on one side of the cake.

In the treatise last cited (p. 387) the author says:—

Now, although a Court will hold any imitation colorable which requires a careful inspection to distinguish its marks and appearances from those of the manufacture imitated, it is certainly not bound to interfere when ordinary attention may enable a purchaser to discriminate. And again, it does not suffice to show that persons incapable of reading the labels bearing the mark, might be deceived by the resemblance. It must appear that the mass of ordinary purchasers paying that attention that such persons usually do in buying the article would be deceived: *Partridge v. Menck* (1848), 2 Sand. Ch. R. 622.

The latter I hold to be the true interpretation of the law in the case to which it refers, and if so, there is not the slightest evidence to sustain the case of the appellants. Its main strength



consisted of evidence (not of experts or illiterate parties themselves), given by persons who said they would not have been deceived, but that persons unable to read were likely to be. In none of the English or American cases that I have found is such a position taken; nor can I think it could in any case be properly allowed to influence a decision. In this case, however, the testimony of the appellants' witnesses is more than neutralized by that of about double the number on the other side, who state that there would be no likelihood of any one using ordinary caution being deceived.

The weight of evidence strongly preponderates on this important point in favour of the respondents.

I will hereafter cite, at some length, as bearing upon this case, the judgment in the House of Lords, in what is called "the case of the Leather Companies," before referred to ((1865), 11 Jur. 513)—the decision in which was against the plaintiff—because the trade marks of the two parties in that case were in their general character and features relatively to each other more like those in this case than in any other case I could find. The proceedings in that case were in equity for an injunction. The Vice-Chancellor decided in favour of the plaintiff, but the Lord Chancellor reversed the judgment, and the case was taken on appeal to the House of Lords. See also the case of *Denis & Mounier Vignier, Dodart & Co.*, cited in Browne on Trade Marks, at p. 174, and referred to by Mr. Justice Cross in his judgment.

Lord Cranworth:

The defendant's trade mark is certainly not the same as that used by the appellants. But is it only colourably different? I think it is so different as to make it impossible to say that it is substantially the same. No general rule can be laid down as to what is or is not a mere colourable variation. All which can be done is to ascertain in every case as it occurs, whether there is such a resemblance as to deceive a purchaser using ordinary caution. Here the differences are so palpable that no one can be deceived. In the first place, the shape is different. The plaintiff's trade

mark, if trade mark it is to be called, is contained in a circle. The design of the defendants' is a semi-circle mounted on a parallelogram. It is said that the defendants' goods may be so rolled as to expose only the semi-circle, and so lead to the belief that the device in its integrity is a circle, I answer *vigilantibus non dormientibus, leges subserviunt*. There might, however, be some force in the observation if the upper half was the same as, or even if it closely resembled, the upper half of the plaintiff's device. But this is not so. The name of the company is different. The word "Crockett" is prominently exhibited twice in the plaintiff's upper half; not once in the defendants. No one taking the trouble to read the two can say that he would be deceived.

The gist of the complaint in all these cases is, that the defendants, by placing the plaintiff's trade mark on goods manufactured by the defendants, have induced persons to purchase them, relying on the trade mark as proving them to be of the plaintiff's manufacture. This necessarily supposes some familiarity with the trade mark. But to any one at all acquainted with the plaintiff's trade mark in this case I can hardly think that even on the most cursory glance there could be any deception.

Each of the trade marks, it is true, as well that of the plaintiffs as that of the defendants, contains within its periphery an eagle, or that which we suppose was meant to represent an eagle, but not at all resembling each other. The rest of the device, if it is to be called a device, consists merely of words intended to indicate the nature or quality of the article, the place of its manufacture, and the names of the manufacturers. No one reading the two could fail to see that they differ in all these particulars. The letters are all printed in very large type, and the diameter of the circle which contains them is above six inches, so that there can be no difficulty in deciphering what is stamped.

I mention this because, if, instead of occupying the large space, the whole had been engraved on a stamp of the size of a sixpence or a shilling, so as not to be capable of being read without a magnifying glass, or even without close examination, the case might have been different. A person purchasing leather cloth so stamped might perhaps fairly

say, "I did not attempt to decipher what was stamped on the article which I bought. I saw it had on it what appeared to be, and what I could not discover not to be, the plaintiff's stamp, and I therefore took it for granted, it was the produce of his manufactory." But this cannot apply to a case like that now before us, where that which is called a trade mark is, in truth, an announcement of the names of the manufacturer, the style of the firm, and the place of the manufacture, in large letters, not only capable of being easily read but intended to be read by all to whom the goods are exposed for sale.

The object of the plaintiffs in the use of their device was to announce (I do not say unfairly or dishonestly to announce) to purchasers that they were buying goods manufactured at what was the original International Leather Cloth Company, at West Ham, carried on by Messrs. Crockett. I do not think that a firm using device by way of trade mark can say that a rival manufacturer is guilty of an infringement when he has adopted a device differing in shape, and announcing in letters equally large and legible, the name of a different firm manufacturing goods at a different place. On this short ground, I think that the appeal ought to be dismissed with costs.

Lord Kingsdown says:

My lords, there are two questions to be decided in this case: first, whether the plaintiffs, the present appellants, have proved their allegations that their right to the exclusive use of what is called their trade mark has been violated by the defendants; secondly, if that fact be established, whether there are such mis-representations made by the plaintiffs in their trade mark as to disentitle them to protection in a Court of equity. The rules of law applicable to both questions are sufficiently clear and simple, though some difference of opinion seems to prevail as to the precise principles on which they rest; and great difficulty is often found in applying (in this as in other matters) known rules to the facts of particular cases.

The fundamental rule is, that one man has no right to put off his goods for sale as the goods of a rival trader, and he cannot, therefore (in the language of Lord Langdale, in

the case of *Perry v. Truefitt* (1843), 6 Beav. 73), "be allowed to use names, marks, letters, or other indicia, by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person." A man may mark his own manufacture, either by his name, or by using for the purpose any symbol or emblem which comes by use to be recognized in trade as the mark of the goods of a particular person, no other trader has a right to stamp it upon his goods of a similar description. This is what I apprehend is usually meant by a trade mark, just as the broad-arrow has been adopted to mark Government stores; a mark having no meaning in itself, but adopted by and appropriated to the Government.

The plaintiffs' trade mark, or what they call such, is of a different description, and, under the second question for consideration, the difference may be material, but for the first question it does not seem to be so.

In dealing with this point, it may be useful to consider, first, what representations, the defendants had a right to make, and next, what representations they actually have made. The leather cloth, of which the manufacture was first invented or introduced into this country by the Crocketts, was not the subject of any patent. The defendants had a right to manufacture the same article and to represent it as the same with the article manufactured by Crocketts. And if the article had acquired in the market the name of Crockett's leather cloth, not as expressing the maker of the particular specimen, but as describing the nature of the article by whomsoever made, they had a right in that sense to manufacture Crockett's leather cloth, and to sell it by that name. On the other hand, they had no right, directly or indirectly, to represent that the article which they sold was manufactured by Crocketts, or by any person to whom Crocketts had assigned their business or their rights. They had no right to do this, either by positive statement or by adopting the trade mark of Crocketts & Co., or of the plaintiffs to whom Crocketts had assigned it, or by using a trade mark so nearly resembling that of the plaintiffs as to be calculated to mislead incautious purchasers.

These being, as I conceive the rights of the defendants,

and the limits of those rights, what is it that they have actually done, and in what respect have they infringed the rights of the plaintiffs?

That depends upon the question, how far the defendants' trade mark bears such a resemblance to that of the plaintiffs' as to be calculated to deceive incautious purchasers. If we compare the statements of the two trade marks, there is no statement in the one which can be considered as identical with, or indeed as resembling, the other, except this, that both profess to sell leather cloth—a profession which both have a right to make.

The defendants describe their articles as "Leather cloth, manufactured by their manager, late with J. R. & C. P. Crockett & Co.," clearly showing that they do not pretend that their cloth is manufactured by that firm, or by any persons who have succeeded in business to that firm. The plaintiffs, on the other hand, describe their article as "Crockett & Co.'s tanned leather cloth, patented 24th January, 1856. J. R. & C. P. Crockett manufacturers."

Neither in the description of the article to be sold nor of the makers is there anything to be found which could induce any person of common sense to suppose, that in buying the defendant's goods he was buying what had been manufactured by the plaintiffs. But it is said that, in the form of the stamp, the adoption of the American Eagle as an emblem and the collocation of the words "J. R. & C. P. Crockett & Co.," there is an obvious imitation of the plaintiff's mark, likely to lead to a mistake of the defendants' goods for the goods of the plaintiffs.

On comparing the two stamps, there does not appear to me to be any such general resemblance as is relied on, nor do I think that there was, in truth, any intention to produce such results, though the intention is immaterial if the result be produced.

I think that the object of the defendants was of another kind; that their object was not to represent their company as the plaintiff's company or their goods as the plaintiff's goods, or to produce any confusion between the two, but to represent themselves as a rival company, manufacturing and selling the same article with the plaintiff's, viz., the leather cloth invented or supposed to have been invented by

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Crocketts, in America, and which they desire to recommend to customers, holding out that it is manufactured, not by Crocketts, but by persons who, having been in the employment of Crocketts, may be supposed to have acquired complete knowledge of their process. Now, these representations are no infringement of the plaintiffs rights, and the purpose which I have supposed, accounts for the similarity as far as there can be said to be any similarity between the trade marks of the two companies. The defendants wish to represent that their business consists in manufacturing and selling, not merely leather cloth, but the particular leather cloth invented in America by Crockett & Co., and they, therefore, take the name of the American Leather Cloth Company. For the same reason they adopt the American Eagle as a badge, but their figure has not the smallest resemblance to the same emblem on the plaintiff's representation. For the same reason they refer, in prominent characters, to J. R. & C. P. Crockett & Co. for the purpose of showing that they manufacture the same article which Crocketts manufactured, and have the means of using the same processes which Crocketts used, by the employment of a person who was in the service of these gentlemen.

If this statement be true the defendants are justified in making it; but if it be untrue, however reprehensible the statement may be, it does not constitute a colourable imitation of the plaintiff's trade mark or amount to an infringement of their rights. I think, therefore, that the plaintiffs have failed in proving the fact which forms the foundation of their case and in establishing any ground for the interference of the Court; and that for this reason, if for no other, the appeal must be dismissed.

Lord Chancellor:

My lords, what is here called by the appellants a "trade mark," is, in reality, an advertisement of the character and quality of their goods; and dropping for a moment all reference to the incorrect and untrue statements contained in that advertisement, I will take only what is called the "trade mark," of the plaintiffs and the rival or antagonistic trade mark of the defendants, and compare them together, taking them as if they were simply, what in reality they are, two advertisements, each affixed by way of label

to the articles manufactured by the parties respectively. Now, comparing them merely as advertisements, and taking them in that character alone, and we shall at once find that there are a variety of statements contained in the advertisement of the appellants which are not to be found in any form, direct or indirect, in the advertisement of the respondents.

My lords, this advertisement is the sole foundation of the plaintiff's case, and their allegations must be reduced, in substance to this—that, having advertised and described their goods in a particular manner, the defendants have borrowed their advertisements, and described their goods in substantially the same manner. Let us see, then, whether that is all correct. In the first place, the plaintiffs, in their advertisements, describe their manufacture as "Crockett & Co.'s Leather Cloth." The sole denomination applied by the advertisement of the defendants, is "Leather Cloth" (which was perfectly well known, independently of Crockett & Co.'s cloth). Further, the plaintiffs state, not only that they make and sell Crockett & Co.'s leather cloth, but that it is "tanned leather cloth"—an allegation to which there is nothing whatever similar or corresponding in the advertisement of the defendants. Further, the appellants represent that their article is the manufacture of J. R. & C. P. Crockett, for they are described as the manufacturers. Not only is there nothing correspondent to that in the advertisement of the defendants, but what the defendants assert is simply, not that it is manufactured by Crockett & Co., but that it is manufactured by their manager, who was formerly in the employ of J. R. & C. P. Crockett & Co. If, therefore, these are regarded as being what in reality they are, representations of two different articles, it is impossible to say that the representation which is contained in the advertisement of the one contains, either identically or substantially, the representations which are contained in the advertisement of the other; and if you drop the statement in words, and take only the symbols employed in the one case and in the other, it will be found that they differ entirely in their character and effect in the two cases. In the one case it will be seen that you have the eagle with the wings fully extended; in the other case you would have that which is called, I believe, in America, the "screaming eagle."

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armed with his talons, and perfectly different in character and shape from the other. There is also another, which seems to be intended to be a representation of a sparrowhawk, which, again, is very different from the others.

My lords, I have added these few observations for the purpose of showing, not only that the ground which I took in the Court below was a ground sufficient for my decision, but also that the grounds which have been superadded by my noble and learned friends, and which I regret I did not more fully consider and adopt as the basis of my former judgment, would warrant the same conclusion, and would, perhaps, have tended still more in favor of the defendants. My lords, I concur entirely in the motion that has been made, that this appeal be dismissed, with costs.

A fac-simile of each trade mark is given in the report, and, comparing them with the exhibits of the cakes of soap in this case, the former are at once seen to bear a much stronger general resemblance to each other than do the latter to each other.

Looking at the trade marks in this case in the light of the views entertained and expressed by Lord Chancellor Westbury, and the two other eminent and distinguished jurists, as above quoted, we should find that in this case there was no imitation of the appellants' trade mark. Mr. Justice Cross very properly says:—

The inscription has no kind of resemblance to that on Mr. Barsalou & Co.'s soap, there being but the one word "Laundry" used in common, all the others being different.

In the case of the leather companies both trade marks included the figure of an eagle, but it was held that there was such a difference as to their appearance, as to require purchasers to discriminate. It was contended that being figures plainly of an eagle, parties might be deceived, but the three learned Judges held there was a sufficient variation. The distinctive features were not, I hold, as great in that case, as would be apparent as between the horse's head and that of the unicorn's in this.

As this is the first case that has come before this Court on the subject of trade marks, and as the matter is one of great import-



ance in connection with the manufacturing and trading interests of the country, I have felt the obligation of dealing fully with the subject and have advisedly arrived at the conclusion that, by sustaining the claim of the appellants, we would put an unnecessary and improper restraint on the industry and trade of the country, and do injustice to the respondents.

I think the appeal should be dismissed and the judgment below affirmed with costs.

TASCHERAU, J.:—As well remarked by Mr. Justice Cross, in rendering the judgment of the Quebec Court of Appeal, “any difficulty in the case arises more from the appreciation and applicability of the evidence to the particular case than doubt as to the principles of law which should govern it.”

If I do not misunderstand the reasons given by the learned Judge, there can be no dissent from the law as laid down by him, viz., that the imitation of a trade mark to be illegal must be such as to mislead the public into taking the one for the other. But it is in its application to the facts in evidence in this case, and in its determination that there is here no illegal imitation, that I feel constrained to dissent from the judgment appealed from and to adopt the conclusion of the learned Judge who gave the judgment in the first instance.

The facts of the case have been summed up by my brother Fournier, and it is unnecessary for me to repeat them here. They, in my mind, clearly show that any ordinary purchaser, any one whose attention had not been drawn to the difference between the two soaps, any illiterate person who desired to buy the soap called the “Horse’s Head Soap,” and who did not know that there was a unicorn’s head as well as horse’s head soap, might very easily be deceived and take one for the other.

It is sufficient, says the Cour Impériale of Paris (decision of March 21st, 1866, Sirey, Vol. of 1866, part 2, p. 263), to consider an imitation of a mark or of a label fraudulent, that the imitation be of a nature to create confusion and to deceive the pur-

chaser, even when there exists certain differences of detail, such as a modification in the denomination of the product, and of the indication of the maker's name.

In the former case there is an indication of the maker's name on the respondent's soap; but what difference is this for a person who cannot read, as is the case with a large number of those who buy these soaps.

And as held in another case, *Sirey*, Vol. of 1862, part 2, p. 826: "In order that there be a fraudulent imitation of a trade mark . . . it is not necessary that the imitation be servile; it is sufficient that it be of a nature to deceive the purchaser."

I refer also to the following cases: *Blofeld v. Payne* (1832), 4 B. & Ad. 410; *Seizo v. Provezende* (1865), L.R. 1 Ch. 192; *Singer's Case* (1877), L.R. 3 App. Cas. 376; *Orr-Ewing v. Johnston* (1879), 13 Ch. Div. 434; *Civil Service v. Dean* (1879), 13 Ch. Div. 512; *MacRae v. Holdsworth* (1848), 2 De G. & S. 496; *Hall v. Barrows* (1863), 4 DeG. J. & S. 150; *Edelsten v. Edelsten* (1863), 1 DeG. J. & S. 185; *Hall v. Barrows* (1864), 33 L.J. Ch. 204; *Read v. Richardson* (1882), 45 L.T.N.S. 54; *Barron v. Lomas* (1880), 28 W.R. 973; *Crawford v. Shuttock* (1867), 13 Gr. 149—a case as this one on trade marks in the manufacture of soap; *Davis v. Reid* (1870), 17 Gr. 69.

I am of opinion to allow the appeal, with costs, and to restore the judgment given by the Superior Court against the respondent—one hundred dollars, with costs of suit.

*Appeal allowed with costs.*

Attorneys for appellants: *Beique & McGoun.*

Attorneys for respondents: *Cruickshank & Cruickshank.*

**Notes:**

See Notes to *Davis v. Reid*, ante, p. 24.

## [IN THE COURT OF QUEEN'S BENCH FOR QUEBEC]

## THOMPSON V. MACKINNON.

(21 L.C.J. 355.)

*Trade-mark—Trade name—Sale of business with good will, effect of.*

A sale by appellant, a biscuit manufacturer, of his stock in trade, with the good-will and all advantages pertaining to the name and business of the vendor, conveyed the exclusive right to use the name "Mackinnon's," as well as the device of a boar's head grasping in its jaws a bone (which had been in use by appellant prior to and at the time of the sale), on all labels used and generally in all matters connected with said business, and, consequently, that appellant had no right after such sale to use said name and device in the manufacture and sale of biscuits.

THIS was an appeal from a judgment of the Superior Court at Montreal sitting as a Court of Review (TORRANCE, DORION, PAPINEAU, JJ.), rendered on the 30th of November, 1877, which reversed a judgment of the said Superior Court (JOHNSON, J.), rendered on the 30th of April, 1877.

The facts appear in the judgments.

The following was the judgment rendered in the first instance:—

"The Court . . . considering that the deed of the 25th of July, 1876, conveyed to the plaintiff the estate and effects of the defendant, together with his stock in trade and the good-will and all advantages pertaining to the name and business of the defendant, but did not expressly convey the exclusive right to use the name and trade-mark of the defendant by him heretofore long used;

"Considering that even if it had been the intention of the parties to convey the exclusive use of the said label, device or trade-mark, the defendant did not and could not convey the right to the exclusive use, by another, of his, the defendant's name, as if the defendant was the person using it, and not the plaintiff as his successor, or as using it in virtue of the transfer;

"Considering that the plaintiff never acquired either by the

said use of it by him made, nor by registration nor otherwise, any exclusive right whatever to label the biscuits of his manufacture as if they had been made by the defendant, and has therefore no right of action in the premises;

“Considering that plaintiff has not proved his allegations, nor that the defendant has been guilty of any infraction of his rights, nor is liable to him in any sum of money for damages;

“Doth dismiss plaintiff’s action and also the said petition for injunction, with costs *distracts* to Messrs. Abbott, Tait, Wotherpoon & Abbott, attorneys for defendant.”

This judgment was preceded by the following remarks:—

JOHNSON, J.:—By deed of the 25th of July, 1876, the defendant for good consideration sold to the plaintiff, generally and without any exemption, his stock in trade, with the good-will of his business, which was that of a biscuit maker. The plaintiff was a biscuit maker also, and what he got by the deed will be best seen by referring to its terms: “The said John Mackinnon doth hereby grant, bargain, sell, assign, transfer and convey over to the said Stephen J. Thompson, thereof accepting for himself, his heirs and assigns, all his, the said John Mackinnon’s estate and effects, real and personal, stock in trade, with the good-will and all advantages pertaining to the name and business of the said John Mackinnon, debts, dues and demands of every nature and kind whatsoever, and wheresoever the same may be situate, without any exception of any kind whatever, save and except the household furniture and personal effects of the said John Mackinnon, which are not included herein, and including especially” (then follows a description of real estate). The declaration avers that the plaintiff, after having acquired this estate, adopted in his business a trade-mark consisting of the word or name of Mackinnon’s, and the device of a boar’s head with a bone in his mouth and other things, which he had printed upon labels, and stuck upon the boxes containing his biscuits, and that he had this trade-mark duly registered on the 18th day of August, 1876, in

accordance with the statute, and therefore has an exclusive right to use it. And then he complains that the defendant unlawfully and without his permission used a trade-mark substantially the same as that previously used, causing the plaintiff a damage of \$5,000. The defendant pleads that long before the sale of his stock he had been in business as a biscuit manufacturer, and his name had a great repute, and the biscuits he made were made from receipts of his own—and the packages and boxes were labelled with the same label and device as the plaintiff uses—and that he never sold it to the plaintiff. That for some time before the passing of the deed he was in the plaintiff's employ and made no objection to his own name being used, as he superintended the manufacture; but after the passing of the deed he left the plaintiff's employ and set up for himself, and the plaintiff had no right to use this label any more. The main facts are not in dispute. The only question is as to the right. The plaintiff does not aver that the trade-mark (*eo nomine*) was assigned to him by the terms of the deed, nor that he had ever used it before the deed was passed. He assumes that it was assigned by the general terms used in the deed—that is all. Looking at the nature and history of this sort of property, I strongly incline to say that it never passed by the deed at all; but, however that may be, I feel very clear, both upon the reason of the thing, as well as upon precise authority, that the plaintiff's right either under the deed, or the passive permission of the defendant, never extended to the exclusive use of the defendant's name in the way he used it, and the defendant never could be held to have assigned that, at all events, nor to have renounced his own right to use his own name, nor has his resumption of it in connection with a label or device substantially the same as he always used, given the plaintiff any right to complain, even though he may have used the same label himself for some time in good faith. In other words, it does not seem to me that the plaintiff can have the exclusive right to use another man's name in the particular manner that the plaintiff did here, whether the right to use the label has been assigned or not. I can readily understand that Thompson,

assuming that he could use this trade-mark under the deed or otherwise, might have made a proper use of it, but not the improper use that he did. It will be seen by looking at this label that what the plaintiff did was not to hold out to the world that he was making "Mackinnon's biscuits"—an article proved to have an established repute in the trade—but that the biscuits he made and sold were made by Mackinnon himself. He does not say, as I see from the books is commonly said in such cases, "Thompson's, late Mackinnon's," or "Thompson, successor to Mackinnon," or anything to shew the true state of the case: but he says: "Mackinnon's Biscuits," without any illusion to himself at all, so that people might naturally think that Mackinnon's skill or Mackinnon's own hand was still at the work. If he had put his own name in the label, he would have been using the trade-mark properly (apart from the question whether it had been sold), but by not doing so he held out that Mackinnon was still using it. This view of the case seems to commend itself to reason and common sense. The very same point has been judged, and quite recently in France. It was first judged in a case singularly analogous to this on 23rd October, 1856, that the defendants in that case, who had bought the right to keep and use the name of Bautain in any way they pleased (*comme ils le jugeraient convenable*), had the right to use it as the plaintiff used Mackinnon's name here. But even on the supposition that the deed between the present parties went that length—which cannot of course be contended; but even going so far as that, the point was afterwards ruled in appeal (21st March, 1857), against the pretensions of the plaintiff here, and upon the clearest grounds. In the judgment of the Court of Appeal at p. 369 of Mr. Rendu's "*Traité des marques de Fabrique*," the *considérant* is very clearly and neatly given, and is identical with the objection I made at the hearing, and on which I decide the case now: "Que les demandeurs pouvaient se servir de ce nom seulement en leur qualité de successeurs de Bautain, et en faisant accompagner de leur nom personnel de Merkleim: Que c'est donc abusivement que sur leurs enseignes cartes et factures, ils portent

le nom de Bautain seul, comme s'ils etaient eux-memes la personne du dit Bautain, etc."

That was the judgment of the Court of Appeal in that case, and it is directly in point, and there is another case in the same book at p. 326, where the purchaser of a trade-mark was adjudged to add his own name as "*successeur*" to the name of the first owner of the trade-mark, which he had taken and used by itself, as the plaintiff did here, without indicating that the purchaser and not the original owner was using it. This point is of itself sufficient to determine the case, and I do not go into any of the others that were raised. The English authorities are the same. It is laid down in *Lloyd on Trade-marks* at p. 52, on the express authority of decided cases, that *the right to use the name simply cannot be transferred*; and *Rendu* in another passage says the same thing. The reason being obvious that the renunciation of the name he had borne since his birth, and the exclusive conferring of it on another would be a deception. It was not true that Mackinnon was making the biscuits that Thompson sold with the name of Mackinnon's biscuits on the boxes; and therefore it was not right to say so in that way. In *Lloyd*, at the same page I have cited, it is laid down in so many words that "if the business or manufacture be sold or transferred to another person" (as the plaintiff says was done in his case), "the purchaser will acquire a right only to represent himself as the successor in business of the first maker."

Therefore, without going further, the action, and the petition for injunction incidentally filed, will be dismissed on the ground that the plaintiff is complaining of an infraction of a right that he never possessed; a right which was not assigned to him at all; a right indeed that could not be assigned to him in the sense in which he has used it.

I ought not to dispose of this case without referring to an authority cited by the defendant's counsel as being directly in point. It was the case of *Compere v. Bajou et al.*, decided by the Tribunal de Commerce of Paris in 1854, and affirmed on appeal. This case is fully cited and commented upon in *Brown* on the

Law of Trade-Marks, and the first observation made upon the case by the writer of that treatise is that it is one that is apt to stagger the judgment of a student. In that case Bajou had assigned all his right to the manufacturer's mark or stamp upon gloves in which the true value of the business consisted. These are the precise words used in the statement of the case in Brown, p. 209. In the next section (p. 210) the writer says: "To the casual observer, this might seem like an authority to commit a fraud upon the public, and upon purchasers in foreign countries by the means of a misrepresentation (to wit, that Bajou himself had made the gloves). That was not the meaning given to it by the Tribunal of the first instance, nor the Imperial Court of Appeals of Paris, which affirmed the decision. The latter held that the exclusive title to the mark had passed to the assignee, the right to the use of the stamp till then employed by Bajou being one of the essential ingredients of the contract." But if we continue the examination of this case to sec. 211, we shall see that it was not the use of Bajou's name, as if he himself was using it, that was sanctioned for the contract only gave the other the right to adopt the description of "successor" in that case, in conformity with express law in France, where credit is altogether personal; and one is allowed by the 21st article of the Code of Commerce to take any other name but his own, even in a firm, or *raison sociale*; and the author concludes his notice of the case by asking:—"What did the Court mean?" and concludes, that it only meant that as long as the word "successor" was used, the public could not be misled. We have already seen that what is positive law in France is acted upon in the English cases (and any number of them might be cited), as a rule of right to prevent fraud and imposition on the public; and it is under this rule that I say the plaintiff had no such exclusive right as he claims.

The judgment in review, which reversed the judgment of the Court below, will be found reported in 21 L.C. Jurist, p. 335.

The considérants were as follows:—

"The Court . . . considering that in July, 1876, the de-



fendant assigned to the plaintiff, for a price agreed upon, his business as a biscuit-maker, and comprised in that assignment, including all accessories used in carrying on the said business, with the good-will and all advantage pertaining to the name and business so assigned;

“That for that purpose the plaintiff was thereby authorized to use exclusively of every other person, as the mark for his biscuits, the label employed by said defendant as the manufacturer's mark; that after the said assignment the plaintiff has continued the said business and has also continued to use the said label as his trade-mark, and has duly registered the same in his own name. That since that time and before the institution of this action the said defendant has started a new business as biscuit manufacturer in the vicinity of plaintiff's factory, and has been for several months illegally using as a manufacturer's mark for his biscuits a label similar to the one so used by plaintiff and acquired by him under said assignment;

“Considering that in the said judgment which dismissed plaintiff's action there was error;

“Doth reverse the same, and proceeding to render the judgment which ought to have been rendered, doth prohibit and restrain the said defendant from using in future the said trade-mark or any part thereof to biscuits or boxes, or packages of biscuits not made by plaintiff, and from selling or causing to be sold, or exposing for sale within this Province boxes or packages of biscuits marked with said trade-mark and with said label, or with any counterfeit of limitation of the same; and doth adjudge and condemn the said defendant to pay and satisfy to the said plaintiff the sum of four hundred dollars for damages, with interest thereon from this date; the whole with costs of the action as instituted, as well in the Superior Court as in Review, against said defendant in favour of plaintiff, distraction whereof is granted to T. P. Butler, Esquire, attorney for plaintiff.”

November 20th, 1882. SIR A. A. DORION, C.J., briefly expressed his concurrence with the judgments set out below.

Cross, J. :—This is an action of damages brought by Thompson against Mackinnon for breach of contract in regard of the good-will of a business sold by Mackinnon to Thompson.

Thompson alleges that by notarial deed executed on the 25th July, 1876, Mackinnon, a biscuit manufacturer, sold to him, Thompson, Mackinnon's stock in trade at St. Henry, with the good-will and all the advantages pertaining to the name and business of him, Mackinnon, which included a trade-mark, label and business device, consisting of the word "Mackinnon" and the representation of a boar's head grasping a bone in its jaws contained in a white elliptic band, with other particulars unnecessary to be mentioned, printed on labels used in the manufacture of his biscuit and stamped upon the biscuits of his manufacture, which mark Thompson had procured to be registered in August, 1876, under the Trade-Mark and Design Act. Mackinnon knowing that he, Thompson, was the proprietor of said trade-mark and designation had nevertheless, in violation of right and of the said Act, made use of it in a manufactory of biscuits which he had set upon on his own account, thereby causing Thompson damage for which he claimed \$5,000.

Mackinnon pleaded, that long prior to the sale he had acquired renown as a biscuit manufacturer, from diligence and the use of special and peculiar recipes, whereby biscuits of his manufacture brought a higher price than those of other manufacturers, and his name came to be and was a trade-mark having a special commercial value to him over and above the ordinary good-will of his business; that he had long used the device and trade-mark, including the word Mackinnon's, his own name, on the labels, packages and biscuits; that he had not by the deed in question transferred the use of his name or the said trade-mark in connection with it; that the use of the trade-mark by Thompson as he had been doing was fraudulent and a usurpation of Mackinnon's rights, who was solely and exclusively entitled to use the trade-mark in question as being personal to him, consisting of his own name and what was merely incidental to it.

Thompson replied that the renown of Mackinnon's biscuits did not depend on anything peculiar in the manufacture nor the recipes used, but on the length of time the manufactory had been established; that the deed transferred to him, Thompson, the good-will of the business and all advantages to be derived therefrom, from the name and business of the defendant Mackinnon and the estate generally, with all appurtenances and attributes, adjuncts and everything in any way connected with or appertaining to the manufacture and business theretofore carried on by Mackinnon.

In the same suit Thompson petitioned for an injunction to restrain Mackinnon from the use of the trade-mark and of labels containing it.

Issue was joined on this petition substantially in the same manner as had been done on the principal action, and evidence was taken on both, Judge Papineau having ordered that they

The sale referred to in the pleadings was produced. It was in fact a liquidation of Mackinnon's business with the consent of his creditors, he being insolvent. They were represented in the deed, and accepted the consideration of the sale in discharge of Mackinnon's liability to them.

It was by the evidence, among other points unnecessary to be noticed, established that the trade-mark, labels and stamps for the biscuits had been long in use by Mackinnon before he sold to Thompson; that Thompson used them as part of his purchase from the time he entered into possession; that he got the trade-mark registered under the Trade-Mark and Design Act, and Mackinnon's previous registration thereof cancelled by the Minister of Agriculture as interfering with his rights and registration.

Also that Mackinnon had shortly after the transfer set up a similar business in the vicinity, using the same trade-mark and labels.

The facts were really not disputed, but Mackinnon contended that what was called the trade-mark was simply his own name, which was personal to himself and could not be made the subject of a trade-mark, except for himself alone, and could not pass by

any sale or transfer, nor the boar's head which was the coat of arms of the Mackinnon clan and a mere incident to the name.

The case was heard on the merits before His Honour Mr. Justice Johnson, who on the 30th April, 1877, in an elaborate judgment dismissed the action for damages and the petition, on the ground that the deed of the 25th July, 1876, did not expressly convey the right to use Mackinnon's name and trade-mark, and that the exclusive use of Mackinnon's name could not be conveyed, nor was such exclusive use acquired by Thompson.

The case coming on in Review, this judgment was by the unanimous voice of the three Judges in Review reversed, Mackinnon was enjoined not to use the labels or trade-mark, and was condemned to pay Thompson \$400 damages and costs.

The validity of this judgment is now in question on the present appeal.

The appellant does not now seem to contend for the broad ground taken in the pleadings, but he makes the following points:

1st. It is the manufacturer's name that forms the very essence of the label.

2nd. The name was not the appellation of the establishment but of the manufacturer.

3rd. The name in question was not the mere patronymic Mackinnon, but the special personal name John Mackinnon.

The question does not here arise as to whether Thompson has strictly confined himself within his rights, nor has it been determined that he is entitled to use the name John Mackinnon in connection with his business, unless with some qualification to shew that he merely claims to be his successor. The judgment only goes so far as to prohibit him the use of marks or labels with the boar's head, or distinguishing the manufacture or brand of the biscuits he manufactures as "Mackinnon's Biscuit," or any counterfeit or imitation of said marks or brands or of any part thereof.

In answer to the appellant's propositions, it may be said that the good-will and all advantages pertaining to the name and busi-

ness of the said John Mackinnon, the terms used in the deed of sale undoubtedly included the trade-marks as part of the advantages pertaining to the business of John Mackinnon thereby conveyed. True, the exclusive use of the name John Mackinnon could not be thereby assigned. Whether in certain cases it was sufficient to authorize its use need not be considered. The labels and marks, the use of which are complained of, are simply inscribed or stamped "Mackinnon's Biscuit." The name thus used is not the individual designation of John Mackinnon, the assigner of the rights, but is merely the generic name of the Mackinnon clan; as such there can be no valid objection to its having become a trade-mark for distinguishing a particular manufacture of biscuits; much less can the boar's head be objected to, although it may be the coat of arms of the Mackinnon clan. I am not aware of any law in this country, which would give an exclusive property to a person named Mackinnon, to use the coat of arms of the clan, if even he were a clansman, nor is there any cogent reason why it should not become a trade-mark, as it was certainly made in this instance, and, if so made, it became liable to the laws of trade. There is no doubt that a conveyance of the goodwill and business, with its accessories includes the trade-marks pertaining to it. See Adams on Trade-Marks, p. 103; *Gastambide des Contrefaçons* No. 445.

The extent to which the individual name of a manufacturer as a stamp on goods of his manufacture may become a trade-mark, and as such may be conveyed with his business, even to the exclusion by himself of the use of a similar stamp to impress his own name, was carried very far in the case of *Compere v. Bajou*, cited by the respondent, and noticed in all the modern works on trade-marks. It was decided in the Tribunal of Commerce, at Paris, in 1854, 6th February, and was afterwards confirmed in appeal. A glove maker sold out his business and good-will; he had used to stamp the gloves of his own manufacture with a facsimile of his signature, which he attempted to do after his sale, but was by the Court prohibited from stamping gloves of his own

manufacture even with his own name, as so previously used by him.

Some of the French authorities go to the extent of saying that the sale of good-will implies a convention not to set up a similar business in the neighbourhood, although there may not have been any convention to that effect in the deed of conveyance. See Gastambide, p. 466, No. 479, also a case there cited by him from Dalloz for 1825, Part 2, p. 92, *Auger v. Dumont*, which in its general features very much resembles the present. Sieur Auger, Marchant Chocolatier, des cours de France, de Russie et d'Autriche, had a shop in the Rue Neuve des Petits Champs, on the facade of which were emblazoned, among others the arms of these three great powers; he failed, and his assignee, with his consent and that of his creditors, sold his establishment, "avec toutes les valeurs existantes dans le masse."

Dumont, the purchaser, took possession, and put up his sign as successor to Auger, with the co-operation of the latter, whose services he retained at a salary of 3,000 francs per annum and certain additional benefits.

Dumont announced the transfer in circulars to the public, which Auger sanctioned by a solicitation from himself, inscribed on Dumont's circulars.

After some years had passed, Auger quitted Dumont's establishment, and set one up quite near to Dumont, for the fabrication of chocolate, on which he put up the armorial bearings of France, Russia, etc., and by placards, circulars and advertisements in the newspapers claimed the right to do so, and denounced Dumont's pretension to be his successor as an unjustifiable usurpation.

Dumont brought suit against Auger, claiming, first, the closing of Auger's establishment; second, the suppression by him of the sign used by him with the armorial bearings of France, Russia, etc.; third, the suppression of Auger's placards claiming his right to the ancient business, and denying the right of Dumont, also damages, which demands were all accorded him by judgment of the Tribunal of the Seine, 29th May, 1824.

Auger appealed, and submitted in appeal the following propositions: First, that the sale of the going establishment did not include the vendor's personal industry, nor the right of exercising it at his pleasure; second, that he who sold a business, un fond de commerce, could begin and carry on a like business in the same locality without causing a veritable trouble to the possession of the purchaser.

The Court of Appeals, 29th of November, 1824, overruled these pretensions, and confirmed the judgment of the Tribunal of the Seine.

This case seems to go much further than would be necessary for the decision of the case now under consideration. It is, indeed, probable that it goes too far. The editor concludes an appended note by the expression in regard to the questions submitted by Auger to the Court of Appeals: "Aucune des propositions qu'il voulait établir n'est ni jugée ni préjugée par l'arrêt."

The rational rule is probably best laid down in English cases: *Cruttwell v. Lye* (1810), 17 Vesey, p. 346; *Labouchère v. Dawson* (1872), L.R. 13 Equity, p. 322; *Leggatt v. Barrett* (1880), L.R. 15 Ch. p. 306, to the effect that, where there was no convention to the contrary, a seller of a business and good-will could establish a similar business in the neighborhood, but would be enjoined from soliciting business from his former customers, but not from dealing with them if they came to him voluntarily.

Jessel, Master of Rolls, went further in a case of *Genesi v. Cooper* (1880), L.R. 14 Ch., p. 596, holding nearly in the sense of the French case of *Dumont v. Auger*, that a vendor of a business and good-will should be restrained from doing business with his former customers, but this dictum was disapproved of, and the correct rule, as already given, established by the decision in appeal in the case of *Leggatt v. Barrett* (1880), 15 L.R. Ch., p. 306.

These cases go further than is necessary to answer the propositions submitted by the appellants in this case.

1st. It is not strictly true in fact that the manufacturer's name formed the essence of the label, Mackinnon alone, and not

John Mackinnon, was used in the stamps and on the labels prohibited.

2nd. That the name was not the appellation of the establishment, but of the manufacturer.

The name Mackinnon was the distinguishing mark attaching itself to the manufacture, the mark by which the goods from the establishment had their name and reputation.

3rd. The name used as the trade mark and for the labels was the mere patronymic, and not the special personal name of the vendor, John Mackinnon.

We are of opinion that the judgment of the Superior Court in review should be confirmed. It is therefore confirmed with costs.

RAMSAY, J. :—This suit began by an injunction to prevent the appellant using as a trade mark on biscuits the word "Mackinnon's," under which there was a stamp of a boar's head holding a bone in its jaws. It appears that respondent purchased from appellant his stock-in-trade as a biscuit manufacturer, "with the good-will and all advantages pertaining to the name and business of the vendor," appellant in said business. The appellant, before the sale of the business, used the words and stamp as above, and respondent continued to use them after his purchase. Subsequently appellant recommenced business as a biscuit manufacturer, and used a stamp precisely like that he had used before. Now two questions arise:—

1st. Did respondent, by the purchase of the good-will of the business, in the terms used, purchase the appellant's trade mark?

2nd. Does the use of the name and the armorial bearings of a family in a trade mark alter the character of a trade mark? I cannot fancy there can be any difficulty as to the first question. The words cover the advantages to be derived from the name and business of the said John Mackinnon, and it is not contended that the stamp and label used were not part of his business.

As to the second question, it has been ingeniously asked—did Mackinnon cease to have a right to use his own name and the



arms of his family? I think that would be carrying the interpretation rather far, and further than is necessary on this appeal. It is not a question here whether he abandoned the use of his own name and arms, but whether he can so combine them as a biscuit maker as to make a stamp exactly like that of his old trade mark, and on this point I have not the least hesitation in saying he cannot, and that being his own name and arms does not in the least affect the question. If he finds any advantage or satisfaction in the special use of his name and arms he must combine them in such a way as not to interfere with the trade mark he has sold. I am to confirm.

*Wotherspoon & Co.*, for appellant.

*T. P. Butler*, for respondent.

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**Notes:**

See Notes to *Rose v. McLean*, *infra*, p. 291.

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## [IN THE SUPREME COURT OF CANADA.]

THE CANADA PUBLISHING CO. (LIMITED) AND SAMUEL GEORGE  
BEATTY V. WILLIAM JAMES GAGE.

(6 O.R. 68, 11 A.R. 402, 11 S.C.R. 306.)

ON APPEAL FROM THE COURT OF APPEAL FOR ONTARIO.

*Trade Mark—Head-line Copy Book—Name "Beatty"—Right of Party to Use His Own Name—Goods Sold to Deceive Public.*

- G. carried on business in partnership with B., a part of the business being the sale of a series of copy books designed by B., to which was given the name "Beatty's Head-line Copy Book." The partnership was dissolved by B. retiring and receiving \$20,000 for his interest in the business. After the dissolution B. made an agreement with the Canada Pub. Co. to prepare a copy book for them, which copy book was prepared and styled "Beatty's New and Improved Headline Copy Book," which the said company sold in connection with their business.
- G. brought a suit against B. and the company for an injunction and an account, claiming that the sale of the last mentioned copy book was an infringement of his trade mark. He claimed an exclusive right to the use of the name "Beatty" in connection with his copy book, and alleged that he had paid a larger sum on the dissolution than he would have paid unless he was to have the exclusive sale of these copy books.
- Held*, affirming the judgment of the Court of Appeal, Henry and Tasche-reau, JJ., dissenting, that defendants had no right to sell "Beatty's New and Improved Head-line Copy Book" in any form, or with any cover, calculated to deceive purchasers into the belief that they were buying the books of the plaintiff.

This was an appeal from a decision of the Court of Appeal for Ontario dismissing a motion to set aside a judgment of Mr. JUSTICE FERGUSON (set out below), in favour of the plaintiff, heard on the 24th and 26th of March, 1885. The facts are set out in the opinions of the Judges.

The following authorities were cited: *Whiting v. Tuttle* (1870), 17 Gr. 454; *Hall v. Barrows* (1863), 4 De G. J. & S. 150; *Millington v. Fox* (1838), 3 Myl. & Cr. 338; *Massam v. The Thorley's Cattle Food Co.* (1880), L.R. 14 Ch. D. 748; *Perry v. Truefitt* (1842), 6 Beav. 66; *Metzler v. Wood* (1878), 8 Ch. D. 606; *Bury v. Bedford* (1864), 4 DeG. J. & S. 352; Bump on Patents, Trade Marks and Copyrights, p. 360; Curt on Patents,

3rd ed., p. 103, see. 122: *Johnston v. Orr Ewing* (1881), L.R. 7 App. Cas. 219; *Walker v. Mottram* (1881), L.R. 19 Ch. D. 335; *Labouchere v. Dawson* (1871), L.R. 13 Eq. 222; *Leggott v. Barrett* (1880), L.R. 15 Ch. D. 306; *Genesis v. Cooper* (1880), L.R. 14 Ch. D. 596; *Warne v. Routledge* (1874), L.R. 18 Eq. 497; *Ward v. Becton* (1874), L.R. 19 Eq. 208; *Ainsworth v. Walmsley* (1866), L.R. 1 Eq. 525; *Levy v. Walker* (1879), L.R. 10 Ch. D. 436; *Cocks v. Chandler* (1871), L.R. 11 Eq. 446; *Maxwell v. Hogg* (1867), L.R. 2 Ch. 307; *Leyland v. Stewart* (1876), L.R. 4 Ch. D. 419; *Jeffreys v. Boosey* (1854), 4 H.L.C. 815; *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508; *Singer Mfg. Co. v. Loog* (1880), L.R. 18 Ch. D. 395; *Davis v. Kennedy* (1867), 13 Gr. 529; *Davis v. Reid* (1870), 17 Gr. 69; *Seizo v. Provezende* (1866), L.R. 1 Ch. 192; Lindley on Part., 3rd ed., 642, 643, 863-867; Brown on Trade Marks, 256, 257; *Rogers v. Rogers* (1882), 11 Fed. Rep., p. 495.

January 8th, 1883. FERGUSON, J. :—

From May 1st, 1877, to August 28th, 1879, the plaintiff and the defendant Beatty were in partnership, and carried on business as publishers and wholesale book sellers and stationers in the City of Toronto under the name and firm "Adam Miller & Co." and as the evidence shows a very considerable branch of the business consisted in the manufacture and sale of head-line copy books for use in schools, etc. During the partnership the defendant Beatty designed a head-line copy book, which (after some discussion as to what name should be given it) was called "Beatty's System of Practical Penmanship." This name is the one that appears on the books but the evidence shows that they were known as "Beatty's Copy Book," as "Beatty's Copies," and as "Beatty's Book." Much time and money were spent in putting this book upon the market by advertising, travelling, etc. It became a very popular book, was much used in the schools in the Dominion, and lately in the Province of Ontario has been so popular as to be used almost to the exclusion of all

others. Much of its popularity, and consequent value, were due to the exertions and expense incurred by the firm to put it upon the market. These exertions, etc., were by some of the witnesses called the "push." The profits arising from the sale of the book are large. The period of partnership was to be five years. The articles of partnership contained a provision to the effect that, if either partner should at any time during the continuance of the partnership, desire to terminate the same, he should give notice containing a statement of the terms on which he should be ready to sell to the other partner his interest in the business or to purchase from the other partner his interest, these terms to be identical. It does not appear, however, that any such formal notice was given by either partners. The defendant Beatty in his evidence says that shortly after he went into the business he found it in a crippled condition financially : that the plaintiff went to England and he (Beatty) had much trouble during his absence : that he wrote the plaintiff, and after his return told him that he wanted to retire. After this, however, the partnership went on for two years or thereabouts. He says that in 1879, and shortly before the dissolution, the plaintiff asked him if he still had the same idea as to a dissolution and he replied that he had, and that, some four weeks after this, the plaintiff came to him and said that he had made arrangements to purchase his (Beatty's) interest.

A statement K. produced at the trial purporting to be a balance sheet on June 1st, 1879, was then shewn him. This indicates a balance \$31,505.82, the half of which would be \$15,758.91. Mr. Beatty says, however, that prior to this the book-keeper had brought in a rough statement of the position of the firm shewing that his half of the balance would be about \$20,000. This is disputed, and I do not think it satisfactorily proved. Mr. Beatty says he told the plaintiff he would take \$20,000, and the plaintiff agreed to give him this sum, and by a document of the dissolution of the partnership dated August 28th, 1879, the defendant Beatty, for the consideration of \$20,000 and an

indemnity against the liabilities of the firm *released* all his interest in the property, lease, stock, credits and business of the partnership to the plaintiff, and it is not disputed that this \$20,000 has been paid. Ordinarily the document of dissolution alone would be the evidence on the subject, but evidence of what led to the execution of this paper was in this case given upon the contention that a large part of this consideration was given in reality in respect of the interest in the copy books in question, the document being in its terms very general, and it being alleged and shown, I think, that this was a very valuable, if not the most valuable item of the business. After the dissolution the business was carried on by the plaintiff under the name "W. J. Gage & Co." The defendant Beatty engaged in the druggist sundries business and continued therein till about February last.

Before the incorporation of the defendants The Canada Publishing Co., the business that they now carry on was carried on by a partnership under the name "James Campbell & Son," and young Mr. Campbell, as I understand, is now the manager of the defendant company, and that partnership purchased this copy book largely from the plaintiff. During the continuance of that partnership there was dissatisfaction in respect of the dealings with the plaintiff regarding this copy book owing to his refusal to make certain allowances or discounts on the purchases, and, one Mr. Taylor, then interested in the firm, proposed to Mr. Campbell to procure some man whose name was "Beatty" and prepare for the market and sell a book independently of the plaintiff, but this Mr. Campbell declined to do unless he had the real Mr. Beatty. After this, according to the evidence of the defendant Beatty, one Blackall, who had a contrivance for holding separate headlines, came to him and asked him to prepare head-lines for him, but he (Beatty) declined, not having time to attend to it. He says he then saw the plaintiff about this, and after some conversation on the subject the plaintiff offered him \$500 if he would not do so, or, I think, bring out

any other book. This offer was declined, it being said that it looked too much like "blood money." Some communication had taken place between Mr. Campbell and Blackall, and after this there were several interviews between Mr. Campbell and the defendant Beatty, and they finally entered into an agreement for the preparation and publication of books to be called "Beatty's New and Improved Head-line Copy Book." The terms of this agreement are stated in the letter of February 14th, 1882, from Campbell to Beatty. According to this agreement Beatty was to get 60 cents per gross for the first year and 75 cents per gross after that. Mr. Campbell says that before this agreement he asked Beatty if he had given the plaintiff any writing granting him the exclusive use of his (Beatty's) name, and that Beatty answered saying there was nothing in writing that would have any "influence" on his name. Further on Mr. Campbell says Beatty said there was no reason in writing why his name should not be used, but there might be some reason, "quibble," or legal "dodge," or something of that sort. Still further on he says that what Beatty said was to the effect that "lawyers might find some reason to frame a suit upon." An agreement between the defendants containing a clause for the protection of the defendant company against any action that might be brought by the present plaintiff was prepared but for some cause this was not executed, though it was not denied that it was intended to be executed in its present form, and it was said that it not having been signed was owing to carelessness only. Mr. Campbell says that Mr. Beatty objected to a clause in the agreement binding him to bear the *whole* costs, etc., of any suit that might be brought by the present plaintiff, and it was finally agreed that each of the defendants should bear half the expense and damages in the event of any suit being brought and sustained by the present plaintiff, and that this was inserted in the agreement (the one that was not signed or executed). Pursuant to the agreement between the defendants, the defendant Beatty prepared a book. This was being advertised, put upon the market and sold by the defendant company

at the time of the commencement of this suit. The name of this book is "Beatty's New and Improved Head-line Copy Book," and by this name it was so advertised and sold. Before the commencement of this suit, and in the month of August, 1881, the plaintiff using the name "W. J. Gage & Co." registered a trade mark, stating that the specific trade mark consisted of the name "Beatty" in connection with "Beatty's Head-line Copy Book," and that he verily believed it to be his on account of his having been the first to make use of it.

The plaintiff, amongst other things, charged the defendants with collusion and fraud in the use of the name "Beatty" in connection with the defendants' books, and alleges that the defendant company will sell large numbers of the books to persons who buy the same under the belief that they are the plaintiff's books, and asks, amongst other things, that the defendants should be enjoined against infringing the trade mark, and against advertising their books in such a manner as will lead the public to believe that they are the head-line copy books of the plaintiff, and he asks general relief. The plaintiff states, amongst other things, that the name "Beatty" as applied to the head-line copy books was at the time of the dissolution of the firm (composed of himself and the defendant Beatty) a valuable asset of the firm, and had been a trade mark of the firm, and that the right to use that name was one of the assets of the firm purchased by him, and that the price paid by him to the defendant Beatty for his interest was chiefly paid on account of the interest in the head-line copy book, and he contends that the defendant Beatty should not be permitted to derogate from the right that he sold the plaintiff, and that the defendant company is in the same position, as they had full notice of the facts and the relative position of the plaintiff and Beatty, and also that the use of the name "Beatty" as it is used by the defendants is *fraudulent* as against him.

The defendants contend that the publication and sale of their books is purely a business transaction, and undertaken and done in the ordinary course of business without relation or reference

to the plaintiff or his head-line copy books, and they deny all fraud or fraudulent intention charged against or imputed to them in the premises. They also deny that the plaintiff has the trade mark as he alleges, and they contend that the alleged registration of such trade mark is void by reason of false statements made by the plaintiff in procuring the same.

At the trial (which lasted only six days) a very large volume of evidence was given. The arguments of counsel on each side were very able and exhaustive and a very large number of authorities were referred to, read, and commented upon.

It was, I think, clearly shown that the name "Beatty" is that which gives the great value to the plaintiff's book and that this value is greatly the result of the exertions, and expense borne, by the firm Adam, Miller & Co. (while composed of the plaintiff and the defendant Beatty) by their putting the book (under that name) upon the market with energy and perseverance. It is also, I think, shewn, beyond any doubt, that the defendant company, being aware (through its manager) of all this, and of the sale and release by the defendant Beatty to the plaintiff desired to publish a work under the name "Beatty" in order thereby to take from the plaintiff the profits he was deriving by the sale of his book, or a large part of such profits. That the defendant company did put upon the market their book under the name "Beatty's" is undisputed, and after hearing all the evidence on the subject and looking at the two books and hearing all that was, and, as I think, could be urged on behalf of the parties respectively, I have no difficulty whatever in arriving at the conclusion that the defendants' book in the form in which it is, and sold in the manner in which it has been shown to have been sold, is calculated to deceive the public and mislead them into the belief that when they purchased the defendants' book they are getting the plaintiff's book, the one they have known as "Beatty's book," that is to say, the ordinary purchaser desiring to purchase the plaintiff's book would purchase and take the defendants' book without recognizing the difference, and that



in this way the plaintiff's trade would be materially and greatly interfered with and prejudiced.

A question to be determined is as to whether or not the plaintiff is entitled as he alleges to the name "Beatty" in connection with "Beatty's Head-line Copy Books" as a *trade mark*.

In Brown on Trade Marks at p. 79, section 116 it is said that books, as literary productions, cannot be protected by trade marks, but as mere merchandise they can be so protected, and at section 117 it is said that it must be borne in mind that it is as merchandise merely that books are protected by marks of commerce and that this is because a book, as such, has its protection under the copyright laws, and I have not found any authority directly conflicting with these statements.

The firm "Adam Miller & Co." obtained a copyright of the plaintiff's book on March 16th, 1878, and it appears to have been by this copyright that they considered the book protected. Since the dissolution of that firm the plaintiff has continued to publish the book, and the copies of this book produced at the trial are marked "Entered according to the Act of Parliament," etc., the words required by the Copyright Act, though it was said that these words are not in the proper place on the books.

The plaintiff does not in this action make any claim in respect of any infringement of his copyright. Evidence of it was given, against the objection of the defendants, on the ground that it was a further description and identification of the item of property about which there was so much contention.

It appears to me that there was not really any use of the name "Beatty" by the firm Adam Miller & Co. as a *trade mark* and that they considered their book protected by the copyright, and I cannot consider this like the cases where a mark had been put upon manufactured goods and continued so long and become so well known that it denoted the quality of the goods rather than indicated who manufactured them. I do not think that either of the members of that firm considered that they were using the name "Beatty's" as a trade mark or mark of commerce

upon merchandise at all or in any other sense than as the name of the author of the book, and I am of the opinion that at the time of the dissolution it was not a trade mark, and did not, as such, pass with the business to the plaintiff. Then, assuming this to be correct, can it be said that the plaintiff could afterwards without the consent of the defendant Beatty, acquire a right to his name as a trade mark, and register, and have and be protected by it, and this as against Beatty himself? I think it plain that he could not, and my conclusion is, that the plaintiff is not entitled to the name "Beatty" as a trade mark. I think I need not further refer to the registration of this as a trade mark, or to the statement that was made by the plaintiff on which the registration took place, or the necessity of registration before any proceedings to prevent infringement.

It is not denied that the plaintiff has the right to publish and sell his book as he is doing. It was admitted and stated at the bar by counsel for the defendants that the plaintiff has this right. There is no dispute whatever as to this.

The defendants' book is advertised as "Beatty's New and Improved Head-line Copy Book." The same words are on the covers of the books, and the name "Beatty" is repeated on the covers in a conspicuous position, and upon the evidence I am of the opinion, indeed, I have no doubt that it is the fact, that the defendants knowing as they did know, that what the public wanted and demanded was "Beatty's book" made use of the name "Beatty" for the purpose of having their book sold as and for the plaintiff's book in the way that I have before mentioned, and I think the evidence shows that this effort on their part was successful so far as their scheme was carried into effect, and that the strong probability (almost certainty) is, that it would be successful in future if it were permitted to be carried out. I do not think this at all a case of a different book, alleged to be a better one, being published with the view of its eclipsing a rival book by fair competition in the business. I do not think it an answer to say that the defendant company told

those to whom they made sales of invoices of their books that it was a book different from the plaintiff's book and required their travellers to do the same thing (if they really did so) : *Wotherspoon v. Currie*, L.R. 5 H.L. 516, 517; *Joyce on Injunctions*, 314, 315. The book was put upon the market and furnished to others to be sold by them and exhibited to the public for sale in such form and manner as to deceive people into the belief that the one book was the other book. The defendants must have known this would be so, and I have no doubt that they intended that it should be so, and the evidence shews that some of the public were in fact so deceived. Some of the evidence for the plaintiff goes to shew that as many as nineteen out of twenty persons would be so deceived, and the evidence for the defence (some of it) goes to shew a majority of persons would be deceived in this way.

The preparation of the book, was I think, a part of the scheme, and I incline to the opinion that, on the merits, the so-called novelties and improvements are mere colorable changes. The argument that owing to the organization of and the manner of conducting schools at the present time, the difference between the books would in many cases be liable to be, and probably would be, detected in the classes in the schools does not I think meet the case, and, after an attentive consideration of the subject, I am of the opinion that the plaintiff has succeeded in establishing the collusion and fraud that he has charged against the defendants in this respect, and I think it my plain duty to express this finding in unmistakable language, however strong the desire to avoid the necessity of so doing. I think it proved that the plaintiff paid for this book a large part of the consideration that he gave the defendant Beatty, and my opinion is, that the evidence given by Mr. Bain and Mr. Campbell in regard to the value of the copyrights at the time of the dissolution could not be acted upon with safety if a necessity arose for so doing. In this case an injunction is asked to restrain the defendant Beatty (with his co-defendants) from using his own name, and it has

been objected that cannot be done. In the case *Rogers v. Rogers*, (1882), 11 Fed. Rep., p. 495, it is said the books are full of cases in which defendants have been restrained from using their own names in a way to appropriate the goodwill of a business already established by another of that name, referring to *Croft v. Day* (1843), 7 Beav. 84; *Metzler v. Wood* (1878), L.R. 8 Ch. D. 606, and a large number of English and American cases, many of which were referred to in the argument, and also referring to the language of Lord Justice James in *Levy v. Walker* (1879), L.R. 10 Ch. D. 447 and 448: "It should never be forgotten in these cases, that the sole right to restrain anybody from using any name that he likes in the course of any business he chooses to carry on, is a right in the nature of a trade mark, that is to say, a man has the right to say: 'You must not use a name whether fictitious or real—you must not use a description whether true or not, which is intended to represent or calculated to represent, to the world that your business is my business and so by a fraudulent misstatement deprive me of the profits of the business which would otherwise come to me.' That is the principle and the sole principle on which this Court interferes."

In *Singer Manufacturing Co., v. Loog* (1881), L.R. 18 Ch. D. 412, 413, the same learned Judge says: "I am of the opinion that there is no such thing as a monopoly or property in the nature of a patent, in the use of any name. Whatever name is used to designate goods, anybody may use that name to designate goods; always subject to this, that he must not make directly, or through the medium of another person, a false representation that the goods are the goods of another. . . . It comes entirely within those cases in which it is calculated, and if calculated, must be assumed to have been intended to make a false representation." There are, however, many authorities to show that the fraudulent intent, the *animus furandi* must be shewn. In this case it has, as I have said, in my opinion been shown.

In Sebastian on Trade Marks, p. 154, it is said: "In some

cases the use of a man's own name may be such as to deceive, and where this is so the person aggrieved is entitled to an injunction against such use of the name, but he must prove clearly the fraudulent intent, and it is a question of evidence in each case whether there is a false representation or not."

Many of the cases, I think, shew that a man cannot make such a fraudulent use of his own name or permit or authorize another so to do. One of the learned counsel for the defence did not, as I understand his argument, dispute this proposition, but I do not desire to impute an admission either of fact or in respect to the law to any counsel without being entirely certain that he intended to make it, and did make it.

After a perusal of all the authorities referred to on the argument I think the plaintiff entitled to an injunction against the defendants, restraining them from advertising, publishing, selling, or offering for sale, the book "Beatty's New and Improved Head-line Copy Book," in and with its present form and cover, or any other form or cover calculated to deceive persons into the belief that it is the plaintiffs book. This form is mainly taken from *Metzler v. Wood* (1878), L.R. 8 Ch. D. 606. It may perhaps be changed more or less in settling the judgment. They cannot be permitted, I think, to sell their book as and for the plaintiff's book or to permit or place others in a position so to do, as I have found upon the evidence they are doing, and I think they (the defendants) are both responsible as being parties to a collusive scheme, the defendant company, though incorporated, seeking the benefit of their manager's act are responsible for the act.

I think the plaintiff is entitled to his costs from the defendants. As the contention in respect of the alleged trade mark occupied but a small fractional part of the time spent at the trial and occasioned but a comparatively small part of the expense, and, as I have found against the defendants on the ground that I have, there will be no division of costs.

From this judgment the defendants appealed to the Court of Appeal for Ontario, and the judgment of FERGUSON, J., was upheld. From this decision the defendants appealed to the Supreme Court of Canada.

*Robinson, Q.C., and MacLennan, Q.C.,* for the appellants, the Canada Publishing Company.

*W. Barwick,* for the appellant Beatty.

*S. H. Blake, Q.C., and Lash, Q.C.,* for the respondent Gage.

November 16, 1885.—The Court gave judgment as follows:

Sir W. J. RITCHIE, C.J., after reviewing the facts presented on the appeal, and the judgments of the Court below, proceeded as follows:

In my opinion the plaintiff had the exclusive right to use the name "Beatty" in connection with, and as denoting, copy books of his manufacture, and no one has the right to the word for the purpose of passing off his books as those of the plaintiff, or even when innocent of that purpose, to use it in any way calculated to deceive, or aid in deceiving the public, to the detriment of the plaintiff; but, claiming the interference of the Court, they must be prepared to show that the public are deceived, and purchasers misled, or that there is a reasonable probability of parties being deceived. This, in my opinion, has been shown in the present case.

I think the book, as published by the defendants, was calculated to deceive, and did deceive, and was intended to deceive purchasers. I adopt as perfectly applicable to the same the language of James and Thesiger, L.J.J., in *Metzler v. Wood* (1878), 8 Ch. D. 606; James, L.J., says:—

"There is really no question of law in this case, no question of the right of a man to the use of his own name, or anything of the kind. The simple question is: Did the defendant dishonestly pass off his work as the work of the plaintiffs? That really is the sole issue, and the Vice-Chancellor has found in favor of the plaintiffs. It appears to me impossible to doubt the correctness of his conclusion."

And Thesiger, L.J., says:—

“This is still more plain when we think of the class of persons who would be purchasers of this book, probably mothers of families, or governesses instructing young children, and who were told that “Beatty’s” (substituting “Beatty’s” for “Hemy’s”) was the best work for the purpose of so instructing children.”

There is not a person that would not, unless thoroughly acquainted with both the works in dispute, be satisfied when he was presented with a copy of the defendants work, that he was receiving the well-known and popular copy book of Beatty as published by the plaintiff.

I think, therefore, that the appeal should be dismissed.

STRONG, J.—I am of opinion that the appeal should be dismissed with costs.

FOURNIER, J., concurred.

HENRY, J.—I am sorry to differ from my learned brethren, but after a great deal of consideration have come to an opposite conclusion. The claim here is not made on a copyright, but merely to use a name as a matter of common law right in connection with “head-line copy books.” There is nothing peculiar in “headline copy books;” all copy books have a printed “head line” and are so called—they have been in use for a number of years in the United States, Scotland, and England and imported and sold as such in this country. The first series Beatty issued was printed as “Beatty’s System of Practical Penmanship,” and had no reference whatever to “head-lines,” for such could form no distinctive character; subsequently Beatty, who had been in partnership with Gage, the respondent, sold out his interest in the partnership, including his interest in the copy book printed and published by Gage and him, to his partner, and on the dissolution the right to sell remained in Gage. Beatty subsequently prepared, and the appellants published copy books under the name of “Beatty’s New and Improved Head-line Copy Books.”

This title sufficiently distinguishes them from the respondent's book, printed and published as "Beatty's System of Practical Penmanship." Under these circumstances what right had Gage to the sole use of Beatty's name? True, at first Beatty was a partner with him, and when they dissolved partnership Gage had, no doubt, a right to continue his name, but could he stop Beatty from using his own name on a different work? The appellants' company, a publishing firm, wanted a superior work to what was in use, and applied to Beatty, who had earned for himself a reputation as a penman, and he furnished the new work, and they published it as "Beatty's New and Improved Head-line Copy Books." These books are as different in general as two copy books could be, and they were made so as to prevent anybody acquainted with the subject matter from taking one for the other. Then the question arises: Did the appellants adopt Beatty's name for the purpose of deceiving the public, and in order to palm off their goods for the plaintiff's goods? In my opinion there is no evidence to support that contention. There was no copyright of Gage's book, and it was admitted by all the Judges that the law as to copyright did not govern the case, but the fact merely that appellants were using Beatty's name when selling their books was sufficient to give a right to plaintiffs to stop them from using it and interfere with their business. Suppose Beatty had patented a plough known as Beatty's plough, and sold his patent, and afterwards patented an improved article, not infringing the old, and called it Beatty's new and improved plough, could the owner of the original patent sue the maker of the improved article for infringement. I do not think he could. Here the copy book of the appellants did not infringe any right in the book published and sold by Gage. It appears to me the appellants did not usurp anything sold by Gage and they gave sufficient notice, by the title and appearance of those they published, to parties not to buy their books as being those sold by Gage. The respondent's case, in my opinion, has not been sustained



by the facts in evidence. I think, therefore, the appeal should be allowed with costs.

TASCHEREAU, J.—Such would have been my opinion also; I would have allowed the appeal.

*Appeal dismissed with costs.*

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**Notes:**

See Notes to *Partlo v. Todd*, *infra*, p. 167, and *Rose v. McLean*, *infra*, p. 291.

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## [IN THE SUPERIOR COURT OF QUEBEC.]

CLENDINNENG V. EUARD.

(7 L.N 42.)

*Trade-mark—Prior design adopted and registered—Validity of registration.*

A person who copies the design of an article which has long been manufactured and in use in another country, and registers a trade-mark for the same in Canada under the Trade Mark and Design Act of 1879 is not entitled to protection.

THIS was an action for damages against a dealer in stoves, for alleged infringement of a trade-mark and industrial design registered as the property of the plaintiff.

It appeared that this trade-mark and industrial design had been copied by plaintiff from and were identical with the design of a stove manufactured by a firm in Troy, N.Y., and sold in the U.S., plaintiff having procured patterns from said firm; that this trade-mark and design were applied to stoves, and known and sold in the U.S. for years previous to the registration in Canada, and the plaintiff copied his design and trade-mark from the stoves of said firm. Further, previous to the registration by the plaintiff, defendant had imported from said firm a stove similar in design, and had used same as a pattern, from which the stoves complained of were made.

Montreal, January 30, 1884. TORRANCE, J.:—I do not find any right in plaintiff. He is not the proprietor intended to be protected by the Act of 1879. He has no rights as against defendant. The action is dismissed.

*Robertson & Co.*, for plaintiff.

*Greenshields & Co.*, for defendant.

[IN THE HIGH COURT OF JUSTICE OF ONTARIO.]

CAREY v. GOSS.

(11 O.R. 619.)

*Trade Mark—"The Commercial Traveller"—"The Traveller"—Mistleading the Public by Similarity of Name—Injunction*

The L.F.P.P. Co. published a journal called *The Commercial Traveller and Mercantile Journal*, which was known as *The Commercial Traveller*, and was registered under the Trade Marks and Design Act of 1879 as *The Commercial Traveller's Journal*. Subsequently the plaintiff acquired the journal and goodwill thereof. The defendant, who had been employed by the company as manager and editor of the journal, commenced to publish a new paper called *The Traveller*, and used the mail list of *The Commercial Traveller* in working up the circulation of his paper. It appeared that while editor of *The Commercial Traveller*, the defendant had been accustomed to refer to it as *The Traveller*. In an action to restrain the defendant from infringing the plaintiff's trade mark:—

*Held*, the publication of a newspaper under the name of *The Traveller* was calculated to mislead the public, and to lead to the belief that the plaintiff's paper was referred to, and hence, was an infringement of the plaintiff's trade mark.

*Held*, also, that though the 14th section of the Trade Marks and Design Act, 1879, enacts that registration of an assignment of a trade mark may be made, and such assignment may be registered, it does not enact that registration shall be necessary to perfect such assignment.

ACTION by Thomas H. Carey against John Goss to restrain the defendant from infringing a trade mark and claiming an injunction and damages.

The case was heard before GALT, J., at Toronto, on April 2nd, 1886, when a motion for non-suit being made, the case was adjourned for argument. The argument was subsequently had at Osgoode Hall, on May 12, 1886.

The facts are set out in the judgment.

*Foy*, K.C., for the plaintiff.

*Morson*, for the defendant.

May 16, 1886. GALT, J.:—This action was entered for trial at the last Toronto Assizes, notice having been given by the defendant for a jury. At the trial I dispensed with a jury. The action is brought praying for an injunction to prevent the defen-

dant, his servants and agents, from infringing plaintiff's trade mark. At the close of the case of the plaintiff, Bigelow moved for a non-suit; the case was adjourned for argument.

An interim injunction had been granted by Ferguson, J.

It appeared from the evidence that since the year 1880, the London Free Press Printing Company of London, Ontario, Canada, had published a newspaper called "The Commercial Traveller and Mercantile Journal." This is the full title of the paper, but from the copy produced it is evident that the name by which the paper would be known was that of "The Commercial Traveller," as those words are printed in very much larger letters than the words "and Mercantile Journal."

On the 9th April, 1880, an application was made to the Minister of Agriculture, under the Trade Mark and Design Act of 1879, for a specific trade mark; this was granted on 14th April, 1880. In the application the following appears: "The said specific trade mark consists in the words 'The Commercial Travellers' Journal'; the essential features of the said trade mark being the words 'Commercial Traveller' as the title of a newspaper or periodical published by us." The certificate is: "This is to certify that this trade mark (specific) which consists in the words 'The Commercial Travellers' Journal,' is the title of a newspaper or periodical as per the annexed application, has been registered in the Trade Mark Register in accordance with the Trade Mark and Design Act, 1879, by the London Free Press Printing Company."

On the 3rd November, 1885, the London Free Press Printing Company sold to the plaintiff "the business and good-will of the paper called the *Commercial Traveller*, published by the company in the City of Toronto," etc.

The defendant had been employed by the company as their agent and manager to conduct the publishing of their paper from its inception to the time when it was sold to the plaintiff. At the trial the plaintiff stated as follows:

Q. Did you see the defendant at all in connection with your

purchase of the paper or before you purchased it? A. Yes, I saw Mr. Goss before I concluded the arrangement with the London Free Press.

Q. He was the man in charge here, I suppose, of this paper? A. Yes.

Q. Well, what passed between you, did he shew you round the premises or shew you what it consisted of? A. Well, he gave me a statement of the assets of the paper; he spoke in very favorable terms of the journal and said it was a good investment.

Q. Well, he represented the vendors in the transaction, did he? A. Well, he showed me a set of contracts for advertising, etc.

Q. Did he recommend you to purchase? A. Yes, he did.

After some further questions he is asked:—

Q. Now, was the mail list transferred to you when you received the paper? A. Yes.

Q. Did you know he had kept back a copy of the mail list? A. Yes.

Q. Did you know it at the time you took over the paper? A. I did not.

Q. Would you have permitted him to do so? A. Certainly not.

The defendant, as to this question of the mail list, in his examination before the trial, is asked as follows:—

Q. When you ceased the management of "The Commercial Traveller" had you their mail list in your possession? A. Yes.

Q. Have you it still? A. Yes; I have not produced it. (It was agreed by counsel to produce it.) After the production the examination proceeded.

Q. This is the mail list you carried with you from the London Free Press office? A. It was in my possession when I left and has been ever since.

There is no doubt from the evidence that the defendant made use of this list for the purpose of sending copies of his paper to some of the persons whose names appear on the list. After the

sale to the plaintiff of the "Commercial Traveller and Mercantile Journal," the defendant, in the month of December, published a paper called "The Traveller." Before the first number was issued, the plaintiff notified the defendant that if he issued such a paper he would consider it a breach of the trade mark to which he was entitled under his purchase from the London Company. The defendant not paying attention to this notice, this action was commenced on 18th December, 1885. The first number of the defendant's paper was published about the 22nd December; a second number in the month of January. I am not sure whether there was any in the month of February, and on the 3rd March the present injunction was issued, "ordering that the said defendant, his servants, workmen and agents, are hereby restrained from publishing or issuing the newspaper as or under the name or title of "The Traveller" or "The Traveler," until the trial or final disposition of this action. In considering the case it must not be forgotten that the defendant had been the manager and editor of the "Commercial Traveller" while it was the property of the Free Press Company, and was the person to whom the plaintiff was referred when it was proposed to sell the paper to the plaintiff.

From the evidence it appears clear to me that the title of the paper published by the defendant was an infringement of the trade mark of the plaintiff. From the evidence of the defendant himself it is plain that, while in the employ of the company and acting as their servant, he used the word "Traveller" as designating the paper then known as "The Commercial Traveller." There were three extracts, or rather notices, cut from that paper shewn to the defendant on his examination, and he is asked:—

Do you know this notice referring to Ex. A.? Yes.

They were inserted in the paper during your management?  
A. Yes.

How long were they inserted in the paper? I think probably a year, I think in every issue.

Each of the notices speaks of the "Commercial Traveller" as the "Traveller"? Yes.

The notices are as follows:—

TRAVELLERS' BUREAU.

Commercial travellers in need of engagements should leave their wants with qualifications at this office (meaning the office of the paper), where a register will in future be kept for the convenience of merchants requiring travellers in the respective branches of the wholesale trade. No charge will be made, and names will be registered in the strictest confidence, and with every regard to the particular wishes or desires of the traveller registering.

We have adopted this new feature in connection with "The Traveller" at the suggestion of many merchants and commercial men, and hope our endeavours to meet their wishes will be appreciated by those wanting situations handing in their names at once.

EVERY ADDRESS LABEL

on "Traveller" sent to our subscribers gives the date to which subscriptions are paid. From that date subscriptions are in arrears.

Merchants wishing to engage competent travellers should advertise in the columns of the "Traveller."

I think it impossible to doubt, after reading the above extracts which were printed and published by the defendant himself in the "Commercial Traveller," that a subsequent publication by him of a paper under the name of "The Traveler" was calculated to mislead persons and induce them to believe that "The Traveler" was the paper referred to. In addition to the cases referred to, reference may be had to *Clement v. Maddick* (1859), 1 Giff. 98; *Prowett v. Mortimer* (1855), 4 W.R. 519. The present case is much stronger in the plaintiff's favour than either of them.

An objection was taken at the trial by Mr. Bigelow and subsequently urged before me on the argument, that the plaintiff

had no title because the assignment of the paper, or rather of the so-called trade mark, had not been registered at the time when this action was commenced. I do not consider that the defendant is in a position to avail himself of this objection, even if it were a valid one; he was the agent of the London Free Press Printing Company, and he was well aware of the sale of the paper to the plaintiff. The 4th section of the Trade Mark and Design Act enacts that no person shall be entitled to institute any proceedings to prevent the infringement of any trade mark until and unless such trade mark be registered in pursuance of the Act. The trade mark (if such an expression applies to a newspaper) has been duly registered, and consequently the proprietor has a right to bring such action. By the 14th section an assignment of a trade mark may be made, and such assignment may be registered, but it does not enact that registration shall be necessary to give effect to such assignment.

I give judgment in favour of the plaintiff with costs; there will be no damages. The judgment is that the injunction be continued restraining the defendant, his servants, workmen and agents, from editing, printing, publishing or issuing the newspaper referred to in the statement of claim as "The Traveler" or "The Traveller."

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**Notes:**

Compare section 14 of the Canadian Act with section 77 of the Imperial Patents, Designs and Trade Marks Act., 1883, 46 & 47 Viet. ch. 57, containing provisions similar to those of the Canadian statute. Under the English Act, it has been held, as in *Carey v. Goss*, that where a trade mark has been properly registered under the Act, persons to whom it has been assigned with the good will are not precluded from suing on it before transfer of the registration into their names: *Ihle v. Henshaw* (1896) 31 Ch. D. 323; *Reveliere v. Gateley* (1890), 89 L.T. (Journal) 314.



## TITLE OF PERIODICAL.

Though a person may have adapted in ignorance and *bonâ fide* a name coincident with, or nearly coincident with, that employed by another person, yet he must discontinue the use of such name as soon as he becomes aware that it has been earlier used, and the person originally using the name is entitled to an injunction to restrain his continued user.

In *Clement v. Maddick* (1859), 3 Giff. 98, referred to in the case under consideration, the owners of *Bell's Life* obtained an injunction restraining the defendants from publishing any newspaper under the name of *Penny Bell's Life and Sporting News*, or under any name of which the name *Bell's Life* should form a part. In this case Vice-Chancellor Stuart followed *Millington v. Fox* (1838), 3 My. & Cr. 338, in holding that the absence of a fraudulent intention is no defence against a plaintiff whose property has been injured. And in *Prowett v. Mortimer* (1855), 4 W.R. 519, a case in which the facts were very similar to those in *Carey v. Goss*, the same learned Judge restrained the defendant from publishing any newspaper under the designation *True Britannia*, *Britannia* being the name of the plaintiff's paper. In the first case, Stuart, V.-C., said: "The defendants' whole case appears to rest on the fact that they intended to commit no fraud; that they had no fraudulent intention in adopting the words 'Bell's Life,' and thought that by prefixing the word 'Penny' to the title they had sufficiently warned the public that they were not purchasing the plaintiff's paper. But the absence of fraudulent intention is no defence against an application to the Court for an injunction by the person whose property has been injured."

There is a diversity of opinion as to whether the jurisdiction of the Court is founded on a right of property or not. In *Clement v. Maddick* (*supra*), Stuart, V.-C., thought it was; but the Court of Appeal in *Walter v. Emmott* (1885), 54 L.J. Ch. 1059, considered that the right and duty of the Court to prevent damage being done to the business of a person who is lawfully conducting his business, by acts, conduct or representations calculated to deceive the public, was the reason of the Court's interference.

For a collection of the cases in which injunctions have been granted, see Sebastian, 4th ed., p. 294.

In Canada, there are several decisions on this point. In *Canada Publishing Co. v. Gage*, *ante*, p. 119, an injunction was

granted restraining the defendants from using the name *Beatty's New and Improved Headline Copy Book*, which was considered to be an imitation of *Beatty's Headline Copy Book* calculated to deceive the public.

In *Rose v. McLean*, *infra*, p. 271, the name "*The Canadian Bookseller and Stationer*" was condemned as an infringement of "*The Canadian Bookseller and Library Journal*," commonly known as "*The Canadian Bookseller*," and the plaintiff was granted an injunction restraining the defendants from using the word "Canada" or "Canadian" conjointly with the word "Bookseller," as a title to their journal.

In *The Montreal Lithographing Company v. Sabiston*, 3 Rev. de Jur. 403, affirmed, [1899] A.C. 610, the plaintiffs were refused an injunction restraining the defendant from carrying on business under the name *Sabiston Lithographing and Publishing Company*. They were the transferees of the assets and good will of the dissolved Sabiston Lithographic and Publishing Company, and claimed that the name adopted by the defendants was a colourable imitation of their trade name, and calculated to prejudice the rights of the plaintiffs. The Court of Queen's Bench for Quebec held that the appellants (plaintiffs) did not derive by purchase from the dissolved company any right to use its corporate name (a right which could only be granted by the Crown) or to continue its business. The House of Lords, while not prepared to concur in the reasoning of the Judges in the Court of Queen's Bench, agreed that the appellants had no right to restrain the respondent from using the trade name under which he carried on his business. They were incorporated and registered, and had since done business under a quite different name and did not allege any intention of using, and had no right to use the old company's name as their trade or firm name. But the respondent, their Lordships held, had no right to represent himself as the successor in business to the dissolved company. This was as far as they would go.

## [IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

WATSON V. WESTLAKE.

(12 O.R. 449.)

*Trade Mark—Infringement—“Imperial Cough Drops”—“Imperial Cough Candy”—Well Known and Current Name not Subject of Trade Mark.*

The plaintiffs registered a trade mark which consisted of the words “Imperial Cough Drops,” the essential feature of the mark being the word “Imperial.” The defendant, later, adopted and used the words “Imperial Cough Candy” as a trade mark applied to his goods, the word “Imperial” being the most prominent feature of the mark. It appeared from the evidence that the word “Imperial” had been used as a designation or mark for candy, and was a common brand long before the plaintiffs’ registration:—

*Held*, therefore, the plaintiff had no right to have protected his use of a well-known and current name in connection with his manufacture.

*Partlo v. Todd* (1886), *infra*, p. 167, followed.

ACTION brought by R. & T. Watson for infringement of a registered trade-mark.

The facts are set out in the judgment.

The action was tried before FERGUSON, J., at Toronto, on May 7th, 1886.

*J. D. Ridout*, for the plaintiffs.

*M. D. Fraser*, for the defendant.

June 29th, 1886. FERGUSON, J.:—The action is for alleged infringement of a registered trade mark. The plaintiffs are a firm carrying on business in Toronto as wholesale confectioners. They allege that the defendant is carrying on business as a confectioner in the city of London. The plaintiffs say that they are the registered proprietors of a specific trade mark (applied to the sale of cough drops), that the registration was under the provisions of the Act of 1879: that the trade mark so registered consists of the words “Imperial Cough Drops,” the essential feature of the mark being the word “Imperial,” that the registration took place on January 21st, 1885, and they claim to have the exclusive right to the use of the words “Imperial Cough Drops.”

of which they say the word "Imperial" is the essential part, as their trade mark for the period mentioned in the Act as applied to the sale of their cough drops or confectionery, and as a distinguishing mark for goods or candies of their own preparation or manufacture in the Canadian market.

They allege that the defendant has infringed their trade mark in this way: that in his business as a confectioner, he has lately adopted and used the words "Imperial Cough Candy," as a trade mark applied to his goods, on a printed wrapper, which label or wrapper has imprinted thereon in large letters the word "Imperial" in combination with the words "Cough Candy," the word "Imperial" being (as the plaintiffs say) the essential feature of their trade mark. They further say that the defendant has lately shipped to certain merchants in Toronto a considerable quantity of his candy, where it has been offered for sale enveloped in wrappers containing the words "Imperial Cough Candy," imprinted thereon, in fraud of their rights, and in infringement of their trade mark. The plaintiffs say, that they have, during the past year, advertised extensively, and that their goods are well known as "The Imperial Cough Drops;" that large sales have been made under that name, and that they may sustain great damage by reason of the alleged wrongful acts of the defendant. They allege that no goods other than their own of the same kind are or ever have been known in the Canadian market as "The Imperial Cough Drops," and that the term "The Imperial Cough Candy," under which the goods of the defendant have been lately manufactured and advertised for sale, and sold, is calculated to deceive the public, the trade mark of the defendant being, as they say, almost identical or synonymous, and similar in sound to that of the plaintiffs, and they say they believe the defendant has adopted this name for his candy with the object in view of so deceiving the public, and of making sale of his candy by means of the reputation acquired for the candy or cough drops of the plaintiffs' manufacture.

The defendant denies the statements of the plaintiffs gener-

ally. He denies the alleged infringement, and amongst his defences he says, that for upwards of twenty-five years before the commencement of this action, and long before the plaintiffs commenced business, he manufactured, and sold to merchants in the trade and to the public throughout the Province of Ontario, certain goods of the same kind and description as he is now manufacturing, called and known as "Westlake's Imperial Cough Candy," of which the essential words were "Imperial Cough Candy," and that he, during the whole, or greater portion of that time, put up and labelled his said goods in paper wrappers on which, with other words, were imprinted the said words "Westlake's Imperial Cough Candy:" that he was at great expense in advertising such goods to the trade, and although not registered by him, his goods were well known to dealers and to the public under the said name or trade mark, and also under the name "Imperial Cough Candy:" that the essential words were "Imperial Cough Candy:" and that his (the defendant's) name formed no part of such trade mark or designation, but was only intended by him to denote that he was the manufacturer or vendor of the goods: that for several years prior to 1885, he, to some extent, retired from his former business, but that he always continued such manufacture to an extent sufficient to supply and fill special orders given to him for said goods, and that the goods when so manufactured and sold, were sold and marked with the said trade mark, brand, or label previously in use by him. The defendant further says, in his statement of defence, that in the year 1885 he decided to enter more extensively into the manufacture and sale of the goods under the name or style of the "Imperial Manufacturing Company:" that such business has been and still is carried on by him under that name and style, and that he has continued to manufacture and to sell the same goods, and to put the same upon paper wrappers as he had always done, but as the business was not being carried on under his own name, but under the name "The Imperial Manufacturing Co.," and also believing that dealers in the trade who purchased his goods would

desire that their names should appear on the box or paper, he discarded the use of the word "Westlake" on the wrapper or box, and imprinted thereon the following words, viz.: "Try the Imperial Cough Candy," for the cure of coughs, colds, . . . and that on the paper box enclosing such goods, there was the additional words "Prepared and put up expressly for ——," leaving a space for the purchaser to insert his name on the box or package if he so desired. After alleging many other things that are, as I think, chiefly argumentative, the defendant says that the word "Imperial" is a word in general use, and is applied to numerous articles in common use, and he denies that the plaintiffs have or can have any or such property therein as would entitle them to exclude the defendant from the use thereof in connection with his said business; and he charges the plaintiffs with having obtained the registration of their trade mark with the object and intention of inducing the public to purchase their goods, under the belief that they were purchasing the defendant's goods, and thereby injuring the defendant.

As to the word "Imperial," in the case *Crawford v. Shuttock* (1867), 13 Gr. at p. 151, *ante*, p. 2, the late Chief Justice (then V.-C.), says: "I confess I have felt some hesitation, by reason of the frequent use of the word 'Imperial' as a term of designation in various branches of manufacture, as to whether the plaintiff has by his trade mark registered under the statute, appropriated to himself the exclusive use of the word for the article manufactured by him, but upon consideration I incline to think that he has. If the word had been an adjective, such as 'superior,' 'excellent,' or the like, I should have thought otherwise, and concluded that the star was the trade mark, and that a manufacturer had no right to appropriate to his own exclusive use an adjective of description of the quality of the article manufactured by him, but the word 'Imperial' is a sort of fancy designation inappropriate as a description of quality, and is a mere term of distinctive designation, and must, I apprehend, be taken as part of the plaintiffs' registered trade mark, and so within the statute . . ." In this

view, I need not say that I concur. The decision, so far as I know, is binding upon me.

The plaintiffs have been in business since the year 1874. They have been making cough drops for nine years. They at first called them "Imperial Medicated Cough Drops." They dropped the word "Medicated"—as one of the said in his evidence, because they were not apothecaries or professional men.

It is not contended, and I think it could not be that there is any similarity of appearance between the defendant's goods and the goods of the plaintiffs. The plaintiff, Robert Watson, in his evidence says there is no similarity between them, and that if a person were acquainted with the two he could not be deceived or mistaken. He also says that if the defendants had retained the name "Westlake" the plaintiffs would not have complained. He says that he knows the word "Imperial" to be a word of frequent use and application to several kinds of confectioner's goods as well as "Cough Candy," and that the plaintiffs themselves use and apply it to several kinds of their own goods.

George Clarkson, the first witness called by the plaintiffs, says he would be doubtful about taking the word "Drop," as indicative of the same kind of goods as the word "Candy," and he would be doubtful about saying that "Imperial Cough Drops" would be confounded with "Imperial Cough Candy." He is assistant manager in a large wholesale drug store in Toronto. He says the plaintiffs' goods are put in 5 lb. boxes, and are kept by druggists as "Druggists' Sundries." He also says that his firm had purchased some of the defendant's goods in Toronto.

Wm. Foster, a retail dealer in the city called by the plaintiffs says, if a person in his store asked for "Imperial Cough Candy," he would give him "Imperial Cough Drops." But if he asked for "Imperial Cough Drops" he would not give him "Imperial Cough Candy." He says the drops are candy in fact.

I think there is no evidence whatever going to shew that any person has ever, in fact, mistaken the goods of the defendant for those of the plaintiffs, or those of the plaintiffs for the goods of the defendant.

The defendant commenced business in London in the year 1849. There is no doubt, I think, that he commenced to manufacture candy and sell it as "Westlake's Imperial Cough Candy," in the year 1850, and that he then commenced to use these words as a designation of his goods by putting them upon his wrappers, boxes, etc., containing the goods, and that he did this continuously in an extensive business from that period till, by misfortune, he was burned out some twelve years ago, suffering thereby a severe loss which disabled him from carrying on business as he had up to that time done. There is, I think, no doubt that during the period up to the fire, his goods were extensively known by the name or designation of "Westlake's Imperial Cough Candy," and that they were always so labelled and marked. I think it is shewn that the defendant's goods had acquired a reputation, and were known by this name or designation. I think the evidence shews that after his misfortune by the fire the defendant continued to manufacture the same goods, but on a much reduced scale to fill orders that came in and to make some for sale besides and, as it were, to struggle on in this way continuously adhering to the same mark or designation down to the year 1883; that the goods were bought and sold by this name, but that *printed* labels were not, during a great part of the time from the time of the fire to 1883 used, and although the evidence of the defendant and the witness Parker are not altogether in accord on the subject, and although discrepancies can be found between what the defendant said or left unsaid in his examination for discovery and what he said at the trial on this immediate subject, I incline to the conviction that during this interval the goods were generally marked "Westlake's Imperial Cough Candy" in some way, and so far as that may be important, I think I must find that such was the fact. I also find upon the evidence that there was no fraudulent or improper intent on the part of the defendant in making the change by discontinuing to use the name "Westlake," but that this was done for the reasons stated in the statement of defence, which appear to me to be reasons that cannot be complained of on any moral ground.



As I have said, it has not been shewn that any person has been deceived or mistaken by what the plaintiffs complain of so as to purchase the goods of the defendant believing them to be the goods of the plaintiffs, and so far as I am able to understand the matter, I do not think that what the defendant is doing is calculated so to mislead the public to the prejudice of the plaintiffs. Looking at the marks, labels, wrappers, etc., and all that appears, I cannot think that the public would or could be so misled. The evidence is, I think, extremely scanty on the subject. There is, I think, as much of it, if not more, that tends to shew that the public would not be so misled as that they would; and I think the plaintiffs' case must stand or fall upon whatever right they may have acquired as against the defendant solely by reason of their having obtained this registration of the trade mark containing the word "Imperial" as the essential part of it. The evidence, I think, shews that this word "Imperial" was long before the registration of the plaintiffs' trade mark frequently used as a designation of various kinds of candy. Parkins says that he has sold Imperial lozenges, and cinnamon, white-gum, cream, and almonds, all designated by the word "Imperial." The defendant has used the word "Imperial" as has been already stated. Eccleston, a man who has been fifty years in the business, says that he heard the name Imperial cough drops twenty-five years ago, and he thinks that Hessin made Imperial cough drops twenty years ago. Looking at the evidence before me I cannot avoid the conclusion that the word "Imperial" as a designation or mark for candy was really public property, and a common brand or designation for candy long before the plaintiffs' registration. If any right had been acquired in regard to the word it would rather appear that the defendant had acquired it. This being so, the very recent decision of Mr. Justice Proudfoot, in the case *Partlo v. Todd* (1886), 12 O.R. 171, would seem to apply shewing that the plaintiff had not the right to endeavour to attribute to that which he might manufacture a name which had been for years before a well known and current name by which that article was defined.

I have not overlooked the remarks of the learned Judge who decided *Partlo v. Todd, supra*, in regard to the statute under which registration takes place, or the fact that he was following a previous decision. It seems wholly unnecessary for me to express any independent opinion on that immediate point in that case.

I am of the opinion that the action should be dismissed, and it is dismissed with costs to be paid by the plaintiffs to the defendant. This is what the defendant in his statement of defence has asked.

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**Notes:**

See notes to *Davis v. Kennedy, ante*, p. 8, and *Partlo v. Todd, infra*, p. 167.

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## [IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

SMITH V. FAIR. (*Red Seal Case.*)SMITH V. FAIR. (*Green Seal Case.*)

(14 O.R. 729.)

*Trade-mark—Words publici juris—Combination of and application to specific manufacture—Monograms—Use of Colours—Prior user—Account of profits—User in foreign country—Assignment—Good-will—Hypothetical defence.*

There may be a good trade-mark composed of a common seal of wax under the Trade Mark and Design Act, 1879 (D.), 42 Vict. ch. 22, which contains a more general definition of a trade-mark than the Imperial Statute, 1883, 46-47 Vict. ch. 57, sec. 64 (a), and care must be used in considering decisions in the English Courts.

Words which are admittedly *publici juris* when used alone may, when combined and applied to a specific manufacture, cease to be so and may well be protected as trade-marks. Single or more letters may form a trade-mark, and more especially when combined, woven or intertwined into a monogram.

Under the English Act a trade-mark may be registered in any colour, and the registration confers on the registered owner the exclusive right to the same in that or any other colour, and the Canadian Act has as extensive an application.

The fact of an action being brought before registration and so proving abortive is no bar to a new action after registration. But this applies only where the mark has been innocently used, and actions may be instituted for a fraudulent marking of merchandize even in the absence of registration.

The accounts of profits should not be limited to the time subsequent to registration, and especially so where the infringement prior to the registry has been fraudulent.

Prior user under the Trade Mark and Design Act, 1879, 42 Vict. ch. 22, sec. 6 (D.), means user before adoption by the registrant, not before registration.

User of a trade-mark in a foreign country is no justification for an infringement in the country where the action is brought.

There is no provision in the Trade Mark and Design Act, 1879, similar to that in the Imperial Statute that a trade-mark when registered shall be assigned and transmitted only in connection with the good-will of the business concerned in the particular goods for which it has been registered.

*Quære*, whether hypothetical defences can be pleaded.

THESE were two actions brought by Albert Smith against Alexander Fair for an action restraining alleged infringements by the defendant of the plaintiff's trade marks and for an account of profits.

A sufficient statement of the facts and evidence appears in the judgments.

The actions were tried at London, March, 1886, and the argument, adjourned to Toronto, took place on October 25th, 1887.

*W. R. Meredith*, Q.C., and *McBeth*, for the plaintiff.

*McMichael*, Q.C., and *H. M. Wilson*, for the defendant.

The following cases were referred to during the argument:—*Sebastian on Trade Marks*, 2nd ed., pp. 38, 39, 105, 115, 203; *In re Arbens Application* (1887), 35 Ch. D. 298; *Goodfellow v. Prince* (1887), 35 Ch. D. 9; *In re James' Trade Mark* (1886), 33 Ch. D. 392; *Re Wood's Trade Mark* (1886), 32 Ch. D. 247; *In re Lyndon's Trade Mark* (1886), 32 Ch. D. 109; *Singer Mfg. Co. v. Wilson* (1876), 2 Ch. D. 434, 447; *Lever v. Goodwin* (1887), 36 Ch. D. 1; *Wragg's Trade Mark* (1885), 29 Ch. D. 551; *Barsalou v. Todd* (1881), 9 S.C.R. 677; *Canada Publishing Co. v. Gage* (1885), 11 S.C.R. 306; *Anglo-Swiss Condensed Milk Co. v. Metcalf* (1885), 31 Ch. D. 454; *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219; *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508; *Re Worthington & Co.'s Trade Mark* (1880), 14 Ch. D. 8; *In re Hyde & Co.'s Trade Mark* (1878), 7 Ch. D. 724.

#### RED SEAL CASE.

November 9th, 1887. PROUDFOOT, J.:—This action was brought to restrain the infringement of a trade mark and for an account.

The plaintiff is a manufacturer of cigars carrying on business at London, Ontario, and the defendant is also a manufacturer of cigars doing business at Brantford.

The plaintiff in his statement of claim alleges that he is the proprietor of a special trade mark consisting, firstly, of a seal with portions of ribbon attached, and the letters R.S. forming a monogram thereon, above, below, or beside it, and the words *red seal*. The said seal and the said words are stamped, engraved, lithographed or painted on the box or package containing cigars,

or on a label or cover affixed or attached to such box or package; secondly, of a similar seal, but made of wax or other composition, with portions of ribbon attached, and the letters R.S. in monogram thereon, which is affixed to the side or end of the box or package containing cigars.

The plaintiff has used that trade mark continuously since September, 1880, and it has been adapted by him to a certain brand of cigars made and sold by him, and he has sold large quantities of cigars bearing that trade mark, by reason whereof it is widely known in Canada, and the cigars have a high reputation and the trade mark is valuable to the plaintiff, and he caused it to be registered in the proper office on December 22nd, 1885, under the Trade Mark and Design Act of 1879, 42 Vict. ch. 22 (D.).

The plaintiff also alleges that in or about October, 1885, the defendant began to sell cigars made by him in boxes or packages bearing close imitations of the plaintiff's trade mark, consisting firstly, of a seal with portions of ribbon attached and the letters "A.F.S." forming a monogram thereon, and the words "A. F. Seal," the said seal and the said words being lithographed on a label attached to the cover of the cigar box; and, secondly, of a seal made of wax with portions of ribbon and the letters "A.F. S." forming a monogram thereon, which is affixed to the end of the cigar box, and that the most important and conspicuous part of the plaintiff's trade mark is the seal made of wax affixed to the end of the cigar box or package, and the seal made use of by the defendant on his cigar boxes is of the same size and colour and is almost a *fac simile* of the plaintiff's seal; that by these imitations the public are and will be deceived and led to purchase the cigars manufactured by the defendant instead of those made by the plaintiff, whereby the plaintiff is injured.

The defendant denies that the plaintiff is proprietor of the trade mark; and alleges that the plaintiff is not, within the meaning of the Trade Mark Act, 1879, the proprietor of the trade mark; the alleged trade mark is not a trade mark; the words

"Red Seal" are vague, uncertain and indefinite and not the subject of a trade mark registration; the term "Red Seal" is not a trade mark that can be specifically appropriated to any article of merchandise; the defendant denies infringement; sealing wax is a material in common use, and the plaintiff has no exclusive right to its use on cigar boxes or otherwise; the public cannot be misled or deceived by the indicia used by the defendant to mistake them for the plaintiff's; the plaintiff does not shew that his trade mark was registered before the alleged infringement.

The plaintiff produced the certificate of registration of December 22nd, 1885, of the Red Seal trade mark, to be stamped, engraved, lithographed or painted on the cigar box, and also of the wax seal with the letters R.S. in monogram to be affixed to the side or end of the cigar box.

The evidence shews that the plaintiff used his red seal marks in October, 1880, on his cigar boxes, which is prior to the time that any other manufacturer used a red seal or medal as a mark on cigar boxes; the earliest mentioned being, I think, that of McKay, which was not earlier than July, 1881, and who discontinued it on being threatened with an action for infringement by the plaintiff.

The defendant insisted in various modes that the plaintiff's mark was not a trade mark; that he was not the owner of it, etc., etc.

I think it a good trade mark. The Trade Mark and Design Act of 1879 (D.), 42 Vict. ch. 22, sec. 8, defines trade marks in the most comprehensive terms, as all marks, names, brands, labels, or other business devices for the purpose of distinguishing any manufacture, no matter how applied, whether to the article or the box. This is much more general than the definition of trade mark in the Imperial Statute of 1883, 46-47 Vict. ch. 57, sec. 64, and some care must be used in considering decisions in the English Courts. The word *Red* and the word *Seal* may each be admitted to be *publici juris*, but when combined and applied to a specific manufacture they cease to be so and may well be pro-

tected as trade marks. Single or more letters may also form a trade mark, and more especially when combined, woven, or intertwined into a monogram. Under the English Act, sec. 67, a trade mark may be registered in any colour, and the registration confers on the registered owner the exclusive right to use the same in that or any other colour, and I apprehend our Act has as extensive an application. In *Ransome v. Graham* (1882), 51 L.J. Ch. 897, 47 L.T. 218, ploughs marked with letters "R.N." and an additional letter or numeral varied according to pattern or quality, were protected.

It was also contended that the seal having been in use before the plaintiff's registration rendered it invalid. I do not need to discuss the question whether prior user invalidates a trade mark, as in *Partlo v. Todd* (1886), 11 O.R. 171, for there the user was prior to the plaintiff's adoption of the mark, but here it is in evidence the plaintiff was the first to use the Red Seal for cigar boxes, and the Statute of 1879, 42 Vict. ch. 22 (D.), sec. 6, only requires that it should not have been in use by any other person than himself before the plaintiff's adoption of it. Other persons may have used red seals after the plaintiff adopted it; that does not invalidate his right, though it may give a cause of action against them. The plaintiff, it seems, brought an action against the defendant before registering his mark, and my brother Ferguson considered he could not bring an action till registry, under the 4th section of the Act of 1879, 42 Vict. ch. 22 (D.); whereupon the plaintiff discontinued his proceedings, registered his mark, and brought this action. I do not think this prevents the plaintiff from now asserting his right under the registration.

The defendant denies that he has infringed the plaintiff's trade mark. Bearing in mind the cautions noted by Sebastian on Trade Marks, 2nd ed., p. 119, *et seq.*, as to expert evidence, I think enough has been proved in this case to show that the defendant had used a mark only colourably differing from the plaintiff's, and that there is such reasonable probability of deception as to justify interference with the defendant, and the evidence seems to me to establish further that the defendant procured and

used his design or mark with the knowledge of the plaintiff's prior user, with the intention of participating in the reputation acquired by the "seal" cigars.

The defendant, in his evidence, said that Garney, his foreman, had been in the plaintiff's employment, and suggested getting up a "seal brand," as it was a good thing, and in September, 1885, the defendant began to use it. He also says there is value in the mark, a very nice style of box, and attractive. Beck, a witness for the defendant, made the "seal" boxes for the defendant in September, 1885; he put on the wax and stamped the seals. This witness also gave evidence of having made a number of other seal marks, but they were all subsequent to the adoption of the seal as a distinctive mark by the plaintiff. Beck says he saw Garney in Brantford, who told him they were getting up a new brand, "a seal," and Garney asked him if he made seals, when Beck told him he made them for Smith, the plaintiff, and thought he (Beck) would get into trouble making them. Garney was not examined.

The defendant says he heard of the "green seal," but not of the "red seal." In September, 1885, he also used a "gold seal," the label and stamp of this are very similar to the A. F. seal. From this evidence I think the defendant must be taken to have known of the red seal, as well as the green seal, and had his seal and label made to take advantage of the reputation the seal stamp had acquired.

It is true the seals of the defendant have not the same monogram as the plaintiffs, one being A. F. S., and the other G. S., the plaintiffs being R. S., and the labels inside the boxes, when examined, differ from the plaintiffs, but both have a circular stamp of a golden colour, which at night might easily be mistaken for the colour of the plaintiff's. The design on the top of the defendant's boxes differ from the plaintiff's when inspected.

The principal benefit is derived from the "seal." The plaintiff's cigars were known in the market as "seal" cigars. Wade, the plaintiff's bookkeeper, says they had acquired a reputation under that brand. He says also that the defendant's seal is cal-



culated to deceive buyers. He had been in a retail establishment, and buyers would ask for "seal," or "red seal," or "green seal." The most important resemblance in the marks of defendant to that of the plaintiff, is the round red seal—next the black monogram. At the distance of four feet the letters on the seal are not capable of being distinguished.

[The learned Judge then reviewed the evidence on each side as to the probability of buyers of cigars being deceived into taking the defendant's seal for the plaintiff's, and continued.]

In *McAndrew v. Bassett* (1864), 4 D. J. & S. 380, 384, Lord Westbury notices that the essential ingredients for constituting an infringement of the stamp or trade mark would probably be found to be no other than these: first, that the mark has been applied by the plaintiff properly (that is to say), that he has not copied any other person's mark, and that the mark does not involve any false representation; secondly, that the article so marked is actually a vendible article in the market; and, thirdly, that the defendant, knowing that to be so, has imitated the mark for the purpose of passing in the market other articles of a similar description.

All these ingredients are to be found in the present case. The mark is suggested to the defendant by his foreman, who had been in the plaintiff's employment, and knew of the plaintiff's mark, and if he did not know he is informed of it by the person who made the mark for the defendant. There is no evidence of the use of a red, or any other seal, as a cigar mark in Canada before the plaintiff adopted it. Seals may have been used for that purpose in the United States and protected there by trade marks, but the case of the *Berliner Brauerei Gesellschaft Tivoli v. Knight*, W.N. for 1883, p. 70, shows that user of a trade mark in a foreign country is no justification for an infringement in the country where the action is brought.

The plaintiff's mark involves no false representation. The plaintiff's mark on the cigar boxes has acquired a good reputation in the market, the defendant himself testifying to the value of the seal.

I see no reason for limiting the accounts of profits, etc., to the date of the registration. It might admit, perhaps, of a different consideration if the defendant had used the mark innocently. But that he has not done. And although the plaintiff might not be able to sue on the trade mark till registered, he ought not to suffer the loss caused by the fraudulent infringement prior to the registry.

My brother Ferguson has held, I understand, that the plaintiff could not sue for an infringement of a trade mark until it had been registered, and so it would appear under the Statute of 1879, 42 Vict. ch. 22 (D.), sec. 4, where the mark has been innocently used; but I think that section must be so qualified, for it contains a proviso that actions may be instituted for a fraudulent marking of merchandize in accordance with the 35 Vict. ch. 32 (D.), even in the absence of registration. The first section of this statute defines a trade mark to include every name, signature, word, letter, device, emblem, figure, sign, seal, stamp, diagram, label, ticket, or other mark, registered or unregistered, lawfully used by any person to denote any article of the production, or merchandise of such person, etc., in more ample terms than used in the Act of 1879.

The following sections to section 10 inclusive contain strongly penal enactments for a fraudulent imitation or forgery of such marks, but section 11 preserves the remedy at law notwithstanding the offence is made a misdemeanor and punishable by indictment.

But, independently of this statute it would seem that there is a remedy for a fraudulent infringement of marks that could not be registered: *Lever v. Goodwin* (1887), 36 Ch. D. 1.

Assuming, then, that the defendant's contention is correct, that the plaintiff's mark was not one that could be registered, I think there is enough in the evidence before me to justify a judgment for the plaintiff, which I give with costs.

## GREEN SEAL CASE.

This is an action similar to the last for infringement of a registered trade mark of the plaintiff called "The Green Seal," which was registered in the proper office on the 15th September, 1879, and another trade mark, "The Seal Brand," registered by the plaintiff on the 1st September, 1880; and of another trade mark consisting of a medal, usually made in sealing wax or other composition, and the word "Medal," registered on the 11th of April, 1881, all of these to be applied to the sale of cigars.

The defences are generally the same as in the Red Seal case, with this addition, that the defendant alleged that the plaintiff pretends that he received the Green Seal trade mark from Foxen and Newman, cigar manufacturers, in Detroit; and the defendant says, if any gift were so made, it is of no benefit to the plaintiff.

The defendant then, in paragraph 6 of the statement of defence, states, hypothetically, that if the plaintiff on registering the trade mark forwarded to the Minister of Agriculture a drawing and description in duplicate of such trade mark, with a declaration that it was not in use, to his knowledge, by any other person than himself at the time of his adoption thereof, and if on such declaration the said alleged trade mark was granted, he deceived the Minister and the public, he should not be permitted to take advantage of his own fraud.

It may be doubtful whether a defence can be pleaded in this hypothetical manner, but it is unnecessary to decide that, for the surmises are all contrary to the fact, as the plaintiff in his application for registry states that he verily believes the Green Seal mark to be his, on account of having acquired it from Foxen and Newman, whom he verily believed to be the original proprietors thereof.

The evidence taken in the Red Seal case, it was agreed, should be read in this suit so far as applicable, and it establishes similar facts in regard to the Green Seal and its imitations by the plaintiff, as in the other, with this exception, that the defendant ad-

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mits having known of the plaintiff's Green Seal before he used a seal; and also that the imitation is somewhat less marked in this than the other, as the seal is, or seems to be, of a dark purple colour rather than green. The further evidence given in this case shews that between 4,000,000 and 5,000,000 cigars have been made by the plaintiff and sold with the Green Seal. The seal used by the defendant has the same monogram, G. S., as the plaintiff's. The plaintiff's monogram consists of the initial letters of Green Seal, the defendant interprets his as the initial letters of Gold Seal.

The defendant contended that the assignment from Foxen and Newman to the plaintiff was of no effect, as there could not be a trade mark in gross, and it could not be assigned independent of a good will. The Imperial Statute, 1883, 46 & 47 Vict. ch. 57, sec. 70, provides that a trade mark, when registered, shall be assigned and transmitted only in connection with the good will of the business concerned in the particular goods for which it has been registered. There is no such provision in our Act of 1879, 42 Vict. ch. 22 (D.), and the 14th section provides generally that every registered trade mark shall be assignable in law, and the assignment may be registered. There is no mention of good will. It may readily be granted that it cannot exist in gross not attached to specific articles, and that by a sale of the good will of a business, a trade mark would pass.

But that does not apply to this case. Foxen & Newman had the seal registered as a trade-mark in the United States. Had they chosen they might have had it registered in Canada, and it would have been entitled to the protection of our law; it was so before the trade-mark statutes were made: *Collins Co. v. Brown* (1857), 3 K. & J. 423; *Collins Co. v. Cowen* (1857), 3 K. & J. 428, and it is so since, as in *Berliner Brauerei Gesellschaft Tivoli v. Knight*, W.N. 1883, p. 70. The mark has been extensively used by Foxen & Newman, and was no longer in gross, but attached to their manufactures, which they might at any moment import into Canada. The assignment of the right to use the

mark in Canada was in truth a transfer of their good will in the Canadian trade.

But besides it does not seem necessary for the plaintiff to rely on the assignment. If the *Berliner Case*, *supra*, be good law, it would have been sufficient for the plaintiff to declare that the mark was not used by any person in Canada when he adopted it. However, his right was clear when he candidly stated the prior user in the United States, and established the consent of the prior owners to his use of it: Sebastian on Trade-Marks, 2nd ed. at p. 75.

The evidence of J. Maclean, is, that he could not be deceived by the defendant's Gold Seal so as to take it for the plaintiff's, but an ordinary customer might be deceived by it. By gas-light the colour would not be so distinct.

S. Rothschild says that an ordinary consumer would not likely recollect colour, and would smoke either plaintiff's or defendant's for a sealed cigar. Most retail sale of cigars is after dark, and colour would become indistinct. The seal and the shape is the main thing, the colour is not so important.

Rodener and Jos. Smith say that a consumer might be apt to be deceived.

S. Walsh, a bar-tender in the Tecumseh Hotel, establishes the value of the Green Seal, and sold some of the Gold Seal for the Green Seal. He got the box of the Gold Seal from the plaintiff.

In this case, also, it seems to me that all the requisites mentioned by Lord Westbury, are to be found. The mark properly adopted by the plaintiff; the value of it in the trade; and the intentional infringement of it by the plaintiff.

The plaintiff also produced the certificate of registry of "The Seal Brand," dated September 1st, 1880. This is a plain round wax, red, with no stamp on it, but a legend on the top "The Seal Brand," to be applied to the sale of cigars, which the plaintiff claims to entitle him alone to use a seal on cigar boxes, and by the seals used by the defendant he has infringed it.

I think a plain seal of wax to be used on a cigar box is a good trade-mark within the terms of the statute. And I think that the

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use by the defendant of a seal with an impression or stamp on it is an infringement of the plaintiff's right, although there is no copying of the legend "The Seal Brand": *Radde v. Norman* (1872), L.R. 14 Eq. 348; *Davis v. Reid* (1870), 17 Gr. 69, 74. The evidence shews very clearly that the seal is the essential part; that the plaintiff's cigars had obtained a reputation under the name of "seal cigars," and that it made no difference to the general class of purchasers whether there was a stamp on it or not.

No argument was directed, nor, so far as I can ascertain, any evidence adduced, to establish an infringement of the "Medal" mark.

Judgment is for the plaintiff as regards "The Green Seal" and "The Seal Brand," with costs.

The copy of the evidence left with me is so blotted and blurred that I could not read it; and I have had to rely upon my own notes taken at the hearing. And I direct the attention of the taxing officer to the matter.

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#### Notes:

##### ASSIGNMENT AND TRANSMISSION.

The decision of Proudfoot, J., in this case, that a trade mark may be assigned apart from the good will of the business in connection with which it is used, has never been overruled, but, on the other hand, there is the decision of Lount, J., in *Gegg v. Bassett, infra*, p. 405, to the contrary. In that case the learned Judge said: "The right is assignable, it is true, but only, I think, in connection with the good will of the business, general or specific, in which the trade mark has been used." See also *Thompson v. Mackinnon, ante*, p. 104, where it was held that the sale of a business with the good will conveyed the exclusive right to use the trade name and trade mark of the vendor. See also *Love v. Latimer, infra*, p. 373. It will be noted that in *Smith v. Fair*, these words were used: "It may readily be granted that it (the trade mark) cannot exist in gross not attached to specific articles, and that by a sale of the good will of a business, a trade mark

would pass." If it cannot *exist* in gross, it is difficult to see how a trade mark can be assigned in gross, nor is it reasonable to suppose that it can be revived again and applied to specific articles after it has been detached and assigned in gross. Fry, L.J., in *Pinto v. Badman* (1891), 8 R.P.C. 181, said: "It (a trade mark) may be assigned, if it is indicative of origin, where the origin is assigned with it. It cannot be assigned when it is divorced from its place of origin, or when, in the hands of the transferee, it would indicate something different to what it indicated in the hands of the transferor."

The English rule is that a trade mark is assignable and transmissible only in connection with the good will of the business concerned with the goods or classes of goods to which it relates: Patents Act, 1883, sec. 70; *Hall v. Barrows* (1863), 4 De G. J. & S. 150; *Edwards v. Dennis* (1885), 30 Ch. D. 454; *In re Welcome* (1886), 32 Ch. D. 213.

This proposition was fully established before the first Registration Act was passed: *Hall v. Barrows* (*supra*); *Leather Cloth Company v. American Leather Cloth Co.* (1863), 4 De G. J. & S. 137, *per* Lord Westbury, C. Sebastian, 4th ed., at p. 99, says: "Even apart from the Act, there is no doubt that the trade mark cannot be severed from and used independently of the good will. If that could be done, the *indicium* of genuineness might only serve to mislead."

That a trade mark cannot *exist* in gross unattached to specific articles is established by many cases: *McAndrew v. Bassett* (1863), 4 De G. J. & S. 380; *Leather Cloth Co. v. American Leather Cloth Co.*, *ib.*, 137; 11 H.L.C. 523; *Dixon v. Guggenheim* (1870), 2 Brews. 321; *Wheeler v. Johnston* (1879), 3 L.R. Ir. 284; the reason being that in such a case the mark might come to be a means of fraud instead of a guarantee of worth.

Upon the sale of a business and good will, the trade mark, in the absence of anything indicated to the contrary, will pass as a matter of course: *In re Roger* (1895), 12 R.P.C. 149; *Currie v. Currie* (1897), 15 R.P.C. 339; *Shipwright v. Clements* (1871), 19 W.R. 599. In this last case, Malins, V.-C., held that, upon a sale of the good will of a business, the trade mark would pass, whether specially mentioned or not. This was, in effect, what was held in *Robin v. Hart*, *infra*, p. 232, where Townshend, J., said: "I think there are expressions and words sufficiently distinct and comprehensive to include trade marks. The operative words of the assignment are: 'Of and in all that concern or busi-

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ness carried on under the style or firm of Messieurs Robin & Co., as aforesaid, and all, etc., etc., merchandise, effects and premises, and all and whatsoever may appertain or belong to the same or any part thereof.' When it is remembered that the assignment carries with it in terms the good will of the business, it seems to me we can come to no other reasonable conclusion than that it was intended to and does include the exclusive right to use this trade mark." And he referred to *Bury v. Bedford* (1864), 4 De G. J. & S. 352, where it was held that words no more definite in a creditor's deed covered a trade mark used in connection with the assignor's business.

For a collection of cases establishing the proposition that a trade mark passes with the good will, see Sebastian, 4th ed. p. 100.

#### COMBINATION MARKS.

Combinations of words, each of which taken separately was *publici juris*, have in England been protected as a whole: *Carver v. Bowker* (1877), Seb. Dig. 581; *Robinson v. Finlay* (1879), 9 Ch. D. 487; *Pinto v. Badman* (1891), 7 Times L.R. 317; *Re Crompton & Co.'s Trade Mark*, [1902] 1 Ch. 758. But in the United States it has been held that a combination of marks, none of which was capable in itself of forming a valid trade mark, could not be maintained: *In re Tolle* (1872), 2 U.S. Pat. Gaz. 415; *Corbin v. Gould* (1890), 133 U.S. 308.

Compare *Pirie v. Goodall*, [1892] 1 Ch. 35, where the plaintiffs had registered a trade mark for paper, consisting of the words "Pirie's Parchment Bank." They disclaimed the exclusive use to either the words "Parchment" or "Bank," which were separately in common use in the trade, and were descriptive of different qualities of paper. The Court held that the use of the word "Pirie's" did not bring the trade mark within the protection of the Imperial Patents, Designs and Trade Marks Act of 1883.

"These words," said Vaughan-Williams, J., "taken in combination, are not fancy words at all. It is perfectly obvious that they are descriptive." The case can, however, be very clearly distinguished from *Smith v. Fair*. There the words "Red Seal" were in no way peculiar to the cigar trade as distinguishing any kind of cigars, nor were they in the least degree descriptive of the goods designated.



The two cases last cited, it is submitted, establish this rule: A combination of marks or words, each in itself *publici juris*, may be protected as a whole where the words or marks used are neither common to the trade in which the combination is to be used nor descriptive of the goods to which the combination is to be applied.

Adverting to the report of Lord Herschell's Committee on Trade Marks, made in 1888, these words are to be found, and are said by Kerly, 2nd ed., p. 144, to correctly state the test by which a combination may be tried: "In this connection we may refer to a point which has been the subject of considerable controversy, namely, how far registered or common trade marks when combined together, are to be regarded as a new mark. We think that the juxtaposition of two or more such marks is not, if there be nothing more than this, a combination constituting a new mark. An important test appears to be whether the existing marks are so combined as to suggest a new idea. For instance, assuming a cat and a fiddle to be each an old mark, we do not think the representation of a cat and a fiddle together would be a new mark, but the representation of a cat playing upon a fiddle, the idea conveyed by which would be neither the cat nor the fiddle, but a cat playing upon a fiddle, would be a good combination, and might properly be registered."

Refer also to *Davis v. Kennedy*, ante, p. 8, Perry Davis' Pain Killer case; *Radam v. Shaw*, infra, p. 298, "Microbe-Killer, in both of which cases words in common use, but used in combination, were protected.

## [IN THE SUPREME COURT OF CANADA.]

PARTLO V. TODD.

ON APPEAL FROM THE COURT OF APPEAL FOR ONTARIO.

(12 O.R. 171, 14 A.R. 444, 17 S.C.R. 196.)

*Trade Mark—Infringement of—Effect of Registration—Exclusive Right of User—Property in Descriptive Words—Rectification of Registry.*

It is only a mark or symbol in which property can be acquired, and which will designate the article on which it is placed as the manufacture of the person claiming an exclusive right to its use, that can properly be registered as a trade mark under the Trade Mark and Design Act, 1879 (42 Vict. ch. 22).

A person accused of infringing a registered trade mark may shew that it was in common use before such registration, and, therefore, could not properly be registered, despite the provision in section 8 of the Act that the person registering shall have the exclusive right to use the same to designate articles manufactured by him.

*McCall v. Theal*, ante, p. 56, followed.

Where the statute prescribes no means for rectification of a trade mark improperly registered, the courts may afford relief by way of defence to an action for infringement.

TASCHEREAU dissenting.

*Per* GWYNNE, J.—Property cannot be acquired in marks, etc., known to a particular trade as designating quality only and not, in themselves, indicating that the goods to which they are affixed are the manufacture of a particular person. Nor can property be acquired in an ordinary English word expressive of quality merely, though it might be in a foreign word or word of a dead language.

APPEAL from a decision of the Court of Appeal for Ontario, affirming the judgment of Mr. Justice Proudfoot (both of which judgments are set out below), by which the plaintiff's action was dismissed.

This was a suit for damages for infringement of plaintiff's trade mark, and claiming an injunction. The trade mark was used by the plaintiff to designate a particular brand of flour manufactured and sold by him, and consisted of a label made up of a circle containing in the centre thereof the words "Gold Leaf" in large black type, surmounted by the number "196," and underneath the said words, the word "Flour," and the regis-

trant's name, "Wm. Partlo"; at the top, in a curve, parallel with the circle, the words "Ingersoll Roller Mills" and "Trade Mark Registered," the latter phrase beneath, and in smaller type; at the bottom the words "Ont., Can.," curving parallel to the circle.

The defendants were commission merchants, and had been selling the plaintiff's flour on commission. They were desirous of securing the sole right to sell the plaintiff's flour in the Maritime Provinces, which the plaintiff refused to give them, and they thereupon purchased flour from other millers and sold it, using a brand which consisted of a circle containing in the centre in large black type the words "Gold Leaf," and immediately beneath the figures "196"; at the top of circle and curving parallel to it, the word "Patent"; at the bottom, similarly placed, the word "Process."

This the plaintiff contended was an infringement of his trade mark.

The material facts of the case and the pleadings are set out in the judgments.

The action was tried at the sittings at Woodstock on May 3rd, 1883, before PROUDFOOT, J.

*Cassels*, Q.C., and *Jackson*, for the plaintiff.

*Moss*, Q.C., and *G. W. H. Ball*, for the defendants.

June 16, 1886. PROUDFOOT, J.:—Action to restrain the use of a trade mark, and for damages.

The plaintiff is a miller at Ingersoll, the defendants are commission merchants at Galt.

The plaintiff states, in his statement of claim, that sometime prior to October, 1884, he had perfected a certain brand of roller process flour at his mill, and named the brand "Gold Leaf," and procured it to be registered on the 19th December, 1884, in the Department of Agriculture.

The certificate of registration certifies that this trade mark (specifie), to be applied to the sale of flour, and which consists,

within a circle, of the words "Gold Leaf," surmounted by the number "196," and also underneath the said designation, the word "Flour," and the registrant's name, the whole surrounded by the words "Ingersoll Roller Mills, Ont., Can.," arranged as per an annexed pattern and application, was registered by the plaintiff under the Trade Mark and Design Act of 1879.

The plaintiff alleges that this was well known to the defendants. That since the 3rd December, 1884, the defendants have branded and marked their flour, which is of an inferior quality, with a mark similar to the trade mark of the plaintiff, and have sold the same as purporting to be the "Gold Leaf" of the plaintiff, and have thereby caused the plaintiff great loss and damage. That plaintiff's flour has acquired a good reputation all over the Dominion of Canada, and is in great demand, and has a large sale. And the defendants, well knowing this, and with the object and intent of selling flour of an inferior brand and less value as the flour of the plaintiff, have branded their flour with a mark similar to that of the plaintiff, and the similarity of the marks enables the defendants to deceive and mislead the public by selling their flour as the flour of the plaintiff, and the defendants do in fact fraudulently put their flour in the market as the flour of the plaintiff, to his great prejudice and loss. That plaintiff has suffered damage by the defendants: Firstly, in destroying the sale of the flour; secondly, in destroying the character of the said flour, and in deteriorating its value in the eyes of flour dealers who prior to that time had dealt in "Gold Leaf," and by loss of market. The plaintiff claims damages and prays an injunction to restrain defendants from using the trade mark; and from selling the flour as the flour of the plaintiff, or from so branding and marking the same as to enable others to deceive the public.

In their statement of defence the defendants deny the registration of the trade mark as alleged, or if it was registered, that the registration was obtained by fraud, and pray for an order removing it from the registry. That if the plaintiff has any rights such as alleged in his claim, they were not aware of their existence, and

if they have infringed upon any right of the plaintiff, which they do not admit, it was done in ignorance. That plaintiff has been guilty of laches. That the design alleged in the statement of claim is only a design in the sense used in the statute so far as the word "Gold Leaf" is concerned, and submit that the other figures and words going to make up such design as registered do not, taken with the words "Gold Leaf," constitute a design capable of registration. And that the word "Gold Leaf" was a word well known in the trade, and in common use by parties other than the plaintiff, and that the same, therefore, was not capable of registration, and that the plaintiff falsely stated that the same was a new and original word or design of his own, in order to obtain registration of the same. And the defendants pray that it may be removed from the registry.

The *gravamen* of the plaintiff's complaint is the use of the word "Gold Leaf." The defendants offered evidence to shew that the word was in common use as a designation of flour. The plaintiff objected to its reception, because the mark could only be invalidated by the Minister of Agriculture, and that prior user was of no effect as against the registration. I received the evidence subject to the objections.

By the Trade Mark and Design Act of 1879 (D.), sec. 4, no person is entitled to institute any proceeding to prevent the infringement of a trade mark until it is registered. If the question turned only upon this section, I do not doubt that prior user might be shown in an action for infringement, and that it would be a good defence.

But this is followed by the 8th section. The trade marks are registered for the exclusive use of the party registering, "and thereafter he shall have the exclusive right to use the same to designate articles manufactured or sold by him."

The Imperial Act of 1875 (38 & 39 Vict. ch. 91), sec. 3, made the registration *primâ facie* evidence of the right to the exclusive use of the trade mark, and, after five years from registration, it was to be conclusive evidence of the right to the exclusive use. And this provision is repeated in the Act of 1883 (46 & 47 Vict.

ch. 57), sec. 76, but the sections in both these Acts made them subject to the provisions of the Acts—which contained a mode of removing the registration from the registry, that was not prevented by the lapse of the five years.

In the Imperial Act provision is made for rectification of the register by the High Court of Justice. And the cases decided under that Act determine that after five years the certificate confers exclusive right, and it cannot be impeached by the defendant in an action; but notwithstanding the lapse of five years it may be removed from the registry: *Edwards v. Dennis* (1885), 30 Ch. D. 454; *In re Wragg's Trade Mark* (1885), 29 Ch. D. 551; *In re Lloyd & Son's Trade Mark* (1884), 27 Ch. D. 646; *In re Leonard & Ellis's Trade Mark* (1884), 26 Ch. D. 288.

In our statute there is no time specified during which the registration should be only *prima facie* evidence, but it is placed at once upon the footing of an English trade mark after five years' registration.

Section 5 authorizes the Minister of Agriculture to object to register trade marks in four classes of cases, none of which includes the present. And the 15th section provides for the decision of cases of doubtful ownership by the Minister of Agriculture, or his deputy, after having notified and heard the interested parties, and concludes with the sentence: "and any error in registering trade marks, or any oversight about conflicting registration of trade marks, may be settled in the same manner."

Had this been unaffected by decision, I would have been inclined to think, notwithstanding the use of the word *may*, that it conferred power on the Minister of Agriculture to determine whether prior user invalidated the registration, and that a person complaining of the improper registration should apply to him to correct it.

But *McCall v. Theal* (1880), 28 Gr. 48, has placed another construction upon it, and has decided that in an action to protect a registered trade mark prior user may be given in evidence to invalidate it. The counsel for the plaintiff in that case said, in

argument: "A very different rule is applicable in the case of trade marks from that in the case of patents; in the former the mark may have been used by others; and yet, if another person registers the mark as his, he may be entitled to hold it." But the learned Vice Chancellor who heard the case does not seem to have acquiesced in this view, for he entered into an elaborate examination of the evidence as to prior user, and held "that the plaintiff had not the right to endeavour to attribute to that which he might manufacture a name which had been for years before a well-known and current name by which that article was defined," p. 57. I think I ought to follow that decision.

It was argued for the defendants that the device and words used here were not the subject of a trade mark; that apart from the word "Gold Leaf," it was only descriptive; there was no pointing out of any distinguishing quality of goods. But I think it comes within the ample language of section 8 as a brand and name adopted for use by the plaintiff in his trade for the purpose of distinguishing any manufacture made by him. It distinguishes it as "Gold Leaf" flour made by the plaintiff. It distinguishes it from flour made by any other person.

It was said that the word "Gold Leaf" was *publici juris*. In one sense every word in the language is *publici juris*, but what is meant I suppose to be that it has been so used as a mark for flour as to prevent any private property in it. This will depend upon the evidence.

To constitute an infringement it is not necessary that every part of the device or brand be copied; it is sufficient if enough be copied to have a tendency to deceive the public.

I may also dispose of one of the charges in the statement of claim, for the evidence fails to prove that the flour sold by the defendants as "Gold Leaf" was at all inferior to the plaintiff's sold with that brand.

[The learned Judge then summed up the evidence, and proceeded as follows:—]

I think the evidence establishes the use of the word "Gold Leaf" by the defendants, but they did not represent the flour as

made by the plaintiff, and the quality was equal to the plaintiff's. It is true they did not know of any other person who had used the word as a trade mark than the plaintiff. But it turns out that it was a common brand, and known in the lower Provinces on flour sold there by other manufacturers.

I think it is proved the "Gold Leaf" was a common brand for patent flour, in use before the registration of plaintiff's trade mark, and to apply the language quoted above from *McCall v. Theal*, "the plaintiff had not the right to endeavour to attribute to that which he might manufacture a name which had been for years before a well-known and current name by which that article was defined."

From this judgment the plaintiff appealed to the Court of Appeal for Ontario, and the appeal was argued on the 12th of May, 1887, before HAGARTY, C.J.O., BURTON, PATTERSON and OSLER, J.J.A.

*Cassels*, Q.C., and *Jackson*, for the appellants.  
*Moss*, Q.C., and *Ball*, for the respondents.

September 6th, 1887. HAGARTY, C.J.O.:—The plaintiff made out a *primâ facie* case of infringement of his trade mark—the defendant sought to prove that the term "Gold Leaf" flour was a term known and used in the trade for a considerable time before plaintiff registered his mark.

In his application for registration, 17th December, 1884, after describing and furnishing a copy of his design, he states the words "Gold Leaf," and adds: "which words designating a particular brand of flour, are the words I particularly request registered."

Mr. Cassels, both at the trial and before us, strenuously argued that it was not open to defendants to contradict plaintiff's right to the exclusive user, and that evidence could not be received as offered. The learned Judge, chiefly on the authority of *McCall v. Theal* (1880), 28 Gr. 48, admitted the evidence, and



held that "Gold Leaf" was a common brand for patent flour in use before the registration of plaintiff's trade mark, well known in the Lower Provinces on flour sold there by active manufacturers—in effect that plaintiff was not correct in his assertion on which he obtained registration, that the special characteristic of his mark, viz.: "Gold Leaf," was not in use by any other person than himself.

It dismissed plaintiff's bill.

If the defence was admissible, I think we cannot say that it was not proved as found by the trial Judge.

The evidence warrants the conclusion, according to Haine's testimony, that the words were in use before 1881.

King and Spink's evidence may also be referred to.

On the facts as found in evidence, I cannot think that the plaintiff was entitled to have this mark registered.

The learned Judge has pointed out some of the very striking differences between our statute of 1879, and the Imperial Act of 1875, and also that of 1883.

Our Act is singularly bald in its provisions. We have nothing before us to indicate that any rules or regulations referred to in section 2 have ever been promulgated.

A register is to be kept.

By section 4, registration is made a condition precedent to the right to sue for infringement.

Section 5, the Minister may refuse to register on certain specified grounds; none of them, apparently, covering the grounds of defence here urged.

Section 7, the Minister shall give his certificate to the effect that the trade mark has been duly registered, "and every such certificate purporting to be so signed, shall be received in all Courts of Law or of Equity in Canada as *prima facie* evidence of the facts therein alleged, without proof of the signature."

This is the only statement in the statute as to the legal effect of the certificate.

Section 8 enacts that all marks, names, labels, etc., adopted

for use in trade, etc., to distinguish any manufacture, etc., no matter how applied, etc., shall be considered and known as trade marks, and "may be registered for the exclusive use of the party registering the same," and thereafter "he shall have the exclusive right to use the same to designate articles manufactured by him."

Section 10, a specific trade mark, registered, shall endure for 25 years, subject to renewal.

Sections 13 and 14 allow cancellation, on application of the owner and provide for assignments.

Section 15 enables the Minister, on application, to register a mark already registered, to cause parties interested to appear, and to decide the respective rights. In his absence his deputy may act for him, "and any error in registering trade marks, or any oversight about conflicting registrations of trade marks may be settled in the same manner."

I do not consider that this last cited clause, or anything in this 15th section, confers any power on the Minister to interpose in a case like that before us.

Section 16 makes it a misdemeanour fraudulently to mark goods with the registered mark, etc.

Section 17. A suit may be sustained against any person using the registered trade mark, or any fraudulent imitations, or selling articles bearing such trade mark, or any such imitations thereof, or contained in packages being, or purporting to be his (*i.e.*, registered owner), contrary to the provisions of this Act.

In the sections specially applicable to trade marks in the statute, I see no further provision bearing on this case.

In the sections from 20 to 36, which are declared applicable only to industrial designs, there is a section 29 which provides that if any person, not being the lawful proprietor of a design, be registered as proprietor, the rightful owner may bring an action, and the Court, if it appears that the design has been registered in the name of a wrong person, may direct cancellation or substitution of names on the register. But even if this section applies to trade marks, it would apparently not give a remedy in

a case like this, as the ownership is not claimed by any rival. The defence in the present action is not that some other person owns the trade mark, but that no one is entitled to register it.

If Mr. Cassel's able argument be sound, there is apparently no redress whatever when once the certificate is granted.

We were asked to regard it as a case of Crown Patent, which could not be impeached except in the known way by *sci. fa.* or other proceedings, where the Crown, the grantor, is before the Court.

I do not see how the illustration holds good. Here there is no record under the Great Seal, nothing but the certificate of a Minister, who may, under the statute (sec. 3), have a seal for the sealing of trade marks and other instruments and copies from his office. Even such a seal has not been used here, if it exists. Its use, however, would hardly help the plaintiff's argument on this: See Sebastian on Trade Marks, p. 13.

The Imperial Acts contain very full provisions. For five years from registration it shall be *primâ facie* evidence of his right to the exclusive use of the mark, and after five years it shall be conclusive evidence of his right to the exclusive use as to this section.

"Until the end of five years from registration the only effect of it is as was said in the Court of Appeal in *Nuthall v. Vining* (1880), 28 W.R. 330, to qualify the registered proprietor for suing infringers, in other words, registration is 'simply a condition precedent to suing.' Per Chitty, J., in *Mouson v. Boehm* (1883), 28 Sol. J. 361, and the mark remains liable to removal from the register. . . . After the expiration of five years from registration the title of the registered proprietor appears to be secure against individual rival claimants, but as the Act only says that after five years the person who has registered a trade mark shall be entitled to the trade mark, but does not say the mark as registered shall be deemed to be a trade mark. See per Jessel, M.R., in *re Palmer* (1882), 21 Ch. D. 47, the trade mark remains liable to removal for inherent defects in it, *e.g.*, that it contains no one of

the essential particulars specified in section 64." Sebastian, p. 318.

Full remedies are provided in the Imperial Acts for the rectification of the register, by removing a registration improperly granted. This is done by motion in the Court of Equity.

Sebastian at p. 327 fully explains the matter. He refers to *Rose v. Evans* (1879), 48 L.J. Ch. 618, in which it was said that any person aggrieved in case of a wrongful registration, was a person in the same trade with the registered proprietor. See also *In re Ralph* (1883), 25 Ch. D. 194.

He cites *Re Hyde* (1878), 7 Ch. D. 724.

There, on motion, the registration was cancelled on application of persons in the trade proving that it had been commonly used for years. Sir Geo. Jessel's remarks are important.

On notice of the registration, which had passed unopposed, the trade at once came forward and said in effect: "This registration is illegal—it interferes with our trade, we are as much entitled to have our sealing wax stamped "Bank of England," as the persons who have registered it. If we do not interfere speedily they will get an absolute title under the Act, and therefore we come forward to remove the mark from the register as being a wrongful registration.

See, also, *Re Leonard & Ellis* (1884), 53 L.J. Ch. 233; *In re Palmer* (1882), 21 Ch. D. 47; (1883), 24 Ch. Div. 504, when, as he says, "marks *publici juris* have been registered as private property."

It seems clear that the lapse of five of the years is no bar to the removal from the register of a mark not authorized to be registered as a trade mark.

*Re Palmer* was a registration as a mark of "Braided Fixed Stars," a kind of lucifer match.

Sir Geo. Jessel refers to the opinions in Mr. Sebastian's work, and to a section from Brice on Trade Marks, which states the opinion that the right may be contested after the five years on any ground going to show that it ought never to have been registered at all.

It does not appear very clearly the extent a five years' registration will protect.

Sir Geo. Jessel's remarks *In re Hyde*, are relied on to claim that such a thing as prior user by others of the peculiar mark could not be urged after five years.

*In re Wragg's Trade Mark* (1885), 29 Ch. Div. 551, Pearson, J., ordered the registration to be cancelled after eight or nine years on the ground that at the time of registration the brand or mark was in use in the trade, and therefore ought not to have been registered. The language of Jessel, M.R., was relied on. Sub-sec. 3 of sec. 74 of the Act of 1875, says: "Any device . . . which was before 13th August, 1875, publicly used by more than three persons on the same or similar description of goods, shall, for the purposes of this section be deemed common to the trade in such goods."

Pearson, J., says: "It is said that because Mr. Wragg has registered, he has got an exclusive right (*i.e.*, after five years). To my mind he could get an exclusive right only to that which he was authorized to register under this Act, and it is quite plain that no person can, with propriety ask the comptroller to register as his exclusive property a mark which is common to all persons engaged in the same trade."

The case of *Lloyd's Trade Mark* (1884), 27 Ch. D. 649, before Chitty, J., is to the same effect, and registration was cancelled after the five years on the same grounds. Stress is laid on the words in the section as to exclusive use after five years from registration, "subject to the provisions of this Act."

*Edwards v. Dennis* (1885), 30 Ch. Div. 454, was decided, on appeal, some months afterwards. The precise point in the preceding cases did not arise. The register was rectified after the five years by restricting the trade mark to certain goods manufactured in the registering party's trade. It was too large and covered goods not made by him.

Cotton, L.J., points out that the object of the Acts was not to give new rights, but to place restrictions on the bringing of actions, by requiring registration before suing—and that they were

also to facilitate evidence, by directing that for five years it was to be *primâ facie* evidence of right to exclusive user, and after five years conclusive evidence of user. He adds: "When the alleged infringement consists of using not the exact thing upon the register, but something similar to it, the Court must, in considering whether there has been an infringement or not, proceed upon the old principle which prevailed both at law and equity before the Act, that a man is not to pass off his goods as the goods of another" . . . referring to *In re Palmer*, "although it may have been on for five years, if it ought not to have been on at all, then it can be taken off."

As before remarked, our Act omits all provisions for rectification of the register, and names no limit for exclusive right to succeed *primâ facie* right.

Must we, therefore, agree that our Legislature intended, no matter by what fraud and misrepresentation a trade mark has been successfully placed on the register, an exclusive right of user was thereby conferred, and that in no way could such a right be resisted?

If, as Cotton, L.J., pointed out, the Act was not intended to regulate the right to sue and to facilitate evidence—if the substantial object be to aid the honest dealer in preventing others from palming off their goods as his goods, the intention could hardly have been to give a positive twenty-five years' exclusive right to a trade mark to a man who never owned or used it, but who was merely securing to himself the property of another, or a name or term common to all men.

Section 1 says that a register shall be kept in which any proprietor of a trade mark may have it registered by complying with the provisions of the Act.

Section 6 declares that the proprietor of a trade mark may have it registered.

Must we not consider that only such proprietors can do so?

If not, then clearly a new right is created by the statute, wholly independent of ownership or even user, if only a false declaration be made and registration thus obtained.

Thus section 7 says that "upon compliance with the requirements of this Act," there shall be registration.

Must we not consider that proprietorship is one of these requirements?

Section 11, the proprietor of a trade mark applying for registration must, etc., etc.

And section 16, as to marking of goods and exclusive rights, already cited, speaks of the trade mark as registered under the provisions of the Act.

All which expressions point to a registration by the proprietor.

I think the object of the Act was not to create new rights but to facilitate the vindication of existing rights.

Our first step in this direction seems to have been the Act of 1860, 23 Vict. ch. 61, which says nothing of registration, but makes it a misdemeanour to mark goods "with the known and accustomed trade mark, name, or device of any manufacturer," and also in section 3, providing that a suit may be maintained by any manufacturer against any person using his trade mark, etc., or selling goods bearing such trade mark, etc., or any imitation thereof, contrary to the provisions of the Act.

All this legislation is based upon the further protection of existing rights.

Next year 24 Vict. ch. 21 was passed, for the first time establishing a register.

It declares it "expedient to make provision for the better ascertaining and determining the right of manufacturers and others to enjoy the exclusive use of trade marks claimed by them."

In *Browne on Trade Marks*, p. 253, sec. 357, the principle is discussed.

He points out the distinction between a patent and certificate of registry: "A patent is a grant—a new creation. It makes a right that did not previously exist, and one that must expire with it.

A trade mark is not granted by the government . . . . The patent is a modern invention, the trade mark is venerable for its

antiquity, its origin being coeval with that of property itself. All the patent office does with the latter is to recognize and record it . . . the symbol of commerce exists *ex proprio vigore*, by virtue of an immutable law."

The subject is discussed in *United States v. Stevens* (1879), U.S. Reports, vol. 100, p. 82, where the Supreme Court held the legislation by Congress as to trade marks to be unconstitutional, though they could legislate as to Patent Law and Copyright. See especially the judgment, Miller, J., p. 94.

The case seems in my mind to be reduced to this: Does our statute create a new right vesting in any person who succeeds in registering a trade mark, rightfully or wrongfully, the exclusive use of it for say twenty-five years? Is not the fact of proprietorship or ownership of such trade mark the necessary condition precedent of the right to register or obtain any advantage under the Act?

On the best consideration I can give the case, I come to the conclusion that from the beginning our legislation has been and is based upon the fact of proprietor and ownership, and that registration does not create or confer that status on an unqualified person, and that his right thereto can be challenged.

All through the Acts the provisions are that the proprietor may have his mark registered, and that when registered such person shall have certain rights.

In construing an Act so bald as ours, it would be presumptuous in me to speak without some natural hesitation, and I have had many doubts in arriving at this conclusion.

PATTERSON and OSLER, JJ.A., concurred.

BURTON, J.A.:—We are not called upon in this case to consider what remedy, if any, would be open in the event of a word or name which was merely descriptive of an article, or which was indicative merely of its quality or composition, and which, therefore, could not properly be the subject of a trade mark having been placed upon the register by the Minister of Agriculture.



Here the words used were properly the subject of a trade mark, apart altogether from the statute, but section 8 of the statute declares that for the purposes of the Act, all marks, names and brands, or other business devices, which may be adopted for use by a person in his trade for the purpose of distinguishing any manufacture, product or article of any description, by him manufactured, shall be considered and known as trade marks, and may be registered for the exclusive use of the party registering the same in the manner provided by the Act.

The Act provides that the proprietor of such trade mark may have it registered by forwarding a drawing and description of it in duplicate to the Minister of Agriculture, with a declaration that the same was not in use to his knowledge by any other person than himself *at the time of his adoption thereof*.

The Minister may refuse to register in four cases:—

1. If it resembles a trade mark already registered.
2. If it appears that it is likely to deceive or mislead the public.
3. If it contains any immorality or scandalous figure.
4. If it does not contain the essentials necessary to constitute a trade mark properly speaking, but in addition he may cancel a certificate already granted improvidently, from which it follows that if the same facts were known to him at the time of the application he might refuse to grant it.

After the Act came into operation no person who had not registered a trade mark to which he had become entitled could institute any proceeding for its infringement, although he might still maintain an action against persons fraudulently marking merchandise, or forging a trade mark contrary to the provisions of the 35 Vict. ch. 32.

What then were the rights of a person, who, claiming to be the proprietor of a trade mark, has registered in the terms of the Act?

It is contended on the one hand that having registered he has an indefeasible right, the words of the Act being that thereafter, that is to say, after registration, "he shall have the exclusive

right to use the same, and may maintain a suit against any person using his trade mark, or any fraudulent imitation thereof, or selling articles bearing such trade mark, or any such imitation thereof."

On the other hand, it is contended that there being no other provision, statutory or otherwise, in which the validity or regularity of the alleged trade mark could be questioned, they must necessarily have the right to do so in this action.

The last of these contentions is not warranted in fact; but, even if true, the argument based upon it would be, I think, more plausible than sound. If the Legislature has neglected to provide a remedy, it by no means follows that the Courts should take upon themselves to do so. It would be impossible for us to say why that omission was made, or whether it has been designedly made or not; and then the question also arises, whether under section 15 sufficient protection is not given to the person entitled to protection, that is to say, to a person who might, if notified originally, have resisted the plaintiff's application, and whether that is not all that the Legislature proposed to do.

As I understand that section any person claiming to be entitled to the trade mark may, notwithstanding the plaintiff's prior registration, himself apply to be registered, and the Minister of Agriculture may call before him all parties interested, including, of course, the registered party, and upon hearing them may cancel the former application and enter the last, or make such other order as to right and justice may appertain.

I think that section may be so read without doing any violence to its language; but if no remedy has been provided by the Legislature, I cannot accede to the argument that we are at liberty to supplement the Act by legislation of our own.

When we refer to the English Act we find the language used by them not nearly as strong as that of our own Act; but we find also that there is ample provision for rectifying the register at any time.

The words of the English Act are these: "The registration of

a person as proprietor of a trade mark shall be *primâ facie* evidence of his right to the exclusive use of such trade mark, and shall, after the expiration of five years, be conclusive evidence of his right to the exclusive use of such trade mark, subject to the provisions of the Act."

Our Act is even stronger; it is not treated as a question of evidence, but is in the form of a positive declaration that he shall have the exclusive right to use the same.

In an action, therefore, under the English Act, the plaintiff is apparently required to set forth all the material facts on which he relies, and particularly the user by himself or his predecessors, and then the statute for the first five years is *primâ facie* evidence of these allegations, and after five years conclusive evidence of them. Under our Act I apprehend all that the plaintiff would be bound to allege would be his registered title.

No doubt under section 15 his right to continue on the register may be contested by any person who claims to be himself entitled; but the question still remains whether the defendant is entitled to any relief in this action, or whether, so long as the registry remains uncancelled, it is not conclusive as to the plaintiff's right.

I should gather from the remarks of several of the Judges in some of the English cases, in accordance with what (apart from these remarks I should consider to be the well-understood canons of construction relating to statutes), that if the section which gives the power of rectification had been omitted, there would be no relief there after the expiration of the five years.

In *Lloyd's Case* (1884), 27 Ch. D. 649, Chitty, J., says: "Without going through other parts of the Act, it is sufficient to say that the statute which enacts that registration shall after the expiration of five years be conclusive, etc., by the concluding words: 'Subject to the provisions of this Act' lets in and is controlled by section 90," which is the section which enables any party aggrieved to apply to get rid of the entry, leading rather to the inference that but for that section the plaintiff's right was conclusively established at the expiration of that period.

It is true that there is no express provision under our Act as is found in the English Act, for giving notice by advertisement of the application to be registered, and the person to make the application is under our Act described as the proprietor, instead of, as in the English Act, the person claiming to be entitled, if that can make any difference. If the party could, *mero motu*, register, I should think the fact of his being proprietor would be a condition precedent to the claim of exclusive right, but it cannot be overlooked that the person claiming cannot get a certificate until he has satisfied the Minister of Agriculture that he is entitled, including, of course, the material fact that he is proprietor, and the Minister of Agriculture is invested with the fullest powers to make such rules and regulations as will best insure the proper working of the Act. Once he has passed upon it, his decision is binding upon every one, subject only to a cancellation as provided in the 15th section, which is a matter also placed entirely under his control. This would appear to be the only mode which the Legislature deemed necessary for the protection of the true owner, except, perhaps, in the case of fraud, which avoids everything: but, in the absence of fraud, is not the object of the Act best insured by making the registered title absolute and conclusive, unless attacked by the party who has a prior or better claim? An Act of this nature would be of comparatively little use if the person charged with infringing can put the plaintiffs to the trouble of investigating and resisting other claims which the wrong doer asserts are preferable to those of the plaintiffs; claims which the parties alleged to own do not think proper to assert—such an answer would appear to be entirely without merit where the person infringing is undoubtedly as between himself and the registered owner a wrong doer, and is not claiming under the alleged rightful owner.

For my own part, I regard the decision of the Minister of Agriculture as *res judicata*, as binding upon us as any decision of the ultimate Court of Appeal; but even if I am wrong in that view, I have a very decided opinion that mere prior user by some one, not shewn to have been continued down to the time of the

application, would be insufficient to defeat the plaintiff's right under the Act; on the contrary, it would tend to defeat the very object which the Legislature had in view when passing the enactment. The very form of the declaration which the applicant is required to make when seeking to register, seems to shew this, for it is that it is not in use to his knowledge by any other person at the time of his adoption of it.

That such prior user would not at common law in itself be sufficient, was the view entertained by the Master of the Rolls in *Hall v. Barrows* (1863), 32 L.J.N.S. 548, where he says:—

“If the brand or mark be an old one formerly used, but since discontinued, the former proprietor of the mark undoubtedly cannot retain such a property in it, or prevent others from using it, but provided it has been adopted by a manufacturer, and continuously and still used by him to denote his own goods when brought into market and offered for sale there, I apprehend, although the mark may not have been adopted a week, and may not have acquired any reputation in the market, his neighbours cannot use that mark,” and then comes a passage shewing the usefulness of an Act of this kind, for he proceeds: “Were it otherwise, and were the question to depend entirely on the time the mark has been used, or the reputation it has acquired, a very difficult, if not an insoluble inquiry, would have to be opened in every case, namely, whether the mark had acquired on the market a distinctive character denoting the goods of the person who first used it.”

The Act contemplates that there may be other parties entitled to this trade mark at the time, for it makes provision for such persons taking proceedings to cancel the registration, but until cancelled I apprehend it would remain good. In other words, the fact that such person had apart from the registration a preferable right to that of the person upon the register, would not, *per se*, avoid the trade mark, although it might be liable to be cancelled on a proper application.

But if the actual user by some one else at the time of the application would be a defence, there is, in my opinion, no evidence

to shew that at the time the plaintiff adopted the mark, which he subsequently registered, it was in use by others so as to deprive him of the right to appropriate it to his own exclusive use.

Great efforts appear to have been made before the trial to obtain particulars.

On the 13th March, the defendants furnished particulars, stating that it was in use by W. S. King prior to the registration, and by James King, and on the 18th March the defendants furnished an additional name of a person named Cawthrop.

On the 23rd March the plaintiff obtained an order for better particulars, and under that order the defendants again gave the name of W. S. King as having used it in 1881 and 1882, Paul Haines in 1876, and in each year since, and Spink Brothers.

I refer to this because I incline to think from the reference made by the learned Judge to *McCall v. Theal*, that he treats previous cases of user as equivalent to evidence of the mark being in common use at the time of its adoption by the plaintiff.

The parties named in the particulars were examined at the trial, with the exception of Cawthrop, and their evidence entirely fails to establish that the name was in use by any one but the plaintiff at the time he adopted it.

Wm. S. King states that he did at one time use the word "Gold Leaf" as a brand, but after using it on 1,000 sacks he discontinued it, and used it afterwards only on oatmeal flour; he was so using it on oatmeal only when the plaintiff adopted it as a trade mark, and he distinctly disclaims any wish or intention to apply to cancel the plaintiff's trade mark; and the conversation related by him as having taken place with the plaintiff, though not admitted by the latter, amounted to a waiver of any right or claim to the mark.

R. S. King does not carry the matter any further. Spink says he had a brand "Gold Leaf" cut in 1883, and sent it to Mr. Haines, of Cheltenham, who branded with it 2,000 barrels for Spink, which were sent to Quebec and Montreal, and that would seem to be the extent of his dealing with it. Haines is called, and

speaks of having used the words as a trade mark in 1881, and probably two or three years before that, and he speaks of having shipped, in 1883 and 1884, the flour referred to in Spink's evidence, and he says that is the last shipment that he made with that brand, and he leaves it rather uncertain, upon cross-examination, whether he is not mistaken about that being the brand used; the brand itself not being produced.

This is all the evidence of user, from which I infer that what the learned Judge means when he speaks of this being a common brand in use before the registration of the plaintiff's trade mark, that he treats a prior user as destructive of the plaintiff's title. If it is, I think the conclusion of the learned Judge is right, but I do not think that sufficient to invalidate the title which the plaintiff claims by his registration. It would be necessary at least, in order to defeat his right, to shew not that there had at one time been such an user, but that such user was in actual existence at the time of the plaintiff's adoption of it.

That the defendant did, after the registration of the plaintiff's mark, sell flour with the distinctive mark, is clearly established, and the plaintiff should, in my opinion, be entitled to have the appeal allowed, and the injunction originally granted made perpetual, with the costs of the suit.

*Appeal dismissed, with costs.*

BURTON, J.A., dissenting.

The plaintiff then appealed to the Supreme Court of Canada. The argument was heard on the 22nd of March, 1888, by SIR W. J. RITCHIE, C.J., and STRONG, FOURNIER, TASCHEREAU, and GWYNNE, J.J.

*Cassels, Q.C., and Hegler, for the appellant.*

*McCarthy, Q.C., and Moss, Q.C., for the respondents.*

June 14th, 1888. SIR W. J. RITCHIE, C.J.:—The defendants are simply in this position as public millers that they have the right to use this term "Gold Leaf" as a brand for patent flour of

a particular description, as being "common to the trade," that is, in common use by the trade, as a distinctive term applied to flour of a particular description; a common property which any one in the trade had the right to use; a common mark and *publici juris*; in other words, that it had been public property; no doubt under section 7 the certificate signed by the Minister or his deputy to the effect that the said trade mark had been duly registered in accordance with the provisions of this section, and stating the date, month, and year of the entering thereof in the register, shall be received in all courts of law or equity in Canada as *primâ facie* evidence of the facts therein alleged without proof; but does not the very fact of the Act making this certificate *primâ facie* evidence show that this *primâ facie* case may be rebutted by showing that there has been no legal registration? And this section 8, which is relied on as giving an absolute exclusive use, must be read in connection with the other provisions of the statute and it is quite clear that this exclusive use is only to attach when there is a legal registration. If, then, there has been no legal registration there can be no exclusive use.

Then the question arises: Had the plaintiff any right to register this mark as his trade mark? For whom is this register to be kept? As to this the first section of the Act is most explicit.

The 1st section of the 42 Viet. ch. 22 declares that a registry of trade marks shall be kept in the office of the Minister of Agriculture, in which any proprietor of a trade mark may have the same registered by complying with the provisions of this Act. Does not this clearly show that the applicant must be the proprietor of the trade mark he desires to have registered? And section 6, which provides that the proprietor of a trade mark may have it registered, requires a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof.

When the applicant, under the provisions of the 6th section, signs a declaration that the same was not in use to his knowledge by any other person, he no doubt makes out a *primâ facie* case for



registration; but does not this inferentially involve that if he did know it was in use by any other person it would not be proper that it should be registered? And does it not necessarily follow that though he may not have known that it was so in use, if in reality, as was shown in this case, it was and had been for years in common use as a mark or brand in the very article in reference to which he desires to claim an exclusive use, upon principle should he be permitted to have that exclusive use when, if the fact as it existed had been brought to the knowledge of the officer, the registration would have been refused, or to claim that simply because he had obtained an improper registration he had obtained an indefeasible exclusive right to its use? I think the learned Judge was right in receiving evidence to show the invalidity of the plaintiff's alleged trade mark.

It is not the registration that makes the party proprietor of a trade mark; he must be the proprietor before he can register; so we see by section 17, "a suit may be maintained by any proprietor of a trade mark against any person using his registered trade mark, or any fraudulent imitation thereof, etc."

Now, when did this plaintiff become proprietor of this trade mark, to entitle him to register it and to claim under such registration an absolute indefeasible exclusive right to it for all time to come, as is claimed in this case?

I think the term "proprietor of a trade mark" means a person who has appropriated and acquired a right to the exclusive use of the mark, and where a party has a trade mark he can institute no proceedings to prevent its infringement until and unless such trade mark is registered in pursuance of this Act; but this by no means implies that one man can copy and register a trade mark belonging to another or a trade mark in common use.

*McAndrew v. Bassett* (1864), 33 L.J. Ch. 567; 4 DeG. J. & S. 384. Lord Westbury:—

"The essential qualities for constituting that property (property in a trade mark) probably would be found to be no other than these: First, that the mark has been applied by the plaintiffs properly (that is to say), that they have not copied any other person's mark, and that the mark does not involve any false repre-

sentation; secondly, that the article so marked is actually a vendible article in the market; and, thirdly, that the defendants, knowing that to be so, have imitated the mark for the purpose of passing in the market other articles of a similar description."

I think the evidence in this case shows that the name "Gold Leaf" had before the registration of plaintiff become public property, and that the plaintiff had not any exclusive right to the use of that term, a term which had been for years before such registration a well-known and convenient name or brand by which the article of patent flour was defined.

I think the learned Judge was right in following the authority of *McCall v. Theal* (1880), 28 Grant 48, which, in my opinion, was rightly decided.

As a public user of this trade mark previous to plaintiff's registration, defendants were not shut out from continuing its use by reason of plaintiff's registration.

I think the defendants had a perfect right to question the validity of plaintiff's claim to this trade mark, and to show that his *ex parte* proceedings in obtaining registration thereof were not justified. This is not a case between two conflicting claimants, each claiming to be entitled to this trade mark or brand, but by one of the public, who claims, not the exclusive right to the trade mark, but the right to use the mark or brand as being the common property of the public at large engaged in the manufacture or sale of patent flour.

The following cases show that the defendant plainly had this right:—

*In re J. B. Palmer's application* (1882), 21 Ch. D. 57:

Jessel, M.R.—"It is clear that the 3rd section does not expressly say that the application under the 5th section shall not be made after five years, but the respondents contend that the words which I am about to read impliedly have that effect. "The registration of a person as first proprietor of a trade mark shall be *prima facie* evidence of his right to the exclusive use of such trade mark, and shall after the expiration of five years from the date of such registration be conclusive evidence of his right to the exclusive use of such trade mark." Now, what is the meaning

of the words, "the registration of a person as first proprietor of a trade mark?" Does it mean his registration as proprietor of "a mark," or does it mean what it says, his registration as proprietor of "a trade mark?" I think the literal meaning is to be preferred. It is true that the registrar ought not to enter anything which is not capable of being a trade mark, but he may be deceived, and that is alleged to be the case here.

\* \* \* \* \*

It appears to me that reason and convenience are entirely in favour of the construction which we put upon this Act of Parliament. I am glad to see (though I do not know whether it ought to influence us either way) that the well-known writer, Mr. Sebastian, takes the same view of the Act, so that our decision will be no surprise to anyone. He says (Sebastian on Trade Marks, p. 33): "The registration as a trade mark of a name of this description will somewhat complicate the question, as such registration is to be *primâ facie* evidence, and after five years' registration, conclusive evidence, of the right of the registered owner to the exclusive use of such trade mark, but this enactment does not preclude a defence on the ground that the name so registered is in fact no trade mark, and was registered, or is continued on the register, by error." So Mr. Bryce says (Bryce on the Trade Marks Registration Acts, 1875 and 1876, p. 3): "After the expiry of five years the right of the registered proprietor becomes absolute, and cannot be disputed by a defendant. But it is apprehended that after, no less than before, the expiry of the five years, the right of the registered proprietor may be contested on any ground going to show that the mark ought never to have been registered at all, for example, that it is not a trade mark within the meaning of the Act." So both writers on the subject take the same view, and go so far as to think that if a description which is not capable of being a trade mark is registered, a person who sells goods under that description, and is sued, may defend himself on the ground that it is not a trade mark, though it has been five years on the register. The question has not been argued before us, and we have not to decide it, but I am not by any means prepared to say that those distinguished writers are wrong, because the Act only says that after five years the person who has registered a trade mark shall be entitled to the trade mark, but does not say that the mark as registered shall be deemed to be a trade mark."

Lindley, L.J.:—"After careful examination of sections 3, 5 and 10 of the Trade Marks Registration Act, 1875, I am satisfied that a mark which is not a trade mark, and which, therefore, ought never to have been registered, does not become a trade mark by being on the register for five years."

*In re Lloyd & Son's Trade Mark, Lloyd v. Bottomley* (1884), 27 Ch. D. 650.

Chitty, J.:—"On the evidence it is plain that this so-called mark was common in the trade, inasmuch as it was in use by more than three persons before the application to register, and, if so, it was not a distinctive mark or device, but was common in the trade, inasmuch as it had been publicly used by more than three persons on the same or a similar description before the application to register. If so, goods having this mark on them had no distinctive mark such as was required by section 74. In *Re Hyde & Co.'s Trade Mark* (1878), 7 Ch. D. 724, the late Master of the Rolls, on motion, ordered the registration which had been made to be struck out. Reliance, however, has been placed on the argument on behalf of the respondents on an observation of the Master of the Rolls, which was to be found in the shorthand notes of the argument in that case. But the Master of the Rolls reconsidered the matter afterwards in *Re J. B. Palmer's Application* (1882), 21 Ch. D. 47, and at best it was a mere dictum. I hold, therefore, that it is competent to the applicants, notwithstanding the expiration of five years from the date of registration, to show that the thing called a trade mark is not a trade mark at all, and ought not to have been registered."

*In re Wragg's Trade Mark* (1885), 29 Ch. D. 551.

"The registration of a mark as a trade mark and the lapse of five years do not, under section 76 of the Trade Marks Act, 1883, confer on the person who has made the registration an indefeasible title to the use of the mark as a trade mark if, by reason of its being at the time of registration in common use in the trade, it ought not to have been registered.

Pearson, J.—I come, therefore, to the conclusion that in the year 1876, when Mr. Wragg registered this device, it was a device which had been publicly used up to that time by more than three persons, "and had become common to the trade in such goods."

But it is said that, because Mr. Wragg has registered, he has got an exclusive right to it. To my mind he could get an exclusive right only to that which he was authorized to register under

the Act, and it is quite plain that no person can with propriety go to the Comptroller and ask to register as his exclusive property a mark which is common to all persons engaged in the same trade.

I hold, therefore, that when Mr. Wragg registered this mark he registered that which he had no right whatever to register, and that he has acquired no title whatever by the lapse of time, and, inasmuch as the mark was not properly registered when it was registered in 1876, it ought to come off the register now. It ought to come off for this reason, that, so long as it remains on the register, it apparently gives the person who has registered it an exclusive right to use it; it enables him, if he is minded to do that which is unjust and fraudulent, to terrify other persons by informing them that they have no right to use that which is common to the trade, because he has chosen improperly to register it as his own. I am of opinion that the five years' registration cannot by any possibility make good that which was invalid in its inception, and on that ground I order this mark to be taken off the register, with cost to be paid by the respondent."

*Edwards v. Dennis* (1885), 30 Ch. D. 462.

Bacon, V.C.—"The meaning of the Act of Parliament is obvious enough. The whole object is that persons in the enjoyment of what are called "trade marks" shall, if they register those trade marks in the manner prescribed so that entire publicity may be given to their alleged rights, have an indefeasible right to them. That is the general scope and object of the statute."

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The Vice-Chancellor quoted the following from the judgment in *Re Palmer's Application* (1882), 21 Ch. D. 47:—

"The Master of the Rolls proceeds to read the 3rd section of the Act, and then he says: 'Now what is the meaning of the words 'the registration of a person as first proprietor of a trade mark'? Does it mean his registration as proprietor of 'a mark,' or does it mean what it says, his registration as proprietor of 'trade mark'? I think the literal reading is to be preferred. It is true that the registrar ought not to enter anything which is not capable of being a trade mark, but he may be deceived, and that is alleged to be the case here. The registrar of trade marks cannot know, nor can the commissioners know, the meaning of all technical terms used in a trade.'" Then, after dealing with the name "braided fixed stars," and with the contention of the respondents, his lordship takes the case of a man selling palm oil soap under the name

of "palm oil soap," and he says: "suddenly somebody comes down against him and says, 'I registered those words five years ago as a trade mark. I therefore change by the force of Act of Parliament those words which are ordinary words of description into a trade mark, and now I am entitled to restrain you from using them.' If this were to be allowed it would be allowing a man who had taken an improper advantage of the ignorance of the registrar, and of the commissioners if it came before them, as to the use of the technical terms of the trade, to lay a trap for an honest tradesman who had done nothing but sell his goods under their proper description."

Cotton, L.J.—"In the first place, what is the object of that Act? Speaking generally, its object is, not to give new rights, but to place restrictions on the bringing of actions for infringement of trade marks by requiring that a trade mark shall be registered before any action to prevent its infringement can be brought. That is provided for by the first section of the Act as amended by the subsequent Act of 1876. Another object of the Act is to facilitate evidence of title to trade marks by means of registration; for the 3rd section of the Act provides that registration of a person as first proprietor of a trade mark shall be *primâ facie* evidence of his right to the exclusive use of the trade mark, and that five years' registration shall be conclusive evidence of his right to such exclusive use.

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No doubt the intention of the Act is to give a right to what is on the register so as to enable a person who has been registered for five years as the proprietor of a trade mark to maintain an action against any other person taking or infringing that trade mark;

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The third section contains this provision: "The registration of a person as first proprietor of a trade mark shall be *primâ facie* evidence of his right to the exclusive use of such trade mark, and shall, after the expiration of five years from the date of such registration, be conclusive evidence of his right to the exclusive use of such trade mark."

Then the 4th section continues the title of the first proprietor in the hands of a subsequent proprietor. I am not now considering how far the fact of Mr. Edwards and his predecessor having been on the register for five years is an answer to this application, though, in my opinion, it is not. It appears to me that the

3rd section is intended to afford assistance to a person who is bringing an action against another person of passing off his goods as the goods of the person who brings the action. In such a case, if the plaintiff shows that he has been on the register for five years, that dispenses with the necessity of his adducing evidence of exclusive user of his trade mark. But the third section is no bar to an application under the 5th section for rectification of the register, and in the case of such an application the Court is bound to consider—as the Court of Appeal held in *Re Palmer's Application* (182), 21 Ch. D. 47—whether the trade mark is properly on the register; for, although it may have been on for five years, if it ought not to have been on at all, then it can be taken off. So that, on the question whether a trade mark is properly on the register, the 3rd section is no bar to an application to rectify the register.

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A trade mark is a mark used in trade to distinguish the goods of the person who uses it; and the Act appears to contemplate a user of the particular mark contemporaneously with, if not before, registration. The first section places a restriction on actions being brought for infringement of trade marks, for it says that "From and after the 1st day of July, 1876, a person shall not be entitled to institute any proceedings to prevent the infringement of any trade mark as defined by this Act until and unless such trade mark is registered in pursuance of this Act." The person with whom the Act is dealing is a person who would have been entitled under the old law to bring an action for the infringement of his trade mark, that is to say, a trade mark actually used by him. The first section therefore assumes that it is dealing with a person who is using his trade mark."

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Lindley, L.J. :—

"Then with regard to the five years' registration. When we come to look at sections 3 and 5 it is clear that they do not depend on one another, section 5 not being consequent on section 3. The meaning of the sections is this: When a man brings an action for infringement, if he has been on the register for five years, section 3 is conclusive as to his right to bring the action, and in that particular action such registration is conclusive evidence of his right to the exclusive user of his trade mark; but, having regard to section 5, it appears to me that the register can be rectified in respect of that trade mark, notwithstanding the five years' registration, if proper proceedings are taken for that purpose."

I can discover no analogy whatever between this and a Crown grant. If the Legislature has not provided a special remedy to meet this case, in my opinion not the courts, but the law, clearly gives the remedy by enabling the defendant to say: "You claim by virtue of a registration which, I will show, is no legal registration, and therefore confers on you no rights, and, therefore, I have the right to ask for a rectification of the register, and cancellation thereof, on the ground that the trade mark never should have been on it at all, and should now be taken off. I entirely repudiate the idea that this is legislation in the courts or anything else than the proper administration of the law by affording to the parties that remedy which, in my opinion, the law clearly gives him.

STRONG, J.:—I am of opinion that this appeal should be dismissed for the reasons given by the majority of the Judges in the Court of Appeal.

FOURNIER, J., concurred in the judgment of the majority of the court dismissing the appeal.

TASCHEREAU, J.:—I would allow this appeal for the reasons given by Burton, J., dissenting, in the court below.

GWYNNE, J.:—The plaintiff, in his statement of claim, alleges that he is a miller engaged in the manufacture of flour at the Town of Ingersoll, in the County of Oxford, and that some time prior to the month of October, 1884, he had perfected a certain brand of roller process flour at his mills, which he named "Gold Leaf," and that in order to secure the said brand of flour so designated from being imitated by others, and to give notice that the designation, "Gold Leaf," as applied to this particular brand of flour, was his sole property, he, upon the 19th of December, 1884, procured to be registered in the Department of Agriculture, at Ottawa, the said specific trade mark, to be applied to the sale of flour, which trade mark consists of the words "Gold Leaf," surrounded by the numbers "196," within a circle, and,



underneath the said designation, the word "Flour," and the registrant's name, the whole surrounded by the words "Ingersoll Roller Mills, Ontario, Canada." That, since the 3rd December, and carrying on business at the Town of Galt, in the County of Waterloo, have branded their flour of an inferior quality with a have thereby caused the plaintiff great loss. That the flour of the same as purporting to be the "Gold Leaf" of the plaintiff, and Canada, and is in great demand, and there is a large sale therefor, and that the defendant, well knowing this to be the case, and with the object and intent of selling flour of an inferior brand and less value as the flour of the plaintiff, have branded their flour with a mark similar to that of the plaintiff, and that the similarity of the said marks enables the defendants to deceive and mislead the public by selling their said flour as the flour of the plaintiff, and that the defendants do, in fact, fraudulently put their flour in the market as the flour of the plaintiff, to his great prejudice. That the plaintiff has suffered damage by the defendants'

1st. Destroying the sale of the plaintiff's said flour.

2nd. Destroying the character of the said flour and deteriorating its value in the eyes of flour dealers, who, prior to this time, had dealt in "Gold Leaf," and by loss of market; that from the infringement of the said trade mark and from the facts before stated, the plaintiff has suffered great loss, and the plaintiff claimed \$3,000 damages and prayed that the defendants may be restrained by injunction from using said trade mark, and from selling the said flour of the plaintiff, and from so branding or marking the same so as to enable others to deceive the public.

The defence of the defendants to this complaint is, in short substance, that the words "Gold Leaf" used in the label registered by the plaintiff, were words well known in the flour trade, and in common use by traders other than the plaintiff, and that the same was not capable of registration by the plaintiff, and that the plaintiff falsely stated that the same was a new and original word or design of his own in order to obtain registration of the same, and the defendants denied that they had infringed any

rights, if any were acquired by the plaintiff by such registration as in the statement of claim is alleged.

The learned Judge before whom the case was tried has found as a fact, and the evidence abundantly supports his finding, that the term "Gold Leaf" was a common brand for a superior class of flour made by what is called a "patent process" or "roller process," well known by and in use in the trade for some years prior to and at the same time that the plaintiff registered his label. The practice appears to be for millers, and dealers in flour upon commission also, to keep different brands of the same quality of flour. That which is manufactured by "patent" or "roller" process, is known to purchasers at home and abroad as "Ruby," by others as "Egmont," by others as "Nyphos," and by others as "Gold Leaf," and when a purchaser orders one or other of these brands, it is put on the flour by the miller from whom it is bought or by the commission merchant through whom it is ordered, if ordered through a commission merchant, and the brand simply designates, and is known as designating, only the quality of the flour, and as made by "patent" or "roller" process, and not at all that the flour is the manufacture of any particular mill or miller. In the autumn of 1883 the plaintiff altered his mills into "roller" mills, and then he procured one Alderdyce to cut for him a "Gold Leaf" brand, but what, if anything, other than these words was on the brand then cut by Alderdyce, does not appear, for that brand has not been produced, and this brand, whatever was upon it, appears to have been the only brand with the words "Gold Leaf" upon it which the plaintiff used from the 10th December, 1883, until he registered the label which has been produced, upon the 19th December, 1884; but during that same period he sold to and through the defendants the same quality of flour under the brands "Ruby," "Nyphos," and "Egmont," and in the month of June, 1884, he sold to them for the first time the same quality of flour with the brand "Gold Leaf" upon it. In the month of October, 1884, the defendants procured for themselves a brand with the words "Gold Leaf" upon it. This brand

the defendants had cut with the intent of making some arrangement with the plaintiff as to dealing with him, and that the defendants' said brand should be put upon all flour bought from the plaintiff by or through the defendants, but no arrangement having been come to, the defendants kept the brand, together with others which they had, and it is their use of this brand which is relied upon by the plaintiff as an infringement of what the plaintiff calls his trade mark.

From the above facts, which the evidence disclosed, it is apparent that every one of the material allegations, upon which the plaintiff in his statement of claim rests his case, was disproved. The term "Gold Leaf" was not first introduced into use by the plaintiff as a brand of flour, nor did the term by itself ever indicate, nor was it supposed to indicate, that flour so branded was manufactured by the plaintiff or at his mills. On the contrary, when the plaintiff first converted his mills into "roller" mills and first manufactured flour by what is known in the trade as roller mill or patent process, the term was well known and in use as a brand designating a particular quality of flour manufactured by what was known in the trade as "patent process" or "roller mill process," wherever or by whomsoever the same should be manufactured; the term had no connection whatever with any particular person or mills.

Such being the purpose for which the brand was in use when the plaintiff registered his label, he had not acquired, and could not have claimed, any property in the term "Gold Leaf" as a brand for flour. What constitutes, therefore, his property in the label registered by him as his trade mark is that part only of the label which indicates that flour having upon it the well-known brand "Gold Leaf" (which designates quality only) was manufactured by the plaintiff at his mills—namely, the words "Ingersoll Roller Mills, Ont., Can.," and "Wm. Partlo"—and it is apparent that flour having upon it the label in use by the defendants bears no indication or representation whatever that flour so branded was manufactured by the plaintiff, and the use of it,

therefore, by the defendants can give to the plaintiff no cause of action or ground of complaint whatever. The right which a manufacturer has in his trade mark is the exclusive right to use it for the purpose of indicating where and by whom or at what manufactory the article to which it is attached was manufactured. A man may mark goods of his own manufacture either by his name or the initials of his name, or by using for the purpose any symbol or emblem, however unmeaning it may be in itself, and, if such symbol comes, by use, to be recognized in the trade as the mark of the goods of a particular person, no other person has a right to stamp his goods of a like description with a mark so resembling the mark of the former as to be likely thereby to induce incautious purchasers to believe that the goods were the manufacture of the former; but no person can acquire property in any marks, names, letters or symbols, which are known in the trade as designating quality merely, wholly irrespective of the goods to which they are affixed being the manufacture or stock-in-trade of any particular person. All manufacturers of the same description of goods have equal right to use such marks, names, etc., as are known in the trade as designating quality, and each in such case can only acquire property in some name or mark used by him in connection with such *indicia* of quality, as aforesaid, as will indicate that the particular article of the designated quality is of his manufacture; and if an article originally manufactured by a particular person comes to be known in the trade by the name of such person, not as expressing the maker of the particular specimen, but as describing the nature of the article by whomsoever made, every person has a right to manufacture the article bearing such name and to sell it by that name. This was one of the canons laid down by Lord Kingsdown in the *American Leather Cloth Company Case* (1865), 11 Jur. N.S. 517.

So, likewise, no property can be acquired by any person in an English word, which is expressive of quality merely, stamped upon goods of his manufacture; this was the case of *Raggett v. Findlater* (1873), L.R. 17 Eq. 29, in which it was held that a per-

son could acquire no property or trade mark in the words "nourishing" stout or "nourishing" London stout, but that words added showing the name of the dealer in the article and the words, "analysed and reported on by Dr. Hassall," were words in which the party originally using them on the stout sold by him might acquire property as his trade mark. But a foreign word or a word in a dead language not known to people in general, because it is not understood, may become the trade mark of the person who first uses it upon a particular article sold by him; this was the case of *McAndrew v. Bassett* (1864), 4 DeG. J. & S. 380; so in *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508, where the plaintiff had first applied the word "Glenfield" to starch, and under that name had introduced into the market starch manufactured by him, which, under that name, had acquired celebrity in the trade, it was held that he had thereby acquired a property in the word "Glenfield" as applied to starch. Upon the same principle the court proceeded in *Braham v. Bustard* (1863), 1 H. & M. 447, with regard to the "Excelsior White Soft Soap," and in *Ford v. Foster* (1872), 7 Ch. App. 611, with regard to the "Eureka" shirts. All these cases are commented upon, and the principle upon which they proceeded explained by Malins, V.C., in *Raggett v. Findlater* (1873), L.R. 17 Eq. 29.

In *Seixo v. Provezende* (1866), 1 Ch. App. 196, the principle upon which relief is granted as for infringement by one of the trade mark of another is stated to be that one trader cannot offer his goods for sale representing them to be the manufacture of a rival trader. If what is relied upon as the trade mark by the complainant is a word or mark, two questions arise:—1st. Whether the word or mark is known in the trade as specially designating the goods to which it is affixed to be the manufacture or property of the complainant; and 2nd. Whether the mark or word as used by the defendant is so similar to that used by the complainant as to be likely to induce incautious purchasers to believe that the goods offered for sale by the defendant are the manufacture or property of the complainant.

In *Cocks v. Chandler* (1871), L.R. 11 Eq. 446, although the first manufacturer of a sauce which came to be known in the trade as "Reading Sauce" had not acquired any property in the word "Reading," and could not restrain another person from selling sauce manufactured by him under that name, yet it was held that the first manufacturer had acquired property in the word "original" prefixed the words "Reading Sauce."

In *Lee v. Haley* (1869), 5 Ch. App. 155, where the plaintiff had established his place of business on Pall Mall for selling coal, where he had for many years carried on the business under the name of the "Guinea Coal Company," and the defendant many years afterwards opened a place of business upon Pall Mall also, where he offered coal for sale under the name of the "Pall Mall Guinea Coal Company," it was held, although the plaintiff had not and could not have acquired any property in the words "Guinea Coal Company" as constituting his trade mark, because those words were known in the trade to designate a particular quality of coal sold at a guinea per ton, and there were a number of companies calling themselves "Guinea Coal Companies," that the defendant should be restrained from using the name "Pall Mall Guinea Coal Company" on Pall Mall because it manifestly appeared on the evidence that the defendant's object in transferring his business from where he had before carried it on to Pall Mall, and in opening an office there, was to obtain possession of the custom or a part of the custom which the plaintiff had established there by having had his place of business there for many years.

The relief appears to have been granted in that case not for any infringement of a trade mark but for actual fraud in the defendant offering his goods for sale and selling them under circumstances calculated to induce and which had induced persons accustomed and intending to deal with the plaintiff to believe that they were in point of fact dealing with him.

So no property can be acquired in the letters X,XX, or XXX, applied to beer as a trade mark, for these letters are known to

be used in the trade as designating merely the strength of the beer to which they are affixed, wholly irrespective of the person by whom the beer has been manufactured. So neither can property be acquired in the use of a crown or horseshoe or any marks or words in connection with manufactures in iron which are used in the iron trade to designate a particular description or quality of the manufacture in iron on which they are stamped, but the names or initial letters of the name of the firm which manufactures or deals in the article, in connection with any symbol designating the description or quality of the iron used in the manufacture of the article, will constitute good trade marks, as they will also when used in connection with the letters X, etc., on beer.

So far as the letters, symbols or words claimed are descriptive of quality they cannot be trade marks—no property can be acquired therein—but when they are connected with the initials of the firm or the name of the works where the article is manufactured, the whole combination constitutes one trade mark: *In re Barrow's Trade Marks* (1877), 5 Ch. D. 363.

Now, the evidence establishes that at the time the plaintiff registered his label, the words "Gold Leaf" used on flour never did indicate that the flour upon which they were stamped was manufactured by the plaintiff. They indicated merely that the flour was of a particular quality manufactured by what was known as "patent process" or "roller mill process," by whomsoever manufactured; they gave no indication whatsoever as to the particular mills where, or as to the person by whom, it had been manufactured. They were, therefore, words in which the plaintiff could not have, and has not, acquired any property whatever, unless he has acquired it under and by force of the provisions of the Dominion Statute, 42 Viet. ch. 22. Accordingly, it has been contended that, although these words "Gold Leaf" were in common use as designating merely a particular description or quality of flour, the effect of the Act is to have enabled the plaintiff by becoming the first to register a label having those words upon it, to

take them out of the common use to which they have been applied—to divest them of the meaning and character which, by such common use, they had acquired, and to make them his special property, and, thereafter, to represent that the flour on which they are stamped is manufactured by him alone.

The argument in support of this singular contention is this—the statute, as is contended, gives to every person who first registers any mark as his trade mark a right to the exclusive use thereof, whether such mark was or not, prior to the registration thereof, capable of being recognized in law as a trade mark.

The effect of this contention, if sound, would be that any brewer who should first register a label with his name upon it in connection with the letters X,XX, XXX, would thereby acquire exclusive right to use those letters upon beer. The argument is sought to be supported by a reference to the Imperial Statute 38-39 Vict. ch. 91, the 3rd section of which enacts that:—

“The registration of a person as first proprietor of a trade mark shall be *primâ facie* evidence of his right to the exclusive use of such trade mark, and shall, after the expiration of five years from the date of such registration, be conclusive evidence of his right to the exclusive use of such trade mark, subject to the provisions of this Act as to its connexion with the goodwill of a business.”

and the contention upon this point is that as our statute provides (as is contended that it does in its 8th section) that immediately upon registration the person registering shall have an exclusive right to the use of the mark or label as registered by him to designate articles manufactured or sold by him without any delay of five years, as is provided in the English Act, and as there is in our Act no clause similar to the 5th section of the English Act, which provides for rectification of the registry in the event of an entry upon it of a mark, etc., which could not in law be recognized as a trade mark, and in which, therefore, the person registering had not acquired any property, the result is that no relief can be given to any person except a person claiming a right to



register as his own trade mark a mark or symbol which had been taken by another and already registered as his, and that in this latter case the party claiming to be the true owner of the trade mark registered by another can obtain relief only in the manner pointed out in the 15th section, by petition to the Minister of Agriculture.

If this contention be sound there is no mode by which any relief can be obtained in a case where one trader should succeed in getting upon the registry as his trade mark a word, letter or symbol in common use in the trade for the purpose of designating the nature, description or quality of an article upon which it is stamped, and in which word, letter or symbol, the principles of law established by decisions have laid down that no trader can acquire property as his trade mark. This, in fine, is the contention, that to an action brought for infringement of any mark which has been registered as a trade mark, no defence whatever which calls in question the validity of the registrant's right to the exclusive use of it, can be entertained, whatever may be the law upon that point as applied to the English Act, in which ample provision is made sufficient for the rectification of every case of erroneous registration. The fact that like ample provision is not made in our Act would rather seem to require that the courts should hold that redress can be obtained in the form of defence to an action for infringement, rather than that the statute had rendered remediless a grievous wrong. There is no case, however, in which it has been adjudged in England that the procedure provided by the English statute is the only mode in which the registrant's title to the mark as registered by him can be disputed, and that it cannot be disputed by way of defence to an action for alleged infringement. The only authority bearing upon the point would seem to lead rather to the conclusion that in a case where a mark gets upon the registry as a trade mark which cannot, in accordance with the established principles of decided cases, be recognized as a trade mark, a defendant in an action for alleged infringement of such a registered mark may call in question the registrant's title to the exclusive use of it as his property.

Sir George Jessel, M.R., in *Palmer's Trade Mark Case* (1882), 21 Ch. D. 59, quotes with approbation the observations of Sebastian and Bryce, text writers upon the subject of trade marks and their registration, as follows:—

“Sebastian says:—

The registration as a trade mark of a name of this description (which could not be a trade mark) will sometimes complicate the question, as such registration is to be *primâ facie* evidence, and after five years' registration conclusive evidence, of the right of the registered owner to the exclusive use of such trade mark, but this enactment does not preclude a defence on the ground that the name so registered is in fact no trade mark and was registered or is continued on the register by error.

So Mr. Bryce says:—

After the expiry of five years the right of the registered proprietor becomes absolute and cannot be disputed by a defendant. But it is apprehended that after, no less than before, the expiry of the five years, the right of the registered proprietor may be contested on any ground going to show that the mark ought never to have been registered at all, for example, that it is not a trade mark within the meaning of the Act.

So both writers on the subject take the same view and go so far as to think that if a description which is not capable of being a trade mark is registered, a person who sells goods under that description and is sued, may defend himself on the ground that it is not a trade mark, though it has been five years on the register. That question has not been argued before us, and we have not to decide it, but I am not by any means prepared to say that those distinguished writers are wrong, because the Act only says that after five years the person who has registered a trade mark shall be entitled to the trade mark, but does not say that the mark as registered shall be deemed to be a trade mark.”

And Lindley, J., says:—

“I will only add that I have availed myself of the opportunity afforded by the adjournment of the court of looking into some of the cases which have been decided upon similar provisions in other Acts which render certificates conclusive. Thus the Companies' Act, 1862, makes the registrar's certificate conclusive of the incorporation of a company, but that has been held to be confined to companies capable of being registered. There are other similar enactments which have received a similar construction.

After careful examination of sections 3, 5 and 10 of the Trade Marks Registration Act, 1875, I am satisfied that a mark which is not a trade mark, and which, therefore, ought never to have been registered, does not become a trade mark by being on the register for five years."

Lord Justice Cotton concurred in the judgment of the Master of the Rolls.

Such being the opinion of those learned Judges I cannot doubt that if the question had come before them in an action they must have decided that the objection taken to the registration of the words "Braided Fixed Stars" could have been raised by the defendant in such a action, for if the statute does not authorize the registration of any name or mark which is not capable of being a good trade mark, it must be only in a trade mark authorized by the statute to be registered that the statute confers on the proprietor thereof the exclusive use. Registration of a word or symbol which is not authorized by the statute to be registered as a trade mark cannot confer upon the registrant thereof a benefit which the statute annexes only to trade marks and the proprietors thereof. Eventually, in 24 Ch. D. 514, it was held that the words "Braided Fixed Stars" were not words which the statute had authorized to be registered as a trade mark, and, for that reason, the registration was ordered to be expunged.

When it appears that the word registered is not capable of being a trade mark, and, for that reason, the statute has not authorized it to be registered, being registered in defiance of the authority of the statute, the statute surely cannot be appealed to as annexing to it a property which it only annexes to what it has authorized to be registered—namely, good trade marks; and, therefore, to an action complaining of an illegal use by the defendant of such a word so illegally registered, the defence that the use by the defendant was not illegal because the word, not being one which the statute had authorized to be registered, the statute had annexed no benefit to its registration, must be open.

That it is open under our statute is, in my opinion, the reasonable and necessary, and, indeed, literal construction of the

statute. The language of Lord Selborne in *Leonard and Ellis v. Wells* (1884), 26 Ch. D. 299, with respect to the word "Valvoline," is quite applicable to the present case; he there says:—

"So long as the word 'Valvoline' is not used in such a manner as to represent that the article sold under that name is manufactured by the plaintiffs, or by persons identified in business with the plaintiffs, it seems to me that the use of it cannot be restrained."

So, likewise, is the language of Fry, L.J., in the same case; he says at p. 305:—

"Then, upon the application for an injunction, the real question is this: 'Are the defendants selling their manufacture as and for the manufacture of the plaintiffs?' Now, if the word 'Valvoline' had come to mean that the article so designated was manufactured by the plaintiffs, they, *primâ facie*, would have been entitled to an injunction."

As, however, the defendants were using the term not as meaning an oil made by the plaintiffs, but a particular kind of oil, it was held that they could not be restrained from using the word, but were at liberty to manufacture that kind of oil, and to sell it under that name. So, likewise, the language of Lord Justice Cotton, in *Edwards v. Dennis* (1885), 30 Ch. D. 473, is exceedingly appropriate to the present case, where he says:—

"A trade mark is a mark used to distinguish the goods of the person who uses it, and the Act appears to contemplate a user of the particular mark contemporaneously with, if not before, registration."

And again:—

"The person with whom the Act is dealing is a person who would have been entitled, under the old law, to bring an action for infringement of his trade mark, that is to say, a trade mark actually used by him."

Construing now the Dominion Statute, 42 Viet. ch. 22, by the light of the principles established by these decisions, we find by the first section that the register authorized to be kept is of "trade marks" only; and that it is only a proprietor of a "trade mark" who is authorized to have his trade mark registered. That

section provides the proceedings to be adopted by "the proprietor of a trade mark" to have it registered.

By the 7th section the Minister of Agriculture is authorized only to register the trade mark of a proprietor thereof, and by the 8th section it is enacted that for the purposes of the Act "all marks, names, brands, labels, packages or other business devices which may be adopted for use by any person in his trade for the purpose of distinguishing any manufacture, product or article by him manufactured, etc., etc., shall be considered and known as trade marks and may be registered for the exclusive use of the party registering the same in the manner herein provided."

Then, by the 17th section it is the "proprietor of a trade mark" who is given an action against any person using his registered trade mark, or any fraudulent imitation thereof, and by the 4th section it is enacted that:

"No person shall be entitled to institute any proceedings to prevent the infringement of any 'trade mark' until and unless such 'trade mark' is registered in pursuance of this Act."

We see, therefore, that the statute expresses, sufficiently clearly as I think, that the only action which the statute authorizes to be brought as for an infringement of a trade mark is one which must be brought by the "proprietor of the trade mark" who has registered under the provisions of the statute the "trade mark" of which independently of registration he was the "proprietor," and that no name, brand, etc., etc., which may not be adopted by a trader for the purpose of distinguishing his goods from the goods of a rival trader, shall be considered to be a trade mark or capable of being registered for the exclusive use of the party registering.

Now, as the words "Gold Leaf" stamped on flour was a brand in common use in the trade for the purpose of designating the quality merely of the flour, and the process by which it was manufactured, namely, by "roller mill process" or "patent process," and not at all for the purpose of distinguishing the manufacture of the plaintiff, or of any miller in particular from the manufac-

ture of any other, that word could not have been adopted by the plaintiff as his special property or trade mark; and it was not a trade mark within the meaning of the statute, and could not be registered for the exclusive use of the person registering. Registration, therefore, of such word could not vest in the plaintiff a right to the exclusive use of it as if it were a trade mark. The plaintiff's contention, that by registering the word he could take it out of its common use and make it his own special property (to use the language of Sir George Jessel in *Re Hyde's Trade Mark* (1878), 7 Ch. D. 726, applied to somewhat similar facts), is not the law. The defendants in the present case do not dispute the plaintiff's right to have adopted as his trade mark, and to have registered as such in connection with the words "Gold Leaf" (as descriptive of quality, the words on his label, which are adequate to distinguish flour of his manufacture of the known description, or quality of "Gold Leaf" from that of all other manufacturers, namely, "Ingersoll Roller Mills, Ont., Can.," and "Wm. Partlo.") On the contrary, this is what the defendants contend is precisely what he has done, and as appears by his application for registry, wherein he says, in effect, that the words "Gold Leaf" designate "a particular brand of flour denoting the quality thereof," not that they are used to distinguish the manufacture of the plaintiff from that of other manufacturers of flour of the same description and quality. The evidence, however, shows that the defendants have not, upon any flour sold by them, ever used any part of these words which the plaintiff has used on his label as distinguishing his manufacture from the manufacture of other persons, and that in point of fact they never have sold any flour under circumstances which could induce any persons to suppose that they were purchasing the manufacture of the plaintiff.

The appeal, therefore, in my opinion, must be dismissed with costs.

*Appeal dismissed with costs.*

Solicitors for appellant: *Hegler & Jackson.*

Solicitors for respondents: *Ball & Ball.*

**Notes:**

## CLASSES OF TRADE MARKS.

R.S.C. 1886, ch. 63, sec. 3.

(a) *Introductory:*

The "definition" of trade marks contained in the Canadian statute is expressed in very wide and indefinite language. In fact, the definition is too little precise to be of much practical use in deciding cases, whether under the Act or outside of the same.

The definition in question is as follows:—

"All marks, names, brands, labels, packages or other business devices which are adopted for use by any person in his trade, business, occupation or calling, for the purpose of distinguishing any manufacture, product or article of any description manufactured, produced, compounded, packed or offered for sale by him—applied in any manner whatever to such manufacture, etc., shall . . . be considered and known as trade marks, and may be registered."

The impracticability of this far-reaching definition has been commented upon in several places by different Canadian Judges. The definition has remained the same since the Act of the Province of Canada, passed in 1861 (see Summary of Trade Mark Legislation in Canada, Appendix), and stands in great need of revision.

The looseness and vagueness of expression found in our Act exhibits a marked contrast to the precise particularity of the definition now contained in the Imperial Act, 46 & 47 Viet. ch. 57, sec. 64, as amended by 50 & 51 Viet. ch. 28.

(b) *Names:*

(1) *One's Own Name.*—As against persons bearing a different name, a manufacturer has an absolute and exclusive right in his name trade mark, but as against persons bearing the same name, no such exclusive right can be set up: *Burgess v. Burgess* (1853), 3 De G. M. & G. 896; *Scott v. Scott* (1866), 16 L.T.N.S. 143; *Tussaud v. Tussaud* (1890), 44 Ch. D. 678; *Lazenby v. White* (1870), 41 L.J. Ch. 354; *Massam v. Thorley's Cattle Food Co.* (1877), 14 Ch. D. 748; *Turton v. Turton* (1889), 42 Ch. D. 128; *Valentine v. Valentine* (1901), 83 L.T. 259; *Aikins v. Piper* (1869), 15 Gr. 581.

This rule, however, has to be modified in view of recent decisions, by the condition that where a personal name has become so descriptive, by use in a widespread and well-known business, of a particular trader as to be deceptive when used without qualification by anyone else in the same trade, another trader may be restrained from using it "without distinguishing," although it is his own name. Or, what is really the same thing, where the use by a person of his own name is for the purpose of fraud, and evidence of fraudulent intent can be adduced, such unfair conduct will be restrained, even though the free use of the man's own name may be thereby hindered: *Canada Publishing Co. v. Gage*, *ante*, p. 119; *Thompson v. McKinnon*, *ante*, p. 104; *Montreal Lithographing Co. v. Sabiston*, *ante*, p. 143; *Valentine v. Valentine* (1900), 83 L.T. 259; *Cash v. Cash* (1900), 84 L.T. 349; (1902), W.N. 32. The result of these decisions was to put the "name" cases on exactly the same basis as the "descriptive words" cases, of which *Kiddaway v. Bauham*, [1896] A.C. 199, is the chief.

(2) *Another's Name*.—A trader may acquire, as a valid trade mark, a name entirely different from his own: *Love v. Latimer*, *infra*, p. 373; *Thompson v. McKinnon*, *ante*, p. 104; *Bury v. Bedford* (1863), 32 L.J. Ch. 741; *Merriden v. Parker* (1872), 39 Conn. 450; *Massam v. Thorley's Cattle Food Co.* (2), (1880), 14 Ch. D. 748; or may use as his mark the name of a fancy personage: *In re Holt*, [1896] 1 Ch. 711 ("Trilby"); *In re Banks and James* (1895), 12 Pat. Rep. 333 ("Shakespeare"); *In re Carroll* (1899), 16 Pat. Rep. 82 ("Princess Christian"); and, in Canada, it has been held that one man may register as his trade mark another man's name with the latter's consent: *Templeton v. Wallace*, *infra*, p. 376; this has also been held in the U. S. Patent Office: *Ex parte Sullivan & Burke* (1879), 16 U.S. Pat. Gaz. 765; *Ex parte Pace, Talbot & Co.*, *ib.*, 909.

(3) *Geographical Names*.—In *Rose v. McLean*, *infra*, p. 271, there was considerable difference of opinion as to the right to use a geographical name as a trade mark. A Divisional Court, composed of Boyd, C., and Robertson, considered that, to obtain protection, as a trade mark, for a common geographical name, there must be a concurrence of two things—first, such user of the name as to connect the trader, in the mind of the community, with the article distinguished by the name, and, second, some secondary meaning, connoting the character or quality of the product, attributable to the name sought to be appro-



riated, which has arisen in connection with such prior user. But the Court of Appeal did not consider the acquisition of a secondary meaning necessary, and held that where a name, though generic and geographical, does not indicate the composition or quality of the specific article to which it is applied, or the particular country or district where produced or manufactured, it may be a valid trade mark. It was pointed out that the rule varied according as the name was applied to articles manufactured or produced, as contrasted with publications.

As most of the leading cases on this subject were passed upon in *Rose v. McLean*, the reader is referred thereto (*infra*, p. 271, *et seq.*). Reference may also be made to *Van Duzer's Trade Mark* (1887), 34 Ch. D. 623, especially the judgment of Lindley, L.J., at p. 643, where he says: "If you pick out some name which no Englishman ever heard of, such as *Penj Deh*, to which our attention was called some years ago, I do not know that that would not do. It conveys no meaning to an Englishman, and such a geographical name, for all I know, may be a fair and proper fancy word," indicating, through the words by us italicized, the principle underlying the English rule. See also *The Apollinaris Case*, [1891] 2 Ch., pp. 203, 221; *Magnolia Metal Co.'s Tms.*, [1897] 2 Ch. 371; *Clement et Cie.'s Tm.*, [1900] 1 Ch. 114; *In re Eastman, etc., Co., Ltd.*, [1898] A.C. 571; *Powell v. Birmingham, etc., Co.*, [1897] A.C. 710; *Scizo v. Provezende* (1865), L.R. 1 Ch. 192.

"Geographical words, which can be regarded as descriptive of the place of manufacture or sale of the goods, are open to obvious objections. One merchant or manufacturer cannot be allowed to prevent all competitors from attaching to their goods the name of the place of their manufacture or sale. The mischief would not be the same where the person seeking to register was the first who had manufactured or sold goods in the place the name of which he seeks to appropriate as a trade mark. But there are objections to giving a monopoly, even in that case, and to attempt to draw any such distinction would be likely to lead to difficulty and litigation. We think, therefore, that geographical names ought only to be permitted where they clearly could not be regarded as indicative of the place of manufacture or sale." Report of Lord Herschell's Committee on Trade Marks.

In Canada, in *Grand Hotel v. Wilson*, *infra*, p. 434, the Court of Appeal has recently held, reversing the decision of the learned Chancellor for Ontario, that the word "Caledonia" could not be

protected as a trade mark for a natural product of the Township of Caledonia. MacLennan, J.A., in delivering the judgment of the majority of the Court of Appeal, said: "Now, the defendants have an undoubted right to describe their water correctly and truthfully. It is a saline mineral water. It is derived from new springs, and those springs are in the township of Caledonia, and they are at a place called 'Caledonia Springs.' If the defendants' water is likely to be more sought and more marketable, and if the business of selling it is likely to be more profitable by reason of the situation of the springs and their nearness to the famous old springs, the defendants are entitled to the benefit of that.": 1 Com. L.R., pp. 48-9. The Judicial Committee of the Privy Council has (November 4th, 1903) dismissed the plaintiffs' appeal from this decision.

(c) *Brands*:

This word appears also in the English Act and has been interpreted to refer to cases in which the trade mark is branded on metal goods: *Motley v. Douman* (1837), 3 My. & Cr. 1; *Millington v. Fox*, *ib.*, 338; *Crawshaw v. Thompson* (1842), 4 M. & G. 357; *Hall v. Barrows* (1863), 32 L.J. Ch. 548; or on wine casks: *Seizo v. Provezende* (1865), L.R. 1 Ch. 192; *Moet v. Couston* (1864), 33 Beav. 578; *Pousardin v. Peto*, *ib.*, 642; or corks: *Moet v. Pickering* (1878), 8 Ch. D. 372. And see *De Kuyper v. Van Dulken*, *infra*, p. 246; *Boston Rubber Shoe Co. v. Boston Rubber Co.*, *infra*, p. 408; *Davis v. Reid*, *ante*, p. 24; *Barsalou v. Darling*, *ante*, p. 71.

(d) *Labels*:

Indicate impressions of a trade mark upon a piece of paper, or some thin substance, which are fastened to the goods to which they are applied, or to the vessel containing them: *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508; *Bass v. Dawber* (1869), 19 L.T.N.S. 626; *Blackwell v. Crabb* (1866), 36 L.J. Ch. 504; *Cocks v. Chandler* (1871), L.R. 11 Eq. 446; *Cotton v. Gillard* (1874), 44 L.J. Ch. 90; and in Canada, *Robin v. Hart*, *infra*, p. 232; *Templeton v. Wallace*, *infra*, p. 376; *In re Welchers*, *infra*, p. 301; *Spilling v. Ryall*, *infra*, p. 425; *Grand Hotel v. Wilson*, *infra*, p. 434.

(e) *Packages*;

The meaning of this term does not clearly appear. It cannot bear its ordinary meaning of goods packed or baled, and no explanation for its insertion in the Act, other than that of careless drafting, seems possible.

(f) *Other Business Devices*;

See note to *Davis v. Reid*, *ante*, p. 29.

(g) "*Distinguishing*";

This word governs and is to be read with each of the words preceding it. It embodies the English common law, apart from the Registration Acts, in so far as it requires that, in order to be a trade mark, a symbol must be capable of distinguishing the goods upon which it is placed from similar goods, so as to identify them with the business of the proprietor of the mark: *Waterman v. Ayres* (1888), 39 Ch. D. 29; *Burland v. Brarburn Oil Co.* (1889), 42 Ch. D. 274; *Pirie v. Goodall*, [1892] 1 Ch. 35; *Orr-Ewing v. The Registrar of Tms.* (1879), 4 App. Cas. 479; *Hopkinson's Tm.*, [1892] 2 Ch., p. 121.

Kerly, *Trademarks*, 2nd ed., p. 134, thus summarizes the law settled in England as to the meaning of the word "distinctive": "In order to be distinctive, then, a mark must be different from other marks used upon or in connection with the same goods, and the difference must be such as, in the case of a mark already used and known, to distinguish the goods which bear it as the goods of its proprietor, or, in the case of a new mark, to be capable of so distinguishing, and to be likely when used and known, to so distinguish the goods."

In the Note to *Davis v. Kennedy*, *ante*, p. 17, will be found a collection of, and extracts from, the leading judgments dealing with the "distinctive words."

## [IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

## ROBINSON V. BOGLE.

(18 O.R. 387.)

*Trade Name*—"Belleville Business College"—*Non-appropriation of Name*  
—*User by Public.*

The plaintiffs had for about twenty years conducted a business college at Belleville; first, under the name of the "Ontario Commercial College, Belleville," and, later, under the style of "Ontario Business College (Robinson & Johnson) Belleville," which name was registered in 1884. The college had, however, become known to and was spoken of by many people as the "Belleville Business College." Later the defendant started a rival institution under the name of "Belleville Business College," which was inscribed on his building. In an action to restrain the defendant from using the name "Belleville Business College:"—

*Held*, that, as the plaintiffs had never appropriated this name or used it to designate their college, public user of the name could not attach the designation to their business so as to be equivalent to the proprietor's personal use thereof.

*Held*, also, that as the name in question was merely descriptive of the nature of the business or the locality of its operations, no evidence being given of a particular user of the name by the plaintiffs, or of a secondary meaning being attributed to the name of the locality owing to its connection with their business, the defendants were not to be enjoined from using the designations.

*Thompson v. Montgomery* (1889), 41 Ch. D. 35, distinguished.

As, however, the defendant had sought to take an unfair advantage in his use of the name in question, no costs were awarded him.

THIS was an action to restrain the defendant from using the name "Belleville Business College" to designate a business college conducted by him in the city of Belleville, where the plaintiffs had, since 1868, conducted another business college known to and designated by the public as the "Belleville Business College," though that was not its registered name, nor had the plaintiffs themselves used such name.

The action was tried before BOYD, C., at Belleville, on the 12th November, 1889.

The facts sufficiently appear in the judgment.

At the close of the evidence, the argument was heard.

*McCarthy*, Q.C., and *Burdett* (*W. N. Ponton* with them) for the plaintiffs.

*Clute* and *J. J. B. Flint*, for the defendant.

Reference was made to *Davis v. Kennedy* (1867), 13 Gr. 523; *Gage v. Canada Publishing Co.* (1884), 11 S.C.R. 306; *Levy v. Walker* (1879), 10 Ch. D. p. 447; *Thompson v. Montgomery* (1889), 41 Ch. D. 35; *Re Dunn's Trade Marks*, *ib.* 439; *Lee v. Haley* (1869), L.R. 5 Ch. 155; *Walker v. Alley* (1867), 13 Gr. 366; *Carey v. Goss* (1886), 11 O.R. 719; *Barsalou v. Darling* (1881), 9 S.C.R. 677; *Partlo v. Todd* (1887), 12 O.R. 171; *Davis v. Reid* (1870), 17 Gr. 69; *Smith v. Fair* (1888), 14 O.R. 729; *Re Australian Wine Importers* (1889), 41 Ch. D. 278; *Street v. Union Bank* (1885), 30 Ch. D. 156; *Watson v. Westlake* (1887), 12 O.R. 449; *McCall v. Theal* (1880), 28 Gr. 48; *Singer v. Loog* (1882), 8 App. Cas. 15.

December 7, 1889. Boyd, C.:—The plaintiffs' business college was begun at Belleville in 1868, under the name of the "Ontario Commercial College, Belleville." Of late years the word "Business" has been substituted for "Commercial" in the title. In 1884 the plaintiffs registered the name as "Ontario Business College (Robinson & Johnson) Belleville." This in their circulars and annuals and other publications is shortened to "Ontario Business College, Belleville," and as frequently to "Ontario Business College;" which last is the name inscribed on the front of their building. These and these alone are the plaintiffs' own designations of their institution. Some people, however, or it may be many people, have fallen into the way of speaking and writing of it as the "Belleville Business College"—doubtless because that was aptly descriptive of the fact that it was a busi-

ness college, and for some time the only business college at that place. Lately the defendant has started a rival institution under the name of "Belleville Business College," which he has inscribed on his building. The action is to restrain the defendant from using the name "Belleville Business College." Confusion has arisen in the post-office from the fact that some letters intended for the plaintiffs were addressed simply "Belleville Business College," without any adjunct to shew for which of the schools they are intended; but it is not proved or claimed that any student has been lost to the plaintiffs or withdrawn from them by reason of the defendant's conduct. Before the defendant came, there was of course no difficulty about letters, for, there being but one business college at Belleville, everything addressed generally went there. Until the defendant adopted this name, I see no proof that the name "Belleville Business College" was ever adopted or appropriated by the plaintiffs. In the annual circular of 1888-9, consisting of 56 pages, issued by the plaintiffs, while at the head of all the pages and over the face of nearly every page the name "Ontario Business College" appears, only on one page (p. 44) in a letter of commendation from James White, do I notice the name "Belleville Business College." As a fact, I must find that this last name was never appropriated by the plaintiffs, and as used by other people, it was merely indicative of the work done and of the place at which that work was done by the plaintiffs. Public user of a name of this kind and in this way (however widely diffused) has never been held to attach the designation to the business, so as to be equivalent to the proprietor's personal use of it.

I find two difficulties in the way to the plaintiffs' success: first, in their title to claim any right or interest in the name used by the defendant; second (assuming an interest), is the name such an one as should be protected at the plaintiffs' instance?

As to the first: the plaintiffs must bring themselves within the principles which are applicable to trade-mark and trade-name cases. Now one of the essentials is, that there should be actual user of the name by the claimant. The right in truth is based

on priority of appropriation by him. Thus it has been held that a man who has never carried on business under a particular name cannot, even though he has some right to use that name, interfere with its being used by another: *Beazley v. Soares* (1883), 22 Ch. D. 660.

So it is said in *London and Provincial Law Assurance Society v. London and Provincial Joint-Stock Life Ins. Co.* (1865), 11 Jur. 938, that the Court will always have regard to the fact whether there has been such a length of exclusive user of the name under which the plaintiff carries on his business as to justify the Court in interfering. And in a still more pointed way, James, L.J., speaks in *Levy v. Walker* (1879), 10 Ch. D. at p. 447: "The sole right to restrain anybody from using any name that he likes in the course of any business he chooses to carry on is a right in the nature of a trade-mark. . . . The Court interferes solely for the purpose of prohibiting the owner of a trade or business from a fraudulent invasion of that business by somebody else. It does not interfere to prevent the world outside from being misled into anything. . . . An individual plaintiff can only proceed on the ground that, having established a business reputation under a particular name, he has a right to restrain any one else from injuring his business by using that name." That is to say, the name and the business must be linked together and visibly connected by the plaintiffs themselves, and out of this union the reputation must grow in order to give an actionable right. See also *Wheeler v. Johnston* (1879), L.R. 3 Ir. 293-4.

As to the second: What is special or peculiar about the name in controversy, "Belleville Business College," that there should be a monopoly vested in the plaintiffs by its popular use in reference to them? "Belleville" is the name of a city, and "Business College" is the name of a school for commercial training, which has long been in common use. The defendant himself founded the "Guelph Business College" before coming to Belleville. There are and have been also such places at all the other con-

siderable centres of population in Ontario: "Montreal Business College," "Ottawa Business College," "Brantford Business College," and so on, at Brockville, St. Catharines, Galt, Peterborough, etc. Is the first comer to take the name of the place and exclude all others who may be equally and truthfully proprietors of business colleges at the same place? The case in hand is not one where a fictitious or fancy or symbolical name is used; the combination is, as language is used, baldly and literally true.

Now another essential in cases analogous to trade-mark cases is, that the name or epithet should be something more than merely generic or descriptive; it should be specific or distinctive. The difference in treatment between the use of a fancy name and one which embodies merely a statement of facts is well illustrated by a comparison of the two cases *Hendriks v. Montagu* (1881), 17 Ch. D. 638, and *Turton v. Turton* (1889), 42 Ch. D. 128, and specially pp. 145, 146. In *Cheavin v. Walker* (1877), 5 Ch. D. at p. 863, James, L.J., said: "Whatever is mere description is open to all the world." In *The Colonial Life Ass. Co. v. The Home and Colonial Ass. Co.* (1864), 33 Beav. at p. 550, the Master of the Rolls thus dealt with the matter: "If a company which does colonial business cannot call itself 'Colonial,' it is obvious that, under a species of assertion that the word colonial is symbolical, the plaintiffs might prevent every other person using it as descriptive of his trade. . . . Such a claim cannot be maintained." Again, in words which are remarkably pertinent to the present case, Lord Justice James said in an appeal which is noted as *Australian Mortgage Land and Finance Co. v. Australian and New Zealand Mortgage Co.*, W.N. 1880, p. 6: "While the business name of another could not be appropriated, a man could not, on the other hand, give himself any monopoly in a name which merely described the nature of the business or the locality of its operations."

There is a class of cases, no doubt, in which the name of a place has been treated as entitled to protection in its particular use in connection with business. One much relied on by the plaintiffs, and a typical example, is *Thompson v. Montgomery*



(1889), 41 Ch. D. 35. The judgment of Chitty, J., proceeds upon this, that by length of user in connection with the plaintiff's business, the name "Stone" was accepted in the market, not in its geographical and primary sense, but with a secondary meaning, *i.e.*, not as referring to ale brewed at Stone, but ale of the plaintiff's brewing. That is, as I understand the decision, the term had ceased in its connection with the plaintiff's business to be descriptive (though it was so at first), and had become distinctive by the length and manner of the plaintiff's user of it. But the plaintiffs gave no evidence in this case of their user of the name "Belleville Business College," or that a secondary meaning was to be attributed to the name of the locality. *Lee v. Haley* (1869), L.R. 5 Ch. 155, was the case of a name, rather of the fancy sort, used for ten years by the plaintiff. The distinction between that case and this is plain by the ground of decision as expressed by Giffard, L.J., at p. 161: "The principle is . . . that it is a fraud on a person who has established a trade, and carries it on under a given name, that some other person should assume the same name, or the same name with a slight alteration, in such a way as to induce persons to deal with him in the belief that they are dealing with the person who has given a reputation to the name."

More akin to this second aspect of the case I now deal with is the decision of the Supreme Court of the United States, in *Canal Co. v. Clark* (1871), 13 Wallace 311, and from which I cite a passage at p. 327: "It must then be considered as sound doctrine that no one can apply the name of a district of country to a well-known article of commerce, and obtain thereby such an exclusive right to the application as to prevent others, inhabiting the district or dealing in similar articles coming from the district, from truthfully using the same designation. It is only when the adoption or imitation of what is claimed to be a trade-mark amounts to a false representation, express or implied, designed or incidental, that there is any title to relief against it. True it may be that the use by a second producer, in describing truthfully his product, of a name or a combination of words already

in use by another, may have the effect of causing the public to mistake as to the origin or ownership of the product, but if it is just as true in its application to his goods as it is to those of another who first applied it, and who therefore claims an exclusive right to use it, there is no legal or moral wrong done. Purchasers may be mistaken, but they are not deceived by false representations, and equity will not enjoin against telling the truth."

The defendant has correctly described his establishment as a business college at Belleville in holding it forth as "Belleville Business College;" he uses a name which the plaintiffs have never used as the designation of their college; he has, no doubt, puzzled the public interested in such matters for the time being, until it is disclosed that Belleville is to have two distinct colleges instead of the old one split into two parts; he has made confusion in the post-office, occasioned by the careless or inaccurate writers of letters who do not take pains to write to the plaintiffs by the name which they have extensively circulated and advertised as their proper address; he has adopted a vague name which will help to continue, it may be, for a while, this annoyance to the plaintiffs. But it does not appear that the defendant has made any unfair use of letters addressed ambiguously, and probably the steps taken by the post-office authorities have practically remedied the matter. Nor does it appear to me that the plaintiffs can lose students who seek them because of their history and reputation in the past. Students who are aiming at the plaintiffs' college can readily find it, and others will go where there is the best training. This much is to be said on the legal aspects of the case as a question of right to be litigated.

But I cannot say that the defendant has not sought in some way to advantage himself in a manner not meritorious. He was aware that when Albert College began a commercial department in 1884, under the name "Belleville Business College," it called forth the protest of the plaintiffs, to which that college yielded; he must have known from his long residence in Belle-

ville, and his connection with the plaintiffs' institution, that it was sometimes or frequently known and corresponded with as "Belleville Business College," and he must have guessed that embarrassment would arise in the delivery of letters, as has happened. His course in choosing this vague name—that might have been sufficiently distinguishing had there been but one such "College" at Belleville—is suggestive of the keen business man, but does not otherwise recommend him as seeking to do what was perfectly fair. Much better had he added to the name some "garnishment," which would have relieved him from blame, even though correspondents had been careless and inexact in their mode of address.

These considerations apply to the question of costs, which has ever been used as an instrument of correction in the hands of the Court. What I have said will indicate why, in dismissing the action, I do so without costs.

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**Notes:**

See *Notes to Rose v. McLean, infra*, p. 290.

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## [IN THE EXCHEQUER COURT OF CANADA.]

THE QUEEN, ON THE INFORMATION OF THE ATTORNEY-GENERAL  
FOR THE DOMINION OF CANADA.

v.

VAN DULKEN, WEILAND & CO.

(2 Ex. C.R. 304.)

*Trade-mark—Property in—Infringement of—R.S.C. ch. 63, sec. 12—53  
Vict. ch. 14 (D.).*

The questions which the Court has jurisdiction to determine under the Act 53 Vict. ch. 14 (D.), are such as relate to rights of property in trade-marks, and not questions as to whether or not a trade-mark ought not to be registered, or continued on the registry, because it is calculated to deceive the public or for such other reasons as are mentioned in R.S.C. ch. 63, sec. 12.\*

DEMURRER to an information filed by the Attorney-General for the Dominion of Canada on behalf of the Crown.

The facts upon which the information was based, and the grounds of demurrer, are sufficiently stated in the judgment.

February 9th, 1891.

*Ferguson*, Q.C. (with whom was *Marceau*), in support of demurrer:—

Prior to the passage of 53 Vict. ch. 14 it will be admitted that there was no jurisdiction in this Court to adjudicate upon the question now before it. If such jurisdiction is not conferred upon the Court by that statute it does not exist. I submit that no jurisdiction to hear such a case as that presented by the information herein can be found in the statute. The Act of 1890 only confers jurisdiction upon the Court to hear and determine cases

\*The Act here dealt with was repealed by 54 & 55 Vict. ch. 35 (D.), and other provisions were substituted therefor: See *De Kuyper v. Van Dulken*, *infra*, p. 239.—Ed.

where the true owner finds his identical trade mark has been registered by some other person; it does not cover a case where a registered trade mark is sought to be cancelled on the ground that it is an imitation or infringement of a trade mark which has been previously registered. The subject has a remedy in the ordinary Courts of justice for such an injury, and does not need the intervention of the Attorney-General to enable him to obtain proper redress. The Court should not assume a jurisdiction that is not clearly given by the Act. (Cites Maxwell on Statutes, 2nd ed., 158; Hardeastle on Statutory Law, pp. 52, 55; Wilberforce on Statutory Law, pp. 55, 56 and 244; *The Attorney-General v. Sillem* (1864), 10 H.L. Cas. 720; *James v. South Western Ry. Co.* (1869), L.R. 7 Ex. 296.

Again, there should be a relator in the case. The Crown has no interest or property involved in it, and will not be affected in any way by its result. The information, therefore, is bad in substance; the Court could not give costs against the Crown in such a case.

*Christie, Q.C., contra*:—A relator is not necessary. The absence of a relator cannot be successfully relied upon as a ground of demurrer to such an information as this. He is only introduced in Crown suits for the purpose of costs. (Cites *The Attorney-General v. The Niagara Falls Bridge Company* (1873), 20 Grant 34; *The Attorney-General v. Bradlaugh* (1884), 14 Q. B.D. 667; *The Attorney-General v. The Edison Telephone Company* (1880), 6 Q.B.D. 244; Story's Equity Pleadings, ch. 2, sec. 8; Hardeastle on Statutory Law, pp. 134, 135; Daniel's Chancery Practice, ed. 1879, pp. 11, 16, 65; *The Attorney-General v. Wright* 1841), 3 Beav. 447. Section 11 of The Revised Statutes of Canada, ch. 63, is copied almost word for word in the new Act. Unless it is held that section 3 of the Act of 1890 has no meaning, this action is properly instituted. Where one person has registered a trade mark which belongs to another, then it is necessary to bring a relator into the suit, because the Crown has no direct interest therein; but where two trade marks are registered and one infringes the other, the Crown has an interest in the

suit because people are liable to be deceived, and the public interest demands a rectification of the register by the Crown. Even if no jurisdiction is expressly given by the Act of 1890, the Court should assume it and proceed according to its ordinary procedure. (Cites The Interpretation Act, R.S.C., ch. 1, sec. 7, subsecs. 49-52.)

Again, I submit if one trade mark infringes another they are practically one and the same trade mark. In such a case it becomes a question of property that the Court has to decide, and it cannot be disputed that, under the Act of 1890, the Court has the right to hear and determine question of property in trade marks.

*Ferguson, Q.C.*, in reply:—

The trade marks are not the same, and the information does not allege that they are. Again, the information does not allege that the Crown has any interest in the suit.

i.

BURBIDGE, J., now (March 24th, 1891) delivered judgment.

The information sets out that John DeKuyper & Son are the owners of certain trade marks and devices therein described, which were registered in the office of the Minister of Agriculture on the 21st April, 1875; that on the 2nd of April, 1884, the defendants obtained the registration in the said office of a trade mark that is an infringement on and an imitation of the registered trade marks and devices of the said John DeKuyper & Son, and which so resembles the latter as to be likely or calculated to deceive, and the registration of which conflicts with the registration of DeKuyper & Son's said trade marks and devices, and was effected through error and oversight; that application was made on behalf of John DeKuyper & Son to the Minister of Agriculture for the cancellation of registration of the defendants' trade mark, and that the Minister, having considered such application, decided that the matter thereof was a question for the decision of this Court, and so notified the parties according to law.

The information concludes with a claim for a decree that the

registration of the defendants' trade mark be cancelled as an infringement of the rights of the said John DeKuyper & Son, and as having been registered by error and oversight. The defendants demur to the sufficiency of the information, principally upon the ground that the Court has no jurisdiction to hear the matter or grant the relief prayed for, and it is admitted that if such jurisdiction is not conferred upon the Court by the Act of Parliament, 53 Vict. ch. 14, it does not exist.

Prior to the passing of that Act it was provided by the 11th section of The Trade Mark and Design Act, R.S.C. ch. 63, that if any person made application to register as his own any trade mark which had been already registered, and the Minister of Agriculture was not satisfied that such person was undoubtedly entitled to the exclusive use of such trade mark, the Minister should cause all persons interested in the matter to be notified to appear in person, or by attorney, before him with their witnesses, for the purpose of establishing who was the rightful owner of such trade mark, and that after hearing such persons and their witnesses, the Minister should order such entry or cancellation or both to be made as he deemed just. By an amending Act, 53 Vict. ch. 14, sec. 1, it is now provided that on such application the Minister shall cause all persons interested in the matter to be notified that the question is one for the decision of the Exchequer Court of Canada, and that no further proceedings shall be had or taken concerning such application until the rights of the parties have been declared and adjudged by such Court, or until the parties have agreed among themselves as to their respective rights; and by the second section of the Act last cited, the Court is given authority upon information in the name of the Attorney-General of Canada, and at the relation of any party interested, to declare the rights of the contesting claimants with respect to such trade mark. It will be observed that, so far as we have as yet seen, the jurisdiction vested formerly in the Minister and now in the Court is to determine which of two or more persons claiming to own a trade mark is entitled thereto.

By the 12th section of The Trade Mark and Design Act, R.S. C. ch. 63, it is provided that the Minister may object to register any trade mark in the following cases:—

- (a) If the trade mark proposed for registration is identical with or resembles a trade mark already registered;
- (b) If it appears that the trade mark is calculated to deceive or mislead the public;
- (c) If the trade mark contains any immoral or scandalous figure;
- (d) If the so-called trade mark does not contain the essentials necessary to constitute a trade mark properly speaking.

By the second clause of the 11th section of the Act last mentioned, it was provided that errors in registering trade marks and oversights in respect of conflicting registrations of trade marks might be corrected in a manner similar to that provided in the first clause of the section already cited at length; and by the 3rd section of the amending Act, 53 Vict. ch. 14, it is provided that errors in registering trade marks and oversights in respect to conflicting registrations of trade marks may be corrected by the Exchequer Court of Canada upon proceedings instituted therein as provided in section one of the Amending Act. Now, passing over the difficulty suggested that section one of the Act makes no provision for the manner in which such proceedings shall be instituted, unless, indeed, the notice from the Minister to the persons interested that the question is one for the decision of this Court can be considered a proceeding therein, we come to the more important question as to what are the errors and oversights which the Court may correct. By the first and second sections of the amending Act, the Court is given authority to declare the respective rights of persons where one has obtained registration of a trade mark of which the other claims to be the owner. It might, however, have happened that through error or oversight both parties had obtained registration, and then I think that the Court would have jurisdiction under the third section to hear and determine the question of ownership. It may be that under the 11th and 12th sections of the amended Act, R.S.C. ch.



63, the Minister might have gone further and have tried out questions as to whether one mark resembled another, or was calculated to deceive or mislead the public, or for any other reason in such 12th section mentioned, ought not to be registered or continued on the registry. But the Minister's powers under the 12th section of the Act last referred to are not in any way affected by the amending Act; and Parliament has not, at least in express terms, given the Court any jurisdiction in respect of such matters. The most that can be said, I think, is that the amending Act, taken as a whole, suggests that possibly Parliament intended to give to the Court all the jurisdiction formerly exercisable by the Minister under section 11 of the amended Act. But, having regard to the well established rules for the interpretation of statutes conferring a new jurisdiction on Courts, I ought not, it seems to me, to act on that surmise when I can otherwise give a reasonable meaning and effect to all the provisions of the Act.

Now, in the case before the Court, it is not alleged that the defendants have obtained registration of a trade mark of which DeKuyper & Son are the owners, but of one which is an infringement on, and an imitation of, that owned by the latter, and so resembling it as to be calculated to deceive. The questions are no doubt closely related, but the information appears to have been framed on the 12th and not on the 11th section of the Act, R.S. C. ch. 63.

The plaintiff will have leave to amend, and it is possible that the issues which the persons who are, in reality though not in name, the relators, wish to have determined, may, as suggested on the argument, be raised on an enquiry under the 11th section as to whether or not the two trade marks are, in their essential particulars, the same, and, if so, whether they are entitled to the exclusive use thereof. If the plaintiff amends, an opportunity will thereby be afforded to consider the objections taken to the form of the information, and which it has not become necessary for me to determine.

There will be judgment for the defendants on the demurrer with costs, and the plaintiff may amend upon the usual terms.

*Demurrer allowed with costs.*

Solicitors for plaintiff: *Abbotts, Campbell & Meredith.*

Solicitors for defendants: *Duhamel, Marceau & Merrill.*

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## [IN THE SUPREME COURT OF NOVA SCOTIA.]

ROBIN ET AL. V. HART.

(23 N.S. 316.)

*Trade-mark—Words sufficient to pass, in an assignment—Costs of unfounded charges of fraud.*

An assignment was made including, *inter alia*, all the concern or business carried on under the style and firm of R. & Co., and all merchandise, effects and premises, and all whatsoever may appertain or belong to the same or any part thereof. The good-will was also in terms included.

*Held*, that the words were sufficient to include a registered trade-mark used in the business.

Where the statement of claim alleged the defendants had fraudulently used the trade-mark, the costs of the issues of fraud found in favour of the defendants were allowed them.

MACDONALD, C.J., dissenting.

APPEAL from the judgment of RITCHIE, J., in favour of the plaintiffs in an action for the infringement of the plaintiff's trade mark. Plaintiffs were the liquidators of the firm of C. Robin & Co. The trade mark consisted of the letters "C.R.C.," surrounded by a border. The firm of Robin & Co., being unable to meet their liabilities, assigned to the plaintiffs their business, buildings, etc., "and all or whatsoever may appertain or belong to the same or any part thereof." Under this assignment, the plaintiffs claimed the exclusive right to the use of the trade-mark. Defendants admitted the use of the trade mark, but claimed that it was used unintentionally and inadvertently and without knowledge that it was the property of the plaintiffs. The judgment appealed from was as follows:

I find that the mark or brand "C. R. C." claimed as a trade mark by the plaintiffs has been used by the firm of C. Robin & Co. to designate and distinguish their packages of dry codfish shipped to the Brazil markets for at least 25 years before they made the assignment in March, 1896.

I am of opinion that under the "Trade Mark and Design Act" of Canada, that a combination of letters surrounded by a border can be registered as a trade-mark, it being within the terms of the Act which are very general, and differ materially from those of the English Act. . . . This is beyond dispute a mark, brand or label adopted for use by Charles Robin & Co., and applied by them to packages of codfish, packed and offered for sale by said firm, for the purpose of distinguishing such fish, and it is therefore a trade mark under the Act and entitled to a registration.

In my opinion the trade mark passed to the plaintiffs, Le Gros, De La Perelle and Collas, under the assignment of the 31st March, 1886, and the assignment did not require registration to enable them to sustain this action; *In re Hurshaw* (1886), 31 Ch.D. 323.

I find that the defendants infringed the trade mark in question, but without any fraudulent intention.

I give judgment against the defendants for nominal damages (one cent), and grant an injunction to restrain them and their servants and agents from infringing said trade mark;; *Upham v. Forrester* (1883), 24 Ch. D. 231. And because the defendants disputed the validity of the trade mark and the plaintiffs' right to it, I direct that the costs shall be paid by the defendants.

From this judgment the defendants appealed and the appeal was heard before McDONALD, C.J., WEATHERBE and TOWNSEND, JJ., on the 2nd of February, 1891.

*Borden, Q.C.*, and *Parker*, for the appellants.

*Newcombe*, for the respondents.

The following authorities were referred to:—*Thompson v. Eastwood* (1876), 2 App. Cas. 215; *Upham v. Forrester* (1883), 24 Ch.D. 231; *Clinch v. Financial Corporation* (1868), L.R. 5 Eq. 450; *Millington v. Fox* (1838), 3 My. and Cr. 338; *Leather*

*Cloth Co. v. American Leather Cloth Co.* (1865), 11 H.L.C. 546; *McCall v. Theal* (1880), 28 Gr. 48; *Partlo v. Todd* (1886), 12 O.R. 121; *McAndrew v. Bassett* (1864), 4 De G. J. & S. 383; *Bury v. Bedford* (1864), 4 De G. J. & S. 352; *Ex parte Foss* (1858), 2 De G. & J. 230.

July 10th, 1891. TOWNSHEND, J.:—The learned Judge who tried this cause has found that the trade mark in question has been used by the firm of Charles Robin & Co. for at least twenty-five years previous to their assignment in March 1886, and that it has been duly registered under the Trade Mark and Design Act of Canada and was capable of being so registered, in all of which findings I concur. The defendants' counsel at the argument strongly contended against his decision that the trade mark passed to the plaintiffs under the assignment. The argument pressed was that it contained no words which would cover such a right, and that, if such was intended, the words should be distinct and clear. I think, however, that there are expressions and words sufficiently distinct and comprehensive to include trade marks. The operative words of the assignment are:—"Of and in all that concern or business carried on under the style or firm of Messieurs Robin & Co., as aforesaid, and all, etc., etc., merchandise, effects and premises, and all and whatsoever may appertain or belong to the same or any part thereof." When it is remembered that the assignment also carries with it in terms the goodwill of the business, it seems to me we can come to no other reasonable conclusion than that it was intended to and does include the exclusive right to use this trade mark. In *Bury v. Bedford* (1864), 4 De G. J. & S. 352, it was held that words certainly no more definite in a creditors' deed covered a trade mark used in connection with the assignor's business.

Another objection was made at the argument, apparently not urged before the judge at the trial, that in the interpretation of the assignment we must be guided by the laws of Jersey, which were not proved. The objection cannot prevail in this case, as the property to be dealt with is located in Canada, and our rules of

law must govern in respect to all property and rights within the Dominion. This principle is well explained in *Lloyd v. Guibert* (1865), L.R. 1 Q.B. 122 and approved of in *Jacobs v. Crédit Lyonnais* (1884), 12 Q.B.D. 600. Willes, J., in delivering the judgment of the court, said:—

“It is, however, generally agreed that the law of the place where the contract is made, is *primâ facie* that which the parties intended, or ought to be presumed to have adopted as the footing upon which they dealt, and that such law ought therefore to prevail in the absence of circumstances indicating a different intention, as, for instance, that the contract is to be performed entirely elsewhere, or that the subject matter is immovable property situate in another country and so forth, which latter, though sometimes treated as distinct rules, appear more properly to be classed as exceptions to the more general one, by reason of the circumstances indicating an intention to be bound by a law different from that of the place where the contract is made; which intention is inferred from the subject matter, and from the surrounding circumstances, so far as they are relevant, to construe and determine the character of the contract.”

The learned Judge has further found that the defendants infringed the trade mark in question, but without any fraudulent intention. The defendants claim that, on the issue so found in their favour, they were entitled to costs, and that in that respect the decision should be varied. In the statement of claim, plaintiffs say: “(c.) That the said trade mark was forged or counterfeited by the defendants, or their order, and by them applied to said packages. (d.) The defendants fraudulently, with the intention and for the purpose of selling the same as and for plaintiffs’ fish, etc.” These are charges of a very serious character which have not been sustained by the evidence, and were not necessary for plaintiffs’ success.

In *Thomson v. Eastwood* (1877), 2 App. Cas. 215, the House of Lords under similar circumstances, made the plaintiff, who

succeeded in other matters, pay the costs where fraud was charged and not proved. Lord Cairns says:

“The course which has been taken, especially of late years, as to such charges, has been to dismiss so much of the bill as is founded on those charges of personal fraud and to dismiss it with costs. In *Clinch v. Financial Corporation* (1868), L.R. 5 Eq. 450, a similar course was pursued.”

The Vice-Chancellor says:—

“I think that these paragraphs were unnecessary, and formed no part of the history of the amalgamation, and that the additional increment of fraud which they attempted to establish in further disparagement of the position of the directors, is wholly unfounded. I must, therefore, give all the defendants their costs as far as they have been increased by these paragraphs of their bill.”

The case of *Upham v. Forrester* (1883), 24 Ch.D. 231, cited by Mr. Newcombe in reply, does not assist him. In that case there were no allegations of fraud by the plaintiffs.

\*     \*     \*     \*     \*

The defendants must, therefore, here pay the penalty of their wrongful use of plaintiffs' trade mark, because they disputed such right. In regard, however, to the charges of fraud and counterfeiting, and forgery in which they failed, I think, on the authority of the cases above cited, the order of the learned Judge should be so varied as to give the defendants their costs against plaintiffs in respect of the same. As I cannot see that the defendants were put to any additional costs by the joinder of the other plaintiffs, I agree with the order of the Judge refusing to give any. I am also of the opinion that the costs of the appeal in which an order was made on the 30th March, 1889, are settled by that order, and we cannot now reopen the question.

I am, therefore, of the opinion that the order for judgment must be so varied as to give the defendants their costs on the issues found in their favour, and in other respects the judgment should be confirmed. There will be no costs on this appeal to either party.

WEATHERBE, J., concurred, but with hesitation.

McDONALD, C.J.:—This was an action to restrain the defendants from using the trade mark to which the plaintiffs claim to be entitled and for damages. The plaintiffs have, in my opinion, fully established their right to the trade mark in dispute. It is proved, by uncontradicted evidence, that this trade mark was used by the firm of C. Robin & Co. for over thirty years on fish shipped by them to Brazil. The firm of C. Robin & Co., on the 31st of March, 1886, by an indenture duly executed, assigned and transferred to the plaintiffs all their right and interest in the said firm, and the business and property conducted and owned by them. The transfer covered, I think, the trade mark in question, which for further security, had been, on the 15th November, 1881, registered by the said C. Robin & Co., in Canada, under the provisions of the Trade Mark and Design Act of 1879. It is also proved, and I think, not denied, that the defendants (unintentionally, as they say) illegally used this trade mark on a cargo of fish shipped by them to Brazil, on the order of Norton, Megran & Co. of Rio de Janeiro, at whose instance and by whose instructions this trade mark was in this instance improperly used by the defendants. The plaintiffs' legal right is, therefore, clearly made out and I agree with the learned Judge who tried the cause that they are entitled to the injunction granted by him. I also agree that the plaintiffs have not proved substantial damage or loss to them to have resulted to them from the use of their trade mark on the cargo, although I must say I cannot well appreciate the indifference with which the defendants appear to treat this trade mark of so well known and eminent a firm of fish merchants as that of C. Robin & Co. . . . . It is quite clear that whatever the defendants thought of this trade mark its importance was deemed very considerable in Brazil.

The decision of the learned Judge as to the costs in the cause was challenged by Mr. Borden on the ground that the statement of claim charged the defendants with fraud, and he cited the



cases of *Thomson v. Eastwood* and *Millington v. Fox* (*ubi supra*). In the former the plaintiff charged the defendant with purposed and wilful coercion and fraudulent scheming in relation to their transactions in regard to matters in contest in the suit, which charges were not sustained by the evidence, and the Court held that, though the plaintiff was entitled to sustain his bill, they dismissed so much of the bill as charged fraud, with costs. In the latter case, which was for the invasion of a trade mark, as this is, the plaintiff having obtained his injunction with the consent of the defendants, who, the report says, did all in their power after the action was commenced to remedy the fault they had committed, insisted on proceeding to account, and for damages. Subsequently, on the trial, the plaintiff abandoned his claim for account and for damages, after he had forced a great deal of useless and unnecessary litigation. The defendants' letter, the Court said, was an entire abandonment of that which constituted the plaintiff's demand. I apprehend the case before us is not in any respect analagous to those cited. No moral imputation was cast on these defendants in the statement of claim, and the word fraud, where used, is manifestly in the sense of illegal or wrongful. There is no apology for the invasion of the plaintiff's property; there is no admission of his legal right to that property. On the contrary, that property is not only denied in the statement of defence, but that denial is carried to trial and argument. The plaintiffs were obliged, in the assertion of their legal rights, to incur the costs of trial and argument, and they are clearly entitled to them. The costs of an application to set aside pleas were, by the order made in chambers, to be costs in the cause. There was no appeal from that order, and I do not think we ought to reconsider that question of costs, even if we have the jurisdiction to do so. In my opinion the appeal should be dismissed with costs.

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**Notes:**

See *Notes to Provident Chemical Works v. Canada Chemical Manufacturing Co.*, *infra*, p. 423.

[IN THE EXCHEQUER COURT FOR CANADA.]

JOHN DEKUYPER & SON, PLAINTIFFS,

AND

VAN DULKEN, WIELAND & COMPANY, DEFENDANTS.

(S *Ex. C.R.* 88.)

*Trade-mark—Rectification of register—Relief for infringement—Jurisdiction of Exchequer Court, 54-55 Vict. ch. 35, and 54-55 Vict. ch. 26 (D.).*

The Court has jurisdiction to rectify the register of trade-mark in respect of entries made therein without sufficient cause either before or subsequent to the 10th day of July, 1891, the date on which the Act 54-55 Vict. ch. 35 (D.) came into force.

*Quære*, Has the Court jurisdiction to give relief for the infringement of a trade-mark where the cause of action arose out of acts done prior to the passage of 54-55 Vict. ch. 26 (D.)?

DEMURRER to a statement of claim whereby relief was sought for the purpose of cancelling the registration of a trade mark.

The questions arising upon the demurrer are stated in the judgment.

June 21st, 1892.

*Ferguson*, Q.C. (with whom was *Duhamel*) in support of the demurrer:—The Court has no jurisdiction to rectify any entry made prior to the 10th July, 1891, and the registration of the defendants' trade mark was made in 1884. Whatever jurisdiction the Court has in this matter has to be derived from the Trade Mark and Designs Act of 1891, 54-55 Vict. ch. 35, and not under The Exchequer Court Amendment Act, 1891. The former Act is not retrospective in its operation. Up to 1891 this Court had no power to compel the Minister of Agriculture to rectify the registration of any trade mark duly made. With reference to

the relief sought for the alleged infringement, I submit that the fact that the person aggrieved always had a convenient remedy in the Provincial Courts is one of the very strong reasons to urge against any retroactive effect being given to the new Act. The defendants have acquired a vested right under the old law to have the case tried by jury, and it ought not to be interfered with unless such interference is clearly and expressly authorized by the Legislature. (Cites *Wilberforce* on Statutes, pp. 161, 244; *Maxwell* on Statutes, pp. 257, 357; *Re Suche* (1875), 1 Ch. Div. 50; *Kimbray v. Draper* (1867), L.R. 3 Q.B. 160; *Endlich* on Statutes, p. 367; *Hardcastle* on Statutes, p. 195; *Ings v. Bank of P. E. Island* (1885), 11 Can. S.C.R. 265; *Fisher's Digest*, vol. 6, col. 2022; *Coats v. Kelly* (1887), 15 Ont. App. 81.

Again, the plaintiffs have not alleged anything to show that the registration of the defendants' trade mark was made without sufficient cause, and they have, consequently, not put themselves within the benefit of the remedy provided for by section 1 (12) of 54 & 55 Viet. ch. 35.

*Christie, Q.C., contra.*

The plaintiffs have a remedy in this Court, either under 54 & 55 Viet. ch. 35, or under 54 & 55 Viet. ch. 26. The defendants have acquired no property by their registration of the trade mark. It was laid down in the case of *Partlo v. Todd* (1887), 14 Ont. App. 444; 17 Can S.C.R. 196, that the fact of ownership is a condition precedent to the right to register under the Trade Mark and Design Act, and that if the party registering is not the owner he obtains no advantage by such registry and it may be cancelled. It is the very fact of lack of proprietorship on the part of the defendants that makes their registration a registration without sufficient cause within the meaning of the statute. We have a clear right under the statutes and authorities to an injunction restraining defendants from the use of the trade mark, and also to damages for the infringement. Cites *Bondier v. Depatie* (1883), 3 Dor. 233; *Sebastian* on Trade Marks, ch. vi.; *Smith v. Fair* (1887), 14 Ont. 729; *The Henrich Bjorne* (1885), 11 App. Cas. 270.

*Ferguson*, Q.C., in reply:—Plaintiffs do not allege that they are the owners of our trade mark. In their pleadings they set out two trade marks that are not the same. Clearly there cannot be an order pass to cancel our registration in view of this fact, and if there has been an infringement of the plaintiffs' trade mark, the cause of action in respect thereof arose prior to the passing of the statutes under discussion.

BURBIDGE, J., now (September 1st, 1892) delivered judgment.

The determination of the questions raised by the demurrer to the statement of claim in this case depends upon the construction to be given to certain provisions of two Acts of the Parliament of Canada, passed in the year 1891, to which I shall presently refer.

By the second clause of the 11th section of the Trade Mark and Design Act, R.S.C. ch. 63, sec. 11 (2), it was in substance provided that errors in registering trade marks and oversights in respect to conflicting trade marks might be corrected by the Minister of Agriculture, who for such purpose was to cause all persons interested in the matter to be notified to appear before him, in person or by attorney, with their witnesses. By the 21st section of the Act he had authority to correct clerical errors in the drawing up or copying of any instrument made under the preceding sections of the Act, and there can, I think, be no doubt that the power of rectification given by the 11th section was intended to be and was a substantial power. By virtue of it he might have determined the right to the exclusive use of a trade mark in any case where, through some error or oversight, two persons had obtained registration of the same trade mark, and I see no reason why, at the instance of a person interested, he might not have entertained an application to expunge from the registry an entry that ought not to have been made, and which, but for some error or oversight, would not have been made therein.

By the Act of 53 Vict. ch. 14, the jurisdiction theretofore vested in the Minister of Agriculture to determine, in certain cases, the right to the exclusive use of a trade mark was trans-

ferred to this Court; and by the 3rd section of the Act it was provided that errors in registering trade marks, and oversights in respect to conflicting registration of trade marks, might be corrected in this Court upon proceedings instituted therein in the manner provided in the first section of the Act. It happened, however, that the manner of proceeding in the Court, so far as the Act dealt with procedure, was defined in the second and not in the first section thereof. That was one difficulty. Then the only jurisdiction clearly conferred upon the Court was the authority to determine, in a proper case, the question of the right to the exclusive use of a trade mark, and in the case of *The Queen v. Van Dulken* (1890), 2 Ex. C.R. 304, which was in reality a proceeding between the parties to this action, I held that the Court had, as the law then stood, no jurisdiction to determine questions as to whether or not a trade mark ought not to be registered or continued on the registry, because it was calculated to deceive the public, or for such other reasons as were mentioned in the 12th section of the Act, R.S.C. ch. 63.

The Act 53rd Vict. ch. 14, was repealed by 54 & 55 Vict. ch. 35, and other provisions substituted therefor.

By the latter Act it was provided:—

11. The Minister of Agriculture may refuse to register any trade mark in the following cases:—

(a) If he is not satisfied that the applicant is undoubtedly entitled to the exclusive use of such trade mark;

(b) If the trade mark proposed for registration is identical with or resembles a trade mark already registered;

(c) If it appears that the trade mark is calculated to deceive or mislead the public;

(d) If the trade mark contains any immorality or scandalous figure;

(e) If the so-called trade mark does not contain the essentials necessary to constitute a trade mark, properly speaking.

2. The Minister of Agriculture may, however, if he thinks fit, refer the matter to the Exchequer Court of Canada, and in that event such Court shall have jurisdiction to hear and determine the matter, and to make an order determining whether and subject to what conditions, if any, registration is to be permitted.

It will be observed that to give the Court jurisdiction in such a case there must be an application to register a trade mark, the Minister must refuse to register, and he must refer the matter to the Court. But the statute does not stop there. By a subsequent provision, 54 & 55 Vict. ch. 35, sec. 1 (12), in terms substantially identical with those used in the 90th section of the English Act, 46 & 47 Vict. ch. 57, sec. 90 (1), to define the jurisdiction of the High Court of Justice, the Exchequer Court is given power, on the information of the Attorney-General or at the suit of any person aggrieved by any omission without sufficient cause to make any entry in the register of trade marks, or by an entry made therein without sufficient cause, to make such order for making, expunging or varying the entry as it thinks fit. By another Act passed in the same session, 54 & 55 Vict. ch. 26, sec. 4, the Court was, amongst other things, given jurisdiction as well between subject and subject, as otherwise, in all cases of conflicting applications for the registration of any trade mark, or in which it is sought to have any entry in any register of trade marks made, expunged, varied or rectified, and in all other cases in which a remedy is sought respecting the infringement of any trade mark. The Act 54 & 55 Vict. ch. 35, came into force on the 10th July, 1891, and 54 & 55 Vict. ch. 26, on the 30th day of September of the same year.

The objections raised by the demurrer are that the Court has no jurisdiction:—

1. To rectify any entry made in the registry of trade marks prior to the 10th July, 1891, or—

2. To give any other relief where the infringement complained of happened before the 30th of September of that year.

First, in respect to the rectification of the registry of trade marks there is no question that the jurisdiction conferred should in its exercise be limited to entries made after the statute came in force, unless it is clear, as I think it is, that Parliament intended the statute to apply to entries then already made. There is nothing in its language to show a contrary intention. The Court

may make, it is enacted, an order respecting an entry made in the register of trade marks without sufficient cause, 54 & 55 Vict. ch. 35, sec. 1 (12), and it is to have jurisdiction in all cases in which it is sought to have any entry therein made, expunged, varied or rectified, 54 & 55 Vict. ch. 26, sec. 4. This power of rectification was not in 1891 a new one. It had been exercisable by the Minister of Agriculture since 1868, 31 Vict. ch. 55, sec. 6, and the object of Parliament was to transfer that power to the Court, and perhaps to define it somewhat more explicitly, and to remove the doubts that had arisen as to the meaning of the Act of 1890. To apply the jurisdiction in question to cases where entries had been made before the 10th of July is not to interfere with any vested right, for the Act did not in this respect do more than substitute one tribunal for another, and no one could be said, I think, to have had any vested right to have his controversy determined in a proceeding before the Minister of Agriculture. On the other hand, to limit the jurisdiction to entries made in the register subsequently to July 10th, would be to take away and destroy the remedy that any person aggrieved by an earlier entry would otherwise have had for the protection of his rights. I am, therefore, of opinion that the jurisdiction of the Court in respect of the rectification of the register of trade marks may be exercised in respect of any entry made therein without sufficient cause, as well where such entry was made before the coming into force of the amending Act of 1891, as where it was made afterwards.

The second objection is not so much to the jurisdiction of the Court as to the character and extent of the relief that may be given to the plaintiffs, in case they are found to be entitled to relief. It is alleged in substance that the infringement complained of was continued during the year 1891, and consequently at a date subsequent to the passing of the Acts of that year to which reference has been made. At present, therefore, it is not necessary to express any opinion as to the Court's jurisdiction where in the case of an infringement of a trade mark the cause of action arises out of acts done prior to September, 1891, though

there is not wanting, it may be added, precedents for the exercise of jurisdiction in an analogous case: *The Alexander Larsen* (1847), 1 Wm. Rob. 288; *The Ironsides* (1862), 1 Lush. 458.

There will be judgment for the plaintiffs on the demurrer to the statement of claim, and with costs, upon payment of which the defendants may amend and plead.

*Judgment accordingly.*

Solicitors for plaintiffs: *Christie, Christie & Greene.*

Solicitors for defendants: *Duhamel & Merrill.*

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**Notes:**

See *Notes on Interpretation of the Trade Mark and Design Act, infra*, p. 442.

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## [IN THE SUPREME COURT OF CANADA.]

## DE KUYPER V. VAN DULKEN.

(24 S.C.R. 114.)

*Trade Mark—Prior User of a Design—Jurisdiction of Court to Restrain Infringement—Effect of—Rectification of Register.*

In the certificate of registration the plaintiffs' trade mark was described as consisting of "the representation of an anchor, with the letters 'J.D.K. & Z.' or the words 'John DeKuyper & Son, Rotterdam, & Co.' as per the annexed drawings and application." In the application the trade mark was claimed to consist of a device or representation of an anchor inclined from right to left in combination with the letters "J.D.K. & Z." or the words "John DeKuyper, &c., Rotterdam," which, it was stated, might be branded or stamped upon barrels, kegs, casks, boxes, capsules, casks, labels and other packages containing geneva sold by plaintiffs. It was also stated in the application that on bottles was to be affixed a printed label, a copy or *facsimile* of which was attached to the application, but there was no express claim of the label itself as a trade mark. This label was white and in the shape of a heart, with an ornamental border of the same shape, and on the label was printed the device or representation of the anchor with the letters "J.D.K. & Z." and the words "John De Kuyper & Son, Rotterdam," and also the words "Genuine Hollands Geneva," which it was admitted were common to the trade.

The defendants' trade mark was, in the certificate of registration, described as consisting of an eagle having at the feet "V.D.W. & Co.," above the eagle being written the words "Finest Hollands Geneva;" on each side "Van Dulken, Weiland & Co.," and the word "Schiedam," and lastly at the bottom the two faces of a third medal, the whole on a label in the shape of a heart (le tout sur une étiquette en forme de cœur). The colour of the label was white.

*Held*, affirming the judgment of the Exchequer Court, that the label did not form an essential feature of the plaintiffs' trade mark as registered, but that, in view of the plaintiffs' prior use of the white heart-shaped label in Canada, the defendants had no exclusive right to the use of the said label, and that the entry of registration of their trade mark should be so rectified as to make it clear that the heart-shaped label formed no part of such trade mark. Taschereau and Gwynne, J.J., dissenting on the ground that the white heart-shaped label with the scroll and its constituents, was the trade mark which was protected by registration, and that the defendants' trade mark was an infringement of such trade mark.

APPEALS from a decision of the Exchequer Court of Canada by John De Kuyper & Son, the plaintiffs in the action, and by Van Dulken, Weiland & Company, the defendants.

The action was begun in the Exchequer Court by statement of claim, on 19th January, 1892, after the coming into force of the Acts chaptered 26 and 35 of the Parliament of Canada, passed in 1891.

The plaintiffs complain in their action that the defendants' registered trade mark is an infringement and an imitation of that of the plaintiffs, and that the registration of the defendants' trade mark was improvidently allowed to be made, and they ask for a declaration and judgment accordingly, as well as for the cancellation of defendants' trade mark and for an injunction and for damages, and also for a declaration of ownership in favour of plaintiffs, apart from the registered title.

In 1875 plaintiffs applied for the registration of their trade mark under the Act then in force, viz., the Trade Mark Act of 1868.

The application was as follows:—

*To the Minister of Agriculture,  
Ottawa.*

SIR,—I, John De Kuyper, for and on behalf of the firm of John De Kuyper & Son, carrying on business as distillers in Rotterdam, Kingdom of the Netherlands, hereby furnish a duplicate copy of a trade mark, which I verily believe is the property of our firm on account of having been the first to make use of the same.

The said trade mark consists of a device or representation of:

On the casks containing our Geneva is marked near or under bung, hot iron brand



J. D. K. & Z.

is painted in black letters

and on one head



JOHN DEKUYPER AND SON.

ROTTERDAM.

On the cases and boxes on the fore-side right hand is painted,  
in white letters,

JOHN DEKUYPER AND SON.



and amid at the foot, in an unpainted spot, in hot iron brand



J. D. K. & Z.

On the bottles is affixed a printed label,



and the corks waxed green and sealed with the seal



The whole or any part thereof forming our trade mark. The said device may be branded or stamped upon barrels, kegs, cases, boxes, capsules, corks, labels and other packages containing Geneva sold by us, and I hereby request the said trade mark to be registered in accordance with the law.

In testimony thereof I have signed in the presence of the two undersigned witnesses at the place and date hereunder mentioned.

Witnesses:

(Sgd.) Charles De Kuyper. } (Sgd.)  
 " Jacob Van der Plas. } JOHN DE KUYPER.

ROTTERDAM, 3rd March, 1875.

The trade mark was duly registered and the Minister through his deputy forwarded to plaintiffs the following certificate of registration:—

This is to certify that the trade mark which consists of the representation of an anchor with the letters J. D. K. & Z. or the words John De Kuyper, Rotterdam, etc., etc., as per the annexed drawings, and application has been registered in

“The Trade Mark Register No. 4, Folio 666,”

in accordance with the “Trade Mark and Design Act of 1868.”  
 By John De Kuyper, one, and on behalf of the firm

JOHN DE KUYPER & SON,

of Rotterdam, Kingdom of the Netherlands, on the 21st day of April, 1875.

Department of Agriculture, }  
 Ottawa, Canada, this 21st } (Sgd.) J. C. TACHE,  
 day of April, A.D., 1875. } Deputy Min. of Agr.

The defendants applied for registration of their trade mark, under the Act of 1879, as follows:—

Au Ministre de l'Agriculture,  
Branche des marques de Commerce et des droits d'Auteurs,  
Ottawa.

Je, Damase Masson, de la Cité de Montreal, Comté d'Hoche-  
lage, un des représentants au Canada de la maison Van Dulken,  
Weiland & Co., de Rotterdam, Hollande, et autorisé par eux,  
transmets ci-joints copies en double d'une Marque de Commerce  
Spéciale (conformément aux clauses 9 et 10 de l'Acte des Marques  
de Commerce et des Dessins de Fabrique de 1879) dont je ré-  
clame la propriété parce que je crois sincèrement qu'ils en sont  
les véritables propriétaires.

Cette marque de Commerce Spéciale consiste en un Aigle  
ayant à ses pieds V. D. W. & Co. au-dessus de l'aigle sont écrits  
les mots "Finest Hollands Geneva;" de chaque côté sont les deux  
faces d'une médaille; en dessous sur une guirlande le nom de la  
maison, "Van Dulken, Weiland & Co.," puis le mot "Schiedam"  
et enfin au bas les deux faces d'une troisième médaille. Le tout  
sur une étiquette en forme de cœur.

Je demande par ces présents l'enregistrement de cette marque  
de commerce spéciale conformément à la loi.

J'inclus un Mandat de Poste No. 7852, montant de la taxe  
de \$25 requise par la clause 12 de l'Acte précité.

En foi de quoi j'ai signé en présence de deux témoins, sous-  
signé aux lieu et date ci-dessous mentionnés.

Montréal, 27 Mars, 1884.

Témoins:

(Sgé.) L. P. PELLETIER, }  
H. P. BRUYERE. }

(Sgé.) D. MASSON.

Ottawa, 7th January, 1893. }

Attested,

J. LOWE,

Dep. of the Min. of Agr.

OTTAWA, 7th January, 1893.



Attested:  
J. LOWE,  
Deputy Min. of Agr.

This was also duly registered, and the following certificate of registration forwarded to defendants:—

“CANADA :

Les présentes sont à l'effet de certifier que la Marque de Commerce (Spéciale) laquelle consiste en un aigle ayant à ses pieds VD. W. & Co., au-dessus de l'aigle sont écrits les mots 'Finest Hollands Geneva'; de chaque côté sont les deux faces d'une médaille; en dessous, sur une guirlande, le nom de maison 'Van Dulken, Weiland & Co.,' puis le mot 'Schiedam,' et enfin au bas les deux faces d'une troisième médaille, le tout sur une étiquette en forme de cœur tel qu'il appert par l'étiquette et la demande ci-contre.

A été enregistré au 'Régistre des Marques de Commerce No. 10, Folio 2242.' Conformément à 'l'Acte des Marques de Commerce et Dessins de Fabrique de 1879,' par Van Dulken, Weiland

& Co., de Rotterdam, Hollande, ce 2ème jour d'avril, A.D., 1884.

Ministère de l'Agriculture (Branche des )  
 Marques de Commerce et Droits d'Auteurs.) }

J. LOWE,

*Deputy of the Minister of Agriculture.*

Ottawa, Canada, ce 7ème jour de janvier, A.D., 1893.

The Exchequer Court held that the heart-shaped label was not an essential part and feature of plaintiffs' registered trade mark, and that defendants were not entitled to claim or to register a heart-shaped label as an essential feature of their trade mark (which the judgment declared they had done); and ordered that the registration of their trade mark should be varied by striking out therefrom the words "en forme de cœur;" and further ordered the defendants to pay the general costs of the action and of the issue upon which the variation of defendants' registration was directed; but giving no other relief to the plaintiffs.

The plaintiffs appealed from the whole judgment, and the defendants from that portion of it which directs the registration of their trade mark to be amended, and which orders them to pay the general costs of the action; and they also appealed from the judgment on the question raised by the demurrer in the first instance and again at the trial as to the jurisdiction of the court and the insufficiency in law of the case as alleged by the plaintiffs.

The two appeals were argued together.

*Abbott, Q.C., Campbell* with him, for the plaintiffs.

We appeal from that part of the judgment of the Exchequer Court which holds that the plaintiffs' trade mark cannot be protected except so far as registered, and that all that was registered was the anchor and the name of the firm; and we also claim that more of the defendants' label should have been cancelled.

In the first place, the most striking feature in the whole device is the shape and arrangement. The heart-shaped scroll is



of itself unusual, whether upon a label cut of that shape or not. Then the scroll-work, it will be observed, is parallel to the cut border of the label, and therefore accentuates its effect. In the second place, the scroll work itself is constructed in a peculiar and identical way in the two labels, that is to say, it consists of a similar alternation of one oval and two round links. The next point of similarity is the way in which in the one case the words "Genuine Hollands," and in the other the words "Finest Hollands," are placed in a curve in the upper portion of the label in identical type and with a scroll beneath. Then the printing of the word "Geneva" is in similar type, and the type itself is of an unusual character, that is to say, whilst the letters are in black, there is a line of shading drawn round the margin of each letter at a certain distance from it, which undoubtedly has the effect of catching the eye. Then the name of the makers is affixed on a curved scroll or ribbon similarly arranged and in the same position in each label. In fact, all the constituent parts of the labels occupy the same relative positions in each with the result that the *tout ensemble* or general appearance of the two labels constitutes a striking resemblance, with part differences in the details which would not be noticed by an ordinary purchaser. To sum up, the defendants' label is of the same shape, the same colour, the same size and the same general design as the plaintiffs, and contains similar words and devices, which, though differing in detail, are combined in such a manner as to give the same appearance.

An examination of the two labels will show the marked similarity, not only in general effect, but in detailed work, between them.

The statute authorized the plaintiffs to register a label, and in the present case they did actually produce a label.

The label is far more explicit than any descriptive words. The actual drawings and written description, however, to-day stand registered in the books of the department, as appears by the evidence of the custodian of the original. This evidence is

sufficient to clear away the ambiguity of the deputy minister's certificate relied on by the court below, if any there be, for if the minister register, as he was bound to do under the statute, and as this certificate shows he did in this case, neither he nor his deputy, by limiting the form of the certificate, could take away the rights of the parties. Nothing could give to any person examining the books a better idea as to what the plaintiffs' label really was than the label itself, and as this certificate shows he did in this case, neither he nor the deputy, by limiting the form of the certificate, could take away the rights of the parties. Nothing could give to any person examining the books a better idea as to what the plaintiffs' label really was than the label itself, and this was actually attached to and formed part of the description and is the best drawing possible. It is therefore erroneous to say that the certificate limits them to their name or initials and the anchor, or that they have accepted any such limitation, if by acceptance is meant that they have acquiesced and are in some way estopped now from rejecting it. See Fouillet on Trade Marks, No. 37. *Pinto v. Badman* (1891), 8 Cutler's Pat. Cas. 181.

Further, upon a strict application of the rules of pleading as enforced under the Judicature Acts, which are the rules in force in the Exchequer Court, the issue raised by the defendants did not go to the question of the actual registration of the label, and it must be held to be admitted that all they say is that we are not entitled to the exclusive right of issuing this white heart-shaped label.

Under the circumstances, looking at both labels which are in evidence, we cannot come to any other conclusion than that any ordinary, incautious person would be deceived; that we are "an aggrieved person" and entitled to contend that the defendants' label was wrongly on the register, and that a judgment should be entered ordering the cancellation of the defendants' trade mark. *Ealeson v. Vick* (1854), 18 Jur. 7; *Seixo v. Provezende* (1866), 12 Jur. N.S. 215. *Powell v. Birmingham Vinegar Co.*, [1894] A.C. 8.

*Ferguson, Q.C., and Merril*, for defendants.

Our first point is that the heart-shaped label of the plaintiffs was not registered, and that issue has been clearly raised by our defence. This point has been found in our favour, but the Court went further and held that under the Exchequer Amendment Act of 1891 our trade mark should be corrected, as the heart-shape was in public and common use, and that part of the judgment we object to by our appeal. The jurisdiction of the Exchequer Court is confined to causes of action arising out of registered trade marks or with regard to trade marks which it is sought to register or to amend the registration of.

Infringement or imitation by defendants of the plaintiffs' trade mark must, in order to create a cause of action over which this court would have jurisdiction, be an infringement or imitation of plaintiffs' registered trade mark. The only imitation or infringement in reality complained of by the plaintiffs is the adoption by the defendants of a heart-shaped label as part of their registered trade mark and the use of it by them in their business.

There is no statement by any witness that the plaintiffs were the owners, or were the first to use the heart-shaped label. No member of plaintiffs' firm gave any evidence at all in the case; and the declaration filed on their application to register their trade mark does not state that they were the sole owners of the right to use this shape of label as a trade mark, or as a part thereof, or that they had first used it; whilst, on the other hand, there is ample evidence to show that such a shaped label had been used by other manufacturers of gin for years, without question or objection on plaintiffs' part.

The Court should not by implication or inference read into the claim for, or record of the registration of, a trade mark elements or features not expressly claimed in the application for registration as a part of the mark, or not expressly mentioned in the certificate of registration as being a part of the trade mark.

There is not the slightest reference in the certificate granted

by the department to a label of any kind as being a part of the trade mark, but the mark is referred to as consisting of "the representation of an anchor," with certain letters and words. The anchor is apparently the essential and really the only distinctive device in the trade mark, the words or letters being merely descriptive and used in connection with the anchor, the only reference to a label being the same as is made to stamping or branding, that is to indicate how the trade mark may be put upon bottles to take the place of branding or stamping in applying it to other packages.

Apart from the heart-shape of the label the plaintiffs do not seriously pretend that the defendants' registered trade mark is an imitation or infringement in any respect of the plaintiff's trade mark.

The learned counsel referred to R.S.C. ch. 63, sec. 19.

January 15, 1894. The judgment of the majority of the Court, the CHIEF JUSTICE, and SEDGEWICK and KING, JJ., was delivered by:—

KING, J.:—This is an action in the Exchequer Court to restrain defendants from infringing plaintiffs' trade mark. Both parties reside in Holland and are distillers of gin.

In 1875 plaintiffs applied for the registration of their trade mark under the Act then in force.

In 1884 the defendants applied for registration of their trade mark under the Act then in force.

What is in contest in this action is the label as used by the respective parties upon the bottles containing their gin.

The plaintiffs contend that their registered trade mark, as applied to bottles, consists in a heart-shaped label "upon which, around and parallel to the border is printed a scroll, also heart-shaped, with, at the top, in the semi-circle at each side of the heart, the word "genuine" on the one side, and "Hollands" on the other, with a slight scroll underneath each word; across the top of the centre of the label the word "Geneva," in large letters, beneath which are the anchor and letters as in the hot iron

brand with a flourish on each side of the anchor, and on the bottom part of the centre of the label the words "John De Kuyper & Son," below which is the word "Rotterdam," and below that a leaf pattern.

They complain that defendants' label is in its essential particulars the same as the said trade mark of plaintiffs, and is an infringement on and an imitation of the registered brands and trade marks of the plaintiffs, and so resembles the same as to be likely or calculated to deceive and to mislead the public, both by reason of its shape and colour (white), and the scroll, garland and words upon it, and its general appearance, and because that the registration of it conflicts with the registration of the brands and trade marks of plaintiffs, and was made without sufficient cause.

The defendants deny that the plaintiffs are entitled to the exclusive right to use a heart-shaped label either by virtue of the registration of their trade mark or by prior ownership, and allege that heart-shaped labels were in common and general use in the spirit trade long prior to plaintiffs' registration. They also allege that the essential features of plaintiffs' trade mark, and those by which plaintiffs' Holland gin was known, are the design of the anchor and the name "De Kuyper," while the essential and distinctive features of defendants' trade mark are the design of the eagle and the name "Weiland," and that neither the heart-shape of the label or the scroll, either separately or together, are essential features by which either plaintiffs' or defendants' gin is known or asked for in the market. They allege that the essential features of the trade marks are different, and that defendants' trade mark is in no respect calculated to mislead or deceive the public, etc.

The learned Judge of the Exchequer Court was of opinion that the essential particular of plaintiffs' trade mark is the anchor in combination with the letters J. D. K. & Z., or with the words, John De Kuyper & Son; Rotterdam, and that the plaintiffs had not claimed to register a label, or claimed the form of the label as part of the trade mark.

He also thought that the differences between the labels were such as to prevent persons of reasonable care and caution from mistaking one for the other, while at the same time holding that "the fair inference from the facts and circumstances disclosed by the case is that the defendants, while not perhaps attempting to sell their Geneva as that of the plaintiffs, thought to gain a trade advantage by adopting and using a label which in shape and colour resembled that used by the plaintiffs, though otherwise distinguishable from it."

The learned Judge, therefore, declined to give plaintiffs the relief asked for, but at the same time declared that the defendants were not entitled to claim or to register as an essential feature of their trade mark a heart-shaped label, as they had done in their application, and ordered that the entry of the registration of defendants' trade mark be varied by striking therefrom the words "en forme de cœur." Ordering also that defendants pay the general costs of the action and of the particular issue involved in the paragraph respecting the form of defendants' trade mark.

Both parties have appealed, each from so much of the order as is against them respectively.

First, as to plaintiffs' appeal. What is plaintiffs' registered trade mark? And has it been infringed by defendants? A label is a vehicle for a common law trade mark rather than a common law trade mark of itself. But by 31 Vict. ch. 55, the Trade Mark Act of 1868, it is enacted that "for the purposes of the Act, all marks, names, brands, labels, packages or other business devices which may be adopted for use by any person in his trade, etc., for the purpose of distinguishing any manufacture, product or article by him manufactured, produced, etc., packed or offered for sale, no matter how applied, whether to such manufacture, product or article or to any package, parcel, case, box or other vessel or receptacle containing the same shall be considered and known as a trade mark and may be registered, etc."

The conditions and mode of registration are defined in sec.

1. The Minister of Agriculture, it is enacted, shall keep a trade

mark register in which any proprietor of a trade mark may have the same registered by depositing with the Minister a drawing and description in duplicate of such trade mark together with a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof, and the Minister, on receipt of the fee thereafter provided, shall cause the trade mark to be examined to ascertain whether it resembles any other trade mark already registered; and if he finds that such trade mark is not identical with, or does not so closely resemble as to be confounded with, any other trade mark already registered, he shall register the same and shall return to the proprietor thereof one copy of the drawing and description with a certificate signed by the Minister or his deputy, to the effect that the trade mark has been duly registered in accordance with the provisions of the Act, etc."

The fee referred to is provided by section 28, and is the sum of \$5 on every application to register a (design or) trade mark, including certificate.

The Act seems to contemplate that but one trade mark shall form the subject of any single application. The plaintiffs' contention is that at least two distinct trade marks formed the subject of their application, that consisting of the anchor with name or initials, and that consisting of the label.

As already stated, the Act authorizes the registration of a label as a trade mark. In such case it would appear requisite that the label should, in analogy with the general law of trade marks, have a distinctive character. It would be only thus that the person could be said to be proprietor of it.

In the case of a label registered as a trade mark the trade mark does not lie in each particular part of the label, per Lord Esher in *Pinto v. Badman* (1891), 8 Cutler Pat. Cas. 181, but in the combination of them all.

In the case before us, if the plaintiffs have registered their label they are to be protected against any imitation with mere colourable variations of the label as a whole. If it is registered and if it has been imitated in a way calculated to deceive ordin-

ary purchasers of the article, the rights of the plaintiffs as the holders of the registered trade mark are to be protected.

I must say that from looking at the two labels I am inclined to go further than the learned Judge, and to hold that defendants' label is calculated to deceive persons into thinking that they are purchasing the goods of the plaintiffs. Upon the evidence I think that the defendants' label was prepared for the purpose of coming as closely as defendants thought they could safely come to that of the plaintiffs. Although Anderson's evidence was broken down to some extent, the fact that defendants sought and obtained a commission for the express purpose of contradicting it, and then did not follow it up, leads me to place some reliance upon it. The learned Judge has himself said that defendants sought to get a trade advantage by using a label which in shape and colour resembled that used by plaintiffs. What trade advantage would there be in it unless the shape and colour were associated in the minds of the ordinary purchasers with goods of the plaintiffs?

In my opinion Courts ought not to hesitate to defeat tricks of trade whenever brought in question.

But then comes the most serious question in the case, viz., whether the plaintiffs' label was registered as a trade mark.

That they intended to register the anchor with name or initials there can be no question. Did they also intend to register another trade mark, *i.e.*, the label? And if so, did they meet the requirements of the Act in reference thereto?

The application wherever it uses definite language points to a single trade mark as its subject. Thus the applicant, one of the plaintiff firm, says: "I hereby furnish a duplicate copy of a trade mark which I verily believe is the property of our firm on account of having been the first to make use of the same."

Then it is said in the application that "the said trade mark consists of a device or representation." I omit for the present a reference to what is so shown as a device or representation, merely drawing attention to what is stated in plain language. Then it is added that "the whole or any part thereof forms our



said trade mark," and that "the said device may be branded or stamped upon barrels, kegs, cases, boxes, capsules, corks, labels, and other packages containing Geneva sold by us, and I hereby request the said trade mark to be registered in accordance with law." All this points to a single device, a single representation, a single trade mark; and the affirmation required by the statute is of the firm's ownership and first use of a trade mark, not of two or more trade marks. It is true that a representation is given of the label, which is heart-shaped, and has certain words and scrolls arranged in a certain way upon it, and it is not entirely easy to see why this should have been represented at all if it was not intended to register the label. But, on the other hand, the label has shown upon it the distinctive device of the anchor, with initials and name, which form the essential feature of the trade mark indisputably intended to be registered for use at least on casks, cases, boxes, etc., and it may be that the label was shown as indicating the way in which the anchor trade mark was accustomed to be, and was proposed to be, used upon bottles, just as the colour of the wax on the corks is mentioned: "and the corks green waxed and sealed with the seal

JOHN DE KUYPER & SON,  
J. D. K. & Z."

At all events, the applicant has left the matter in some doubt as to what he intended. This being so, let us see how it was treated by others and by himself. The minister gave a certificate of registration, treating the application as one for the registration of a single trade mark, describing it as an anchor with the name or initials, and the plaintiffs acquiesced in this for years. This has a clear bearing on the question of intention.

But, further, the Act requires as a condition of registration that the applicant shall deposit with the Minister a drawing and description, in duplicate, of such trade mark. Two things are required, a drawing and a description. The section speaks twice of both a drawing and a description. Here there is a drawing but no description, for the word description, as distinguished

from drawing, means a verbal description. It is true that in many cases a drawing would be self explanatory and of itself quite as plain as a verbal description, but in other cases this might not be so, and the statute in all cases requires both drawing and description.

It is true, as I mentioned to counsel on argument, that such objection would appear to lie against the anchor as a trade mark as well as the label. But really this is no answer. It was sufficient for Mr. Ferguson to say that he was not attacking the anchor as a trade mark. The objection is one of substance, for it is an objection that the Act has not been complied with. And further, if the proposed trade mark or trade marks had been described, there would have been no doubt as to what was intended, and if the label as a proposed trade mark had been described we should have seen that, notwithstanding the apparent intention to claim one trade mark, what was sought to be registered was not a single trade mark, but two trade marks.

But this was not done. The omission to give a description was apparent at once in the certificate of the minister. He took it that what was intended to be registered was the anchor and name or name or initials, and again, I beg leave to repeat, the plaintiffs have for years acquiesced in this departmental view of it. I conclude, therefore, that the label as a trade mark was never duly registered, and that plaintiffs' appeal should be dismissed.

Next, as to the cross-appeal by defendants. The case of *Powell v. Birmingham Vinegar Co.*, [1894] A.C. 8, cited by Mr. Abbott, shows that the plaintiffs are within the proper meaning of the term *aggrieved parties*. As to the other points involved in the cross-appeal, I am upon the whole inclined to think that the order should not be disturbed.

By reason of its merely colourable variation from a known, though not registered, label of the plaintiffs, I think that the defendants were not really proprietors of it.

In the result both appeals should, in my opinion, be dismissed.

TASCHEREAU, J.:—This case comes up upon appeals by the plaintiffs and defendants respectively.

The parties are both gin manufacturers in Holland and large exporters to Canada. The matter in dispute between them is the question of the right to a trade mark. Since the year 1865, the plaintiffs have used upon the ordinary square black bottle, in which Holland gin is sold in this country, a white, heart-shaped label which is undoubtedly a striking label used in the way in which it is. On the 21st April, 1875, they registered this label under the Act of 1868. The defendants at one time used an entirely different shaped label, but on the 2nd April, 1884, they registered under the Act of 1879 a white, heart-shaped label which the plaintiffs say is an infringement upon their trade marks.

The plaintiffs set forth in their statement of claim the deposit by them in duplicate with the Minister of Agriculture, in the usual way, of the drawings and description in duplicate of their trade mark, and allege that they were the sole proprietors of the mark for years previously, and acquired by the registration a further exclusive statutory right to the same, and that the label was well known and of great advantage to them in their business, that in 1884 the defendants registered their mark, which plaintiffs say is in its essential features the same, and so resembles the plaintiffs' mark as to be likely or calculated to deceive and mislead the public, both by reason of its shape and colour, and the work upon it and its general appearance, and they allege that the registration of it was made, in the words of the statute, without sufficient cause. They ask to be declared the owners, that the defendants' label be declared an infringement, that an injunction issue against them, that the judgment order the cancellation of the defendants' trade mark, and that they have such other relief as may seem just.

The defendants answer that the plaintiffs have not got an exclusive right to the heart-shaped label by virtue of the registration of their said trade mark, or by prior ownership of such heart-shaped label, alleging that heart-shaped labels were in common and general use in the spirit trade long prior to the alleged

registration by the plaintiffs of their trade mark. They go on to say that only in respect of the shape of the label and the words "Hollands" and "Geneva" do the marks resemble each other, and that those words are descriptive; that the essential features of the trade mark of the plaintiffs is really the design of the anchor and the name of De Kuyper, whilst the distinctive features of their trade mark are the design of the eagle and the name "Weiland," and that neither the heart shape of the label, the colour of the label, or the scroll are essential features; and they deny that their mark is calculated to deceive. They allege that they are entitled to the full enjoyment of their mark, which they have enjoyed, they say, for more than twenty-five years, and they allege knowledge on the part of the plaintiffs, and laches and delay in seeking relief.

By their reply the plaintiffs say that they are entitled to the exclusive use of the heart shape, as set forth in their claim, and deny that labels of that shape were in common and general use in the spirit trade prior to the registration. They further say that the whole label, as described by them, is essential, and that their gin was and is particularly known by the shape of its label, but that the essential and distinguishing feature by which the defendants' gin is known was the design of the eagle and the name, but say that by the adoption of the white heart shape with the scroll, in the plaintiffs' statement of claim referred to, the same has become liable to be sold in the place of the plaintiffs' Holland gin, and the public thereby deceived and misled.

I may here incidentally remark that no attempt has been made by the defendants to prove their allegation that heart-shaped labels were in common and general use in the spirit trade prior to the registration by the plaintiffs of their trade mark, or that they themselves have used the heart-shaped label for upwards of twenty-five years.

These two allegations must, therefore, be dropped out of consideration.

By the evidence, it appears that the way this gin trade is car-

ried on, and how the plaintiffs suffer from the defendants' dealing, is as follows:—

The gin is shipped out from Holland in wooden cases containing a dozen or more bottles. On the outside of these cases there is nothing to show what sort of label is on the bottles. The cases are generally branded with initials and some kind of mark, the plaintiffs branding one of their registered brands on their boxes, and the defendants an eagle on theirs. In the wholesale trade, therefore, attention is not called to the labels. The different qualities of the gin are distinguished by the colours of the boxes, and the goods are known by their names. It is not contended by the plaintiffs that the wholesale trade are liable to be deceived. What they say is, that the goods, when taken out of the cases and exposed for sale, are liable to be mistaken one for the other. A given number of bottles of their gin are more expensive than a similar number of bottles of the defendants' gin, and contain more gin, leaving aside the question of quality. The gin is sold by the retailers in two ways, first by the whole bottle, and secondly by the glass. When sold by the glass it is usual to hand down the bottle to the customer. Sometimes gin from casks is put into bottles with the labels affixed and handed down in that shape. The retailers have two distinct interests in passing off the defendants' gin instead of the plaintiffs'; in the first place, if they sell it by the bottle, they have paid less for the bottle than they would for similar bottles of the plaintiffs' gin. The bottles look as if they contain the same quantity, but, as a fact, the defendants' bottles contain less, and, therefore, the retailer makes more money by the transaction than he otherwise would do; secondly, if the goods are sold by the glass, over the counter, the cheaper quality of the defendants' gin gives him a greater profit, if he can get the same price for it per glass, and as long as he sells the defendants' gin in the defendants' bottles, under their label, he avoids committing an offence which he would commit, were he to sell the defendants' gin in the plaintiffs' bottles.

The judgment of the Exchequer Court finds that there might be, and probably was, a number of the purchasers of gin who

would be likely to be misled and deceived by the general resemblance of the two labels; that the plaintiffs' was well known and had acquired a reputation throughout the Province, and was known in some sections and amongst some classes by the heart-shaped label; and that the fair inference from the facts and circumstances disclosed by the case is that the defendants, while not perhaps attempting to sell their Geneva as that of the plaintiffs', thought to gain a trade advantage by adopting and using a label which in shape and colour resembles that used by the plaintiffs, though otherwise distinguishable from it. The Court, however, concluded that it had no jurisdiction to restrain the defendants unless the use of the labels or devices constituted an infringement of a registered trade mark, and upon a consideration of the registered documents, determined that the shape had not been claimed by the plaintiffs as a part of their marks. The injunction was therefore refused, but a rectification in the entry of the defendants' trade mark was ordered by striking out therefrom the words *en forme de cœur*. Is the heart shape of the label a registered part of the plaintiffs' trade mark? is the question raised by them on their appeal. I am of opinion that it is; that the heart shape is an essential feature of it, and that there is error in that part of the judgment of the Exchequer Court which holds that nothing was registered by the plaintiffs but the anchor and the names or initials of their firm. The most striking feature in the whole device of the plaintiffs' trade mark, it seems to me, is the shape and arrangement: Pouillet des Marques de Fabrique 45. The heart-shaped scroll of itself is unusual, whether upon a label cut of that shape or not. Then the scroll work is parallel to the cut border of the label, and therefore accentuates its effect. And the scroll work itself is constructed in a peculiar and identical way in the two labels, that is to say, it consists of a similar alternation of one oval and two round links.

The next point of similarity is the way in which in one case the words "Genuine Hollands," and in the other the words "Finest Hollands," are placed in a curve in the upper portion of the label in identical type, and with a scroll beneath. Then

the printing of the word "Geneva" is in a similar type, and the type itself is of an unusual character, that is to say, whilst the letters are in black there is a line of shading drawn around the margin of each letter, at a certain distance from it, which undoubtedly has the effect of catching the eye. Then the name of the makers is affixed on a curved scroll or ribbon similarly arranged, and in the same position in each label. In fact, all the constituent parts of the labels occupy the same relative positions in each, with the result that the *ensemble* or general appearance of the two labels constitutes a striking resemblance, with part differences in the details which would not be noticed by an ordinary purchaser. To sum up, the defendants' label is of the same shape, the same colour, the same size, and the same general design as the plaintiffs', and contains similar words and devices, which, though differing in detail, are combined in such a manner as to give the same appearance.

An examination of the two labels will show the marked similarity, not only in general effect, but in detailed work, between them.

Now, when the plaintiffs deposited that heart-shaped label to register a trade mark, they clearly, it seems to me, claimed the shape as a part of their trade mark.

The Act 31 Viet. ch. 55, under which the plaintiffs proceeded, provides that the proprietor of a trade mark might have the same registered by depositing with the Minister a drawing and description, in duplicate, of such trade mark, together with a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof. The Minister was to cause the trade mark to be examined, to ascertain whether it resembled any other trade mark already registered, and if he found that the same was not identical with and did not so closely resemble as to be confounded with any other mark already registered, he should register the same. By section two, he had power to make regulations and adopt forms for the purposes of the Act, and all documents executed according to the same and accepted by the Minister were to be held valid so far as relates to

the official proceedings under the Act. By section three, for the purposes of the Act, marks, names, brands, labels, packages or other business devices which might be adopted for use by any person in his trade . . . for the purpose of distinguishing any manufacture . . . should be considered and known as trade marks, and might be registered for the exclusive use of the party registering the same, and thereafter he was to have the exclusive right to use the same. It is to be noted that the depositing of the drawing and description is the only act required of the party effecting registration, except the declaration that the same was not used by any one else. It is a condition precedent apparently that the party registering is to be the proprietor of the mark. The Minister's duties are to examine the trade mark, and if he finds that it is not identical with, and does not closely resemble, any other, he is bound to register it. No provision is made for his altering or modifying it in any way. In the present instance the defendants sought to make an argument out of the words of the Deputy Minister's certificate. It is true that the Deputy Minister certified to the registration of this mark in terms that at first sight appear to be ambiguous. It reads as follows:—  
"This is to certify that this mark, which consists of the representation of an anchor with the letters J. D. K. & Z. or the words John De Kuyper & Son, Rotterdam, etc., etc., as per annexed drawings and application, has been registered, etc., etc."  
The actual drawings and written description however to-day stand registered in the books of the department, as appears by the evidence of the custodian of the original. This evidence is sufficient to clear away the ambiguity of the Deputy Minister's certificate, if any there be, for if the Minister register, as he was bound to do under the statute, and as this certificate shows he did in this case, neither he nor his deputy, by limiting the form of the certificate, could take away the rights of the parties. Nothing could give to any person examining the books a better idea as to what the plaintiffs' label really was than the label itself, and this was actually attached to and formed part of the description and is the best drawing possible. An examination of the drawings



and description and of the certificate, however, show that there is no ambiguity.

The certificate, in fact, says that all the trade mark as it appears by the drawings is registered, and that, in my opinion, includes the shape of it. By the very fact of presenting the unusual shape of a heart the plaintiffs gave notice that they claimed that shape as a part of their trade mark. In the case of the *Leather Companies* (1865), 11 Jur. N.S. 513, great stress was laid in the House of Lords on the fact that the shape of the trade mark there impeached was different from the shape of the plaintiffs' trade mark. The case of *Wolters v. Currie* (1872), L.R. 5 H.L. 508, is no authority for the proposition that the shape of a mark may not be registered as a part thereof.

In my opinion the plaintiffs have made a clear case. The defendants have used and registered a mark so nearly resembling the mark of the plaintiffs as registered, as to deceive unwary purchasers: *Barsalou v. Darling* (1881), 9 Can. S.C.R. 677. They should be restrained from doing so, and the rectification in the registration of their trade mark ordered by the judgment appealed from should also, of course, be maintained.

GWYNNE, J.:—I entirely concur in this judgment.

*Appeals dismissed with costs.*

Solicitors for De Kuyper & Son: *Abbotts, Campbell & Meredith.*

Solicitors for Van Dulken, Weiland & Co.: *Duhamel & Merrill.*

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## [IN THE COURT OF APPEAL FOR ONTARIO.]

ROSE V. McLEAN PUBLISHING COMPANY.

(24 A.R. 240.)

*Trade Name—Common Geographical Name—“The Canadian Bookseller and Library Journal”—“The Canada Bookseller and Stationer.”*

Where a name, though generic and geographical, does not indicate the composition or quality of the specific article to which it is applied, or the particular country or district where produced or manufactured, it is not necessary to shew that it has acquired a secondary meaning to establish it as a valid trade mark.

Therefore, the use of a geographical name as part of the title of a journal and not as merely descriptive of the place of publication will be protected, and it is not necessary in such a case to seek a secondary meaning. Judgment of a Divisional Court reversed, MACLENNAN, J.A., dissenting.

THIS was an appeal by the plaintiff from the judgment of a Divisional Court reversing the judgment of MACMAHON, J. (both judgments being set out *infra*).

The plaintiff was the publisher of a journal called the “Canadian Bookseller and Library Journal,” and brought the action for an injunction restraining the defendants from publishing any publication under the name “The Canadian Bookseller,” or any other name likely to be confounded with the name of the plaintiff’s publication, and for damages.

The action was tried at Toronto, on the 28th of October, 1895, before MACMAHON, J.

*Kappeler*, for the plaintiff.

*LeVesconte*, for the defendants.

MACMAHON, J.:—The plaintiff was publishing a journal devoted to the interest of the booksellers in Canada, which was com-

menced a little over seven years ago, called the "Canadian Bookseller." Up to the month of March last the defendants were publishing a journal called "Books and Notions," which had been about eleven years in existence. Some short time prior to March last they desired to change the name of their journal, and after communicating with their friends as to what would be an appropriate name, concluded to change the name to "The Canada Bookseller and Stationer." Immediately on the first number appearing with that name, the defendants were notified that the plaintiff objected to its use as being an infringement on his rights under the journal he had been publishing as "The Canadian Bookseller." The defendants have gone on publishing since under the name they had adopted; and the question I have to decide is, whether they have taken a part of the title acquired by the plaintiff under the name of "The Canadian Bookseller," and are making use of it as against the right so acquired.

Both the journals are published in the interest of the trade. Even the witnesses called by the defendants say it is in the interest of the trade they are published.

The evidence before me makes it quite clear that, to those who are not in the constant habit of seeing the two journals, and paying particular attention to the two titles, there is much difficulty in distinguishing between them. Mr. Brown, who has been connected with a book and publishing business for some years, said that on one occasion, after the defendants had changed the name from "Books and Notions" to "The Canada Bookseller and Stationer," he had furnished them with some information; that although at the time he furnished the information he took both publications, he did not know exactly the name of the journal to which it was furnished, although he intended, as he said, to furnish it to the journal published by the defendants; but he stated that if he were called upon, without looking at the journals themselves, to say which was published by the defendants, whether "The Canadian Bookseller" or "The Canada Bookseller and Stationer," he could not for the moment have told. And a witness on behalf of the defendants—Mr. Hornibrook—says, that to

one who is not familiar with both publications, they might easily be mistaken. In fact, that is the testimony of a good many witnesses who were called during the trial.

The legal question which has been raised by Mr. LeVesconte, I will consider after examining the authorities he has cited, and which I have not had an opportunity of seeing.

[Afterwards, on November 9th, 1895, his Lordship gave judgment as follows:—]

Since the trial I have had an opportunity of examining the authorities.

Mr. LeVesconte urged that because no fraud was shewn in using the name they did, they, the defendants, should not be restrained. A like ground was urged in *Clement v. Maddick* (1859), 1 Giff. 98, which was thus met by Stuart, V.C.: "This is an application in support of the right to property. It has been argued on behalf of the defendants that unless a fraudulent intention is made out, the plaintiffs are not entitled to an injunction. . . . The defendants' whole case appears to rest on the fact that they intended to commit no fraud; that they had no fraudulent intention in adopting the words 'Bell's Life,' and thought that by prefixing the word 'Penny' to the title, they had sufficiently warned the public that they were not purchasing the plaintiffs' paper. But the absence of fraudulent intention is no defence against an application to the Court for an injunction by the person whose property has been injured."

The plaintiff proved a circulation of from 800 to 1,400 copies of his journal and that he was paid for most of the advertising appearing therein, and that his journal circulated in the trade and was sent to the libraries.

In addition to the evidence already referred to as shewing that the name adopted by the defendants is so like the plaintiffs' that it is not easily distinguished from it, there is the fact that letters intended for the defendants were by reason of the similarity of the names of the two publications delivered by the post-office officials to the plaintiff.

There is, therefore, every probability of the plaintiff being injured by the public being deceived and in order to protect the plaintiff's rights of property in the name of his journal, he is, I consider, entitled to an injunction restraining the defendants from using the word "Canada" or "Canadian" in conjunction with the word "Bookseller" in his publication.

I refer to the following cases where injunctions were granted: *Prowett v. Mortimer* (1856), 2 Jur. N.S. 414, where the proprietors of the newspaper "The John Bull and Britannia," were held entitled to restrain the proprietors of "The True Britannia"; *Ingram v. Stiff* (1859), 5 Jur. N.S. 947, "The London Journal" restrained "The London Daily Journal"; *Corns v. Griffiths*, W.N. 1873, p. 93 (the facts not being unlike those disclosed in the present case), where proprietors of "The Iron Trade Circular—Rylands," were held entitled to an injunction restraining a publication called "The Iron Trade Circular, edited by Samuel Griffith." So in the *American Grocer Publishing Association v. The Grocer Publishing Co.* (1881), 32 N.Y. (Hun.) 398, it was held that the plaintiff was entitled to an injunction restraining the defendant from the publication of any paper called the "Grocer," or the "American Grocer," as it had acquired a proprietary right to that name. See also other cases where injunctions granted cited in Sebastian on Trade Marks, 2nd ed., pp. 320-1.

*Dale v. Smith*, W.N. 1882, p. 145, makes against instead of being an authority in favour of the defendants here. The defendants in that case had been publishing a journal under a name colourably differing from that of the plaintiff's journal; but a few days after the motion for an injunction was made (which motion was ordered to stand over till the trial), the defendants notified the plaintiffs that they would not publish a journal under that title thereafter; and it was held by the Court of Appeal that after such notice, the plaintiffs were not entitled to an injunction. See the opinion of Lord Coleridge, C.J., in *Borthwick v. The Evening Post* (1888), 37 Ch. D., at p. 458; and also *Merchants Banking Co. of London v. Merchants Joint Stock Bank* (1878), 9 Ch. D. 560.

The plaintiff is entitled to an injunction restraining the defendants from using the word "Canada" or "Canadian" conjointly with the word "Bookseller" as a title of their journal.

The defendants must pay the plaintiff's costs of suit.

If the plaintiff desires a reference as to damages the reference will be to the Master.

The defendants moved before the Divisional Court of the Chancery Division by way of appeal from the above judgment upon the ground, among others, that the words "Canada" or "Canadian" cannot be monopolized by any one to the exclusion of others; that the plaintiff had no exclusive proprietary right to the use of the name which he had adopted for his publication, and that the name adopted by the defendants for their journal was one which was truly descriptive and truly and correctly set forth the business in the interest of which their journal was published.

The motion was argued on December 17th, 1895, before BOYD, C., and ROBERTSON, J.

*C. Robinson, Q.C., and LeVesconte, for the defendants.*

*Kappelle and Bicknell, for the plaintiff.*

February 26th, 1896. The judgment of the Court was delivered by

BOYD, C. :—

The appeal in this case is against the judgment which forbids the defendant to use "Canada" or "Canadian" in conjunction with the word "Bookseller," as a title of the journal published by the defendants. The plaintiff's paper is called "The Canadian Bookseller," and this his company has published for some seven years. The "get-up" of the two periodicals is very distinguishable; fraud is not alleged or proved; the plaintiff's case is rested on the confusion which will arise from the similarity of the names, and that probable loss will ensue to the plaintiff. I have been in much doubt as to the correctness of the decision, but after much

consideration I do not think it can be upheld. Two elements must co-exist in a case of this kind where the inhibition is with regard to the use of a common geographical name; first, the publication must have been such as to connect the proprietor with the publication in the mind of the trade or community interested. That is well proved in this case; there has been a long enough user to give the plaintiff a *locus standi* in Court, if the other essential has been satisfied. That is, in the case of a geographical name, has there arisen in connection with such prior user some secondary meaning attributable to the epithet which is sought to be appropriated—some secondary meaning connoting character or quality of the product?

Now, this title "Canadian" in connection with "Bookseller," does not mean, so far as I read the evidence, any special kind of periodical or publication, but just asserts the fact that this particular print, "the Bookseller," is a Canadian publication. "Canadian," as here used, carries no more than its merely topical or geographical meaning, and does not suggest any different notion to those who take or read the paper.

All the evidence is rather to shew that the significant title was "The Bookseller"—that and nothing more—and that the plaintiffs were associated in the mind of the public with that journal as its publishers.

In a word, "Canadian" is not used by the plaintiff to identify or characterize some special literary or business product provided by him, but merely to designate the fact that his journal is published in and relates to Canada. Now, it is pretty clear law that a man cannot have monopoly or property in a geographical name as such; though there may be exceptional cases, where the local meaning has developed into an attribute of quality attaching to the product, and in these the Court will act to prevent fraudulent invasion of the first comer's rights. Such an exception was the famous "Stone ale" case, *Montgomery v. Thompson*, [1891] A.C. 217, and such another case was the *Glenfield Starch Case*, in which Lord Westbury said the name "Glenfield" had ac-

quired a secondary signification or meaning in connection with a particular manufacture; in short, it had become the trade denomination of the starch made by the appellants: *Wotherspoon v. Currie* (1872), L.R. 5 H.L., at p. 521.

This element is also adverted to by Chitty, J., in the *Castle Albion Case*, where it is said: "Assuming that in point of law it is competent for the plaintiff to claim an exclusive right to this title or term, he can only do so by establishing incontrovertibly the proposition that the term has by general user come to be used in a secondary sense as an equivalent for and to denote exclusively his own goods: *Schove v. Schmincké* (1886), 33 Ch. D. 551.

The term "Canadian" is the only thing struck at by the judgment. There is no cross-appeal, even if that would avail as to the rest of the name used by the plaintiff and defendant in common; and as this word "Canadian" is a geographical term, I think the evidence does not go far enough to justify the granting of an injunction.

But while the action is dismissed, I would give no costs. The defendant chose a name which was almost an echo of the plaintiff's, and his reasons for doing so are not very cogent. He might easily have differentiated in many ways so as not to provoke comments and suggest suspicions as to why he so closely imitated the name so long used by the plaintiff. Of late cases I would note: *Keddaway v. Banham*, [1895] 1 Q.B. 286; and *Saunders v. Sun Life Assurance Co. of Canada*, [1894] 1 Ch. 537.

From this judgment the plaintiffs appealed to the Court of Appeal, and the appeal was argued before BURTON and MACLENNAN, J.J.A., and FERGUSON and ROSE, J.J., on the 28th of September, 1896.

*George Kappelle* and *J. Bicknell*, for the appellant.  
*Robinson*, Q.C., and *R. C. LeVesconte*, for the respondents.



The cases following were cited here and in the Courts below:—*Thompson v. Montgomery, In re Joule's Trade Marks* (1889), 41 Ch. D. 35; *Reddaway v. Banham*, [1895] 1 Q.B. 286; *Borthwick v. The Evening Post* (1888), 37 Ch. D. 449; *Robinson v. Bogle* (1890), 18 O.R. 387; *Hendricks v. Montagu* (1881), 17 Ch. D. 638; *Merchants Banking Co. of London v. Merchants Joint Stock Bank* (1878), 9 Ch. D. 560; *The Three Fishers and Dredgers v. Elliott* (1888), 4 Times L.R. 273; Sebastian, 3rd ed., pp. 320, 322; *Carey v. Goss* (1886), 11 O.R. 619; *Canada Publishing Co. v. Gage* (1885), 11 S.C.R. 306; *Lee v. Haley* (1877), L.R. 5 Ch. 155; *Tussaud v. Tussaud* (1890), 44 Ch. D. 678; *Turton v. Turton* (1889), 42 Ch. D. 128.

March 2nd, 1897. BURTON, J.A.:—

I agree entirely with my brother Ferguson's judgment upon the facts of this case.

The plaintiff had for some six or seven years published a journal devoted to the interests of the booksellers in Canada, called "The Canadian Bookseller and Library Journal." The defendants had, up to the month of March, 1895, published a journal called "Books and Notions," and that publication had been in existence about eleven years.

The defendants then made a change in the title of their journal, calling it "The Canada Bookseller and Stationer," and one cannot be surprised that the learned Judge who tried this case drew the inference that the title was so changed to deceive the public into the belief that their journal was published by the plaintiff, or that there was a proprietary connection between the new journal and the old journal. How can it be said that that was a wrong inference? The only other thing necessary to be established, leaving out of view for the moment the right of a person to the use of a common geographical name, is that there is damage to the plaintiff—probable damage, not necessarily damage already suffered as the result of the defendants' conduct.

The learned Judge has also found this issue in the plaintiff's favour, and I think that finding ought to be sustained.

It was urged that the addition of the other words adopted by the defendants in the title of their new journal was sufficient warning to the public that they were not publishing the plaintiff's paper. I agree with the learned Judge below that the attention of the public would not be attracted to anything beyond the two principal words in the title "Canadian Bookseller" and "Canada Bookseller."

It is not material in this case that the books differ in appearance; many persons using the publication for advertising or other purposes never see the publication itself, but may be led by the similarity in name to send their communications to one when intending to send them to the other.

The learned Judge has been overruled, and his judgment reversed on the ground that there can be no monopoly or property in a geographical name.

The Divisional Court agree that there has been a long enough user to give the plaintiff a *locus standi* in Court, but they hold that in the case of a geographical name there must be in addition some secondary meaning attributable to the epithet which is sought to be appropriated—some secondary meaning connoting the character or quality of the product.

The dicta to be found in the books upon this subject are not very satisfactory, and some of them perhaps not altogether consistent, but the cases in which the question has generally arisen have related to the products or manufactured articles of a particular country or district, and, speaking generally, a geographical description as applied to an article so made or sold, which may be applied truthfully by other makers or dealers, cannot usually be regarded as entitled to protection as a trade mark.

The reason of this rule is this, that a generic name is not to be used in reference to such an article, where every person residing within the particular place or district is equally entitled to its use, the design of the law being not to foster monopolies.

In such cases, therefore, it would be necessary, as in the *Glenfield Starch Case* (*Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508), to shew that it had acquired a secondary meaning; that in connection with the particular manufacture, in other words, it had become the trade denomination of the article made; but where a name, though generic and geographical, does not indicate the composition or quality of the specific article to which it is applied, or the particular country or district where produced or manufactured, the rule does not apply.

There is a difference between the rules in England and America upon the subject even as regards goods; in England, if the Court finds from the evidence that the geographical name used as a trade mark has by long and extensive use acquired a secondary meaning that use will be protected.

Thus in *Lee v. Haley* (1877), L.R. 5 Ch., at p. 161, Giffard, L.J., said: "I quite agree that they have no property in the name (Guinea Coal Company), but the principle upon which the cases on this subject proceed is, not that there is property in the word, but that it is a fraud on a person who has established a trade and carries it on under a given name, that some other person should assume the same name, or the same name with a slight alteration, in such a way as to induce persons to deal with him in the belief that they are dealing with the person who has given a reputation to the name."

That the name or title of a work may be considered as a kind of trade mark which no person other than the proprietor of the work can use so as to damage him in respect of his property in it, seems to be established by *Seeley v. Fisher* (1841), 11 Sim. 581; *Spottiswoode v. Clarke* (1846), 2 Ph. 154; *Mack v. Petter* (1872), L.R. 14 Eq. 431.

In *Whitfield v. Loveless* (1893), 64 Off. Gaz. 442, the defendant selected the name of "Columbia Hotel" for the name of the hotel run by him in Chicago. The name had, prior to that time, been used by the complainant to designate his hotel.

It was there contended that the name "Columbia" was a geo-

graphical name, and not subject to exclusive appropriation by any person, but the Court held that the person selecting the word "Columbia" selected it as a mere fanciful name; that no monopoly was thereby created, and protected him in the use of it on the further broad legal ground—which applies here—that that which is prior in time is first in right.

That was the argument used in a case decided in 1864, in the Court of Chancery in England: *McAndrew v. Bassett* (1864), 10 Jur. N.S. 550. There the plaintiffs, who were manufacturers of liquorice, having made a new description of goods from a mixture of juice obtained from Anatolia, stamped upon the manufactured article the word "Anatolia," and sold it to the public, and this was immediately afterwards imitated by the defendants, who probably were not aware that it was the mark of the plaintiffs; and the Lord Chancellor, in alluding to this, uses this language: "But if a man finds an article sent to him from the market bearing a stamp, and he intentionally appropriates that stamp and thenceforth uses it for the purpose of designating his own article, laying aside the mark that he had previously used, and appropriating that which he ought to have inferred was the property of another, he must take the consequences." And dealing with the question of the word being a geographical designation of a whole country, he adds: "That is nothing in the world more than a repetition of the fallacy which I have frequently had occasion to expose. Property in the word for all purposes cannot exist; but property in the word as applied by way of stamp upon a stick of liquorice does exist the moment the liquorice goes into the market so stamped and obtains acceptance and reputation in the market."

All these points, as applied to a trade journal, in place of sticks of liquorice, are undoubtedly found in this case.

In the *Vienna Bread Case* (*Fleischmann v. Schuckmann* (1881), 62 How. Pr. 92), the Court said: "The plaintiff was the first to use it here to distinguish a manufacture of bread. As a mark for bread it is purely arbitrary, and is in no manner de-

scriptive, either of the ingredients or quality of the article. . . . By the use of the word 'Vienna' in that connection, no deception is practised, because the place of its manufacture is given."

The case of *Canal Co. v. Clark* (1871), 13 Wall. 311, though not binding as an authority upon us, falls within the line of cases to which I have referred, where other parties were equally entitled to describe their coal in a particular way.

In reference to it, Mr. Browne in his work says (2nd ed., p. 201): "The word 'Lackawanna' was not devised by the complainants. They found it a settled and known appellative of the district in which their coal deposits and those of others were situated. The defendant invaded no right in employing the name, for he made no false representation. All the coal taken from that region is known in trade, and rated in public statistics, as 'Lackawanna coal.'"

It is by no means universally true that a person cannot appropriate the name of a geographical district as a trade name: see *Newman v. Alford* (1872), 51 N.Y. 189; 10 Am. R. 588; *Congress and Empire Spring Co. v. High Rock Congress Spring Co.* (1871), 45 N.Y. 291; and several other cases referred to in Mr. Browne's work on Trade Marks.

In the present case, as it seems to me, in the selection of the word "Canadian," the plaintiff chose merely a fanciful name. It is true the selection was so made in consequence of the journal being gotten up in the interest and for the information of the trade in Canada, but it indicates no product, no locality for the production of a specific article, no manufacture of any particular country. It is not necessary, therefore, as in some of the cases to which I have referred, to seek a secondary meaning; as a mark for this journal it was purely arbitrary, and is in no manner descriptive of any article of manufacture.

In *Newman v. Alford* (1872), 51 N.Y. 189; 10 Am. R. 588, this language is used, which I think very applicable to this case: "It is sometimes said, in the cases to which our attention has been called, that the claimant of a trade mark must have the exclusive right to it. This form of expression, I apprehend, is not strictly

accurate. The right must be exclusive as against the defendant. It is generally sufficient, in such cases, if the plaintiff has the right and the defendant has not the right to use it. The principle upon which the relief is granted is that the defendant shall not be permitted, by the adoption of a trade mark which is untrue and deceptive, to sell his own goods as the goods of the plaintiff, thus injuring the plaintiff and defrauding the public." Or, applying the language to the present case, the defendants shall not be allowed to assume a name for their journal which is practically the same as the plaintiff's, and thereby probably obtain advertisements which were intended for his.

The decision, if upheld, will be very far reaching. I fail to see at present why the proprietors of "The Canada Law Journal," "The Albany Law Journal," and scores of other papers, are not fairly entitled to protection in the titles they have assumed. In the present case the title the plaintiff had so long used was known to the whole trade, and the defendants by their own shewing deliberately adopted it (for there is no substantial difference between "Canada" and "Canadian"), and the fact of its adoption by the defendants in preference to the title which they had previously used is itself pregnant with proof that they regarded it as of value.

I think that the evidence would have warranted an injunction against the use of the word "Bookseller" alone: see *Reed v. O'Meara*, [1888] 21 L.R. Ir. 216; *American Grocer Publishing Association v. Grocer Publishing Co.* (1881), 25 Hun. (N.Y.) 398.

For these reasons I think with great submission that the appeal should be allowed, and the original judgment restored.

FERGUSON, J.:—

Although the evidence is (considering the nature of the case), very long, the material facts giving rise to the action lie, as it appears to me, in a comparatively small compass.

The plaintiff was publishing a journal devoted to the interests of the booksellers in Canada, which had its commencement about

seven years before this action, and was and is called "The Canadian Bookseller and Library Journal." In saying that the journal was devoted to the interests of the booksellers in Canada, I do not desire to be understood as meaning that it performed no function or had no influence outside of Canada, but, whether this is so or not, I do not consider material here.

Up to about the month of March, 1895, the defendants were publishing a journal called "Books and Notions," which had been about eleven years in existence, and some time prior to that period (March, 1895), they desired to change the name of their journal. After some consultation—at the evidence shews—with business friends as to what would be an appropriate name, the defendants concluded to change, and did change, the name of their paper or journal, adopting the name "The Canada Bookseller and Stationer." The plaintiff had after the words "The Canadian Bookseller," and apparently as part of the name of his journal, the words, "and Library Journal." Yet stress was not laid upon this by counsel; and I do not perceive it to be of much materiality, and immediately upon the first number of the defendants' journal appearing with the newly adopted name, they were notified that the plaintiff objected to the use of the name as being an infringement of or encroachment upon his rights in respect of the journal he had as aforesaid been publishing under the name "The Canadian Bookseller," yet the defendants went on publishing their journal under the new name.

This state of things has given rise to the litigation. What the plaintiff asks is, an injunction, damages and costs.

The law bearing generally upon subjects of this character has been frequently stated, so frequently that, in some instances, learned Judges in the English Courts have assumed that it would not longer be a matter of contention.

For the purposes of the present case, I think it may be stated thus: To entitle the plaintiff to the interposition of the Court the name of his journal must be used in such a manner as to be calculated to deceive or mislead the public or the trade in which the journal circulates, or is intended to circulate, and to induce them

to suppose that the journal published by the defendant is the same as that which was previously being published by the plaintiff, and thus to injure the patronage and circulation thereof; cases of actual fraud may stand on a different footing.

The absence of proof of a fraudulent intention is no defence in cases of this kind if there is such an imitation as to be calculated to deceive: see Sebastian, 3rd ed., p. 322, and cases and authorities there referred to.

It seems that the right of a plaintiff in an action of this character is a right in the nature of a trade mark, and, it follows, as I think, that the law respecting trade marks largely applies: see the language of James, L.J., in *Levy v. Walker* (1879), 10 Ch. D., at pp. 447, 448.

I am of the opinion that one who peruses the whole of the evidence in the present case is obliged to come to the conclusion that the use of the name adopted and used by the defendants, as the defendants have used it, was calculated to mislead and deceive persons intending to purchase, employ, or otherwise deal in regard to the plaintiff's journal, to such an extent that they would probably in many instances adopt the defendants' journal instead.

There is some evidence going to shew that a person in the trade, or an intelligent person whose attention had been called to the subject, would not, or probably would not, be so misled or deceived; but such is not the real question, which is as to the effect of the use of the name used, and as used by the defendants, in respect to the ordinary person not forewarned on the subject, and whether in the trade or not, for the plaintiff, if entitled at all to the exclusive use of the name he has adopted and employed as the name of his journal, is so entitled to it in respect to the whole community; and, besides, there is evidence going to shew that persons in the trade, and even skilled in the trade, were liable to be confused and misled in the way that I have referred to.

I think that a fair conclusion upon the evidence is that, if it be assumed that the plaintiff had the exclusive right to the use of the name of his journal, the conduct of the defendants in the use of



the name they adopted for their journal was calculated to injure the patronage of the plaintiff's journal, and would most probably do so. I may here say that the leading or most prominent words in the name adopted by the defendants seem to me little more or less than an echo of the words used by the plaintiff in the name of his journal. So far, if it were to be assumed in the plaintiff's favour as above, he would seem to be entitled to succeed.

The question, however, most discussed at the Bar, was as to the title of the plaintiff to this exclusive right. The leading word in the name is a geographical name, "Canadian." It was contended that this word had not acquired any secondary meaning by its being used as it had been used by the plaintiff, but simply meant that the plaintiff's business was carried on in Canada, was intended for the trade in Canada, etc., and that beyond this it had not acquired any meaning of which the plaintiff could avail himself as designating his journal after the manner in which goods would be designated and known by a trade mark.

There is high authority for saying that where the name of a place precedes the name of an article sold, it *prima facie* means that this is the place of production or manufacture, but that it may also be descriptive of the article: see the remarks of Lord Herschell in *Reddaway v. Banham*, [1896] A.C., at p. 212.

Respecting the use of geographical names as trade marks, etc., I was much impressed with what I considered very incisive language and reasoning of the learned Judge who delivered the judgment of the Supreme Court of the United States in the case *Canal Co. v. Clark* (1871), 13 Wall. 311. At p. 324, the Court said: "And it is obvious that the same reasons which forbid the exclusive appropriation of generic names or of those merely descriptive of the article manufactured and which can be employed with truth by other manufacturers, apply with equal force to the appropriation of geographical names, designating districts of country. Their nature is such that they cannot point to the origin (personal origin) or ownership of the articles of trade to which they may be applied. They point only to the place of production,

not to the producer, and could they be appropriated exclusively, the appropriation would result in mischievous monopolies."

That decision, however, had regard to natural productions of the district of country whose name had been adopted, and the right to the exclusive use of it sought to be established. The present case has regard not to any natural production, but to a publication, the fruit of industry in the country whose name has been adopted. The illustrations given in the same judgment, though applying to that case, could have no real application to the present case. The Court there referring to the case *Brooklyn White Lead Co. v. Masury* (1857), 25 Barb. 416, said that it was a case of fraud, and that with absence of fraud each party would have an equal right to the use of the name "Brooklyn."

There have, however, been a very large number of decisions in which plaintiffs have been protected in the exclusive use of geographical names as trade marks, etc. Many of these are referred to in the judgment of Mr. Justice Burton, which I have had an opportunity of perusing. The decisions in those cases are not all placed on the same legal footing, and there is difficulty in extracting from them any rule that would be a safe and certain guide. The fact remains that the decisions exist, and many of them are binding, and must be considered good law.

After much consideration I have arrived at the opinion that the plaintiff must have adopted and used the name "The Canadian Bookseller" as a sort of fanciful name rather than for the purpose of describing his business as a business of bookselling belonging or appertaining to Canada, and I think it not unfair on the evidence to say that during the seven years of user of the name the publication or book came to be known by the name, and that the name had in this way acquired the secondary meaning or signification about which so much was said on the argument of the case.

I have already said that the use of the name adopted and used by the defendants, as the defendants did use it, was calculated to mislead and deceive persons intending to deal, etc., in regard to

the plaintiffs' journal to such an extent that they would probably adopt the defendants' book instead. I think I am justified in adding that it is difficult not to think that this was at least one of the things intended by the defendants when they changed the name of their publication or journal. I do not think the consultations on the subject of this change shewn by the evidence are at all convincing to the contrary, and taking into consideration the manner in which the business with journals of the kind of these is done, I do not think the fact of the defendants not adopting the form and appearance of the plaintiff's book is convincing that such intention did not exist.

On the whole case I agree in the conclusion arrived at by Mr. Justice Burton, that the appeal should be allowed, and the original judgment restored.

ROSE, J. :—

I agree to the conclusion stated by my learned brother Burton and the reasons supporting it.

Any other conclusion would seem to me to be contrary to natural justice. My learned brother MacMahon, the Judge of first instance, was of the opinion that whatever might have been the intention of the defendant company, the result of its action was such that there was "every probability of the plaintiff being injured by the public being deceived," and the Divisional Court, while reversing that judgment, took such an adverse view of the defendants' conduct as to refuse costs.

I am glad to find what I believe to be solid ground upon which to rest to prevent a manifest fraud, whether it be called legal or moral fraud.

I am of the opinion that the appeal should be allowed with costs, and the judgment of my brother MacMahon should be restored.

MACLENNAN, J.A. :—

After the best consideration which I have been able to give to

this case, and to the numerous authorities which have been cited, I am of opinion that the judgment of the Divisional Court is right, and that the plaintiffs' case fails.

The defendants' publication is as different in form and appearance from that of the plaintiff as it could well be; and the title which the defendants have adopted is also very different. The plaintiff's title is "The Canadian Bookseller and Library Journal," and that of the defendants is "The Canada Bookseller and Stationer." The only common element is the word "Bookseller." The others are all different. The words "Canada" and "Canadian" are geographical, as mentioned by the learned Chancellor, and the word "Bookseller" is descriptive of the subject and matter of both publications. The geographical terms serve to distinguish both publications from similar publications in England and the United States, and I am unable to say that that part of the plaintiff's title had become so much of the essence of it as to be its distinguishing characteristic, and, therefore, in point of law to deprive the defendants of the right to use it in a varied form. Then as to the word "Bookseller":—it must always be allowable to a person engaged in business or manufacture to use with reasonable freedom words descriptive of his business or product, so long as he is careful to distinguish it from the business or product of other persons.

The English language is the common property of all persons for the purpose of describing their business or the products of their industry, and those who are engaged in similar business must necessarily use descriptive language more or less similar. What is forbidden is so to use language, whether intentionally or not, as to represent one's business or products as the business or products of another person.

I do not think the defendants can properly be said to have done that, or that they have adopted a name and title for their publication of which the plaintiff has any right to complain.

I therefore think that the appeal should be dismissed.

*Appeal allowed, MACLENNAN, J.A., dissenting.*

## Notes:

## TRADE NAMES.

Actions to restrain imitations of trade names used as such, and not as trade marks on goods, differ from trade mark cases proper. A trader has much the same right in respect of his trade name as he has to his trade mark, or to his get-up and other distinctive badges. The representation made is, usually, that a certain firm or undertaking is a certain other firm or undertaking, with a view to the one firm obtaining the custom of the other.

The principle upon which the Court acts in protecting a trade name was stated by James, L.J., in *Levy v. Walker* (1879), 10 Ch. D., p. 447: "It should never be forgotten that in those cases the sole right to restrain anybody from using any name he likes in the course of any business he chooses to carry on is a right in the nature of a trade mark, that is to say, a man has a right to say: 'You must not use a name—whether fictitious or real—you must not use a description, whether true or not, which is to represent or calculated to represent, to the world that your business is my business, and so by a fraudulent misstatement\* deprive me of the profits of the business which otherwise come to me.' An individual plaintiff can only proceed on the ground that, having established a business reputation under a particular name, he has a right to restrain anyone else from injuring his business by using that name."

There can be no absolute right in a trade name apart from a trade or business. The right to the exclusive use of a name in connection with a trade or business is recognized, and an invasion of that right by another is good ground for an action and for an injunction. But the name must have been actually adopted and used by the plaintiff: *Du Boulay v. Du Boulay* (1869), L.R. 2 P.C. 441; *Beazley v. Soares* (1882), 22 Ch. D. 660; and Canadian Cases: *Robinson v. Bogle*, ante, p. 217; *Love v. Latimer*, infra, p. 373; *Carey v. Goss*, ante, p. 136.

Another kind of a trade name is that which is applied to the goods themselves, instances of which are to be found in the Canadian cases of *Pabst v. Ekers*, infra, p. 000; *Boston Rubber Shoe Co. v. Boston Rubber Co.*, infra, p. 000; and *Thompson v. McKin-*

\*It is settled law now that the misstatement need not be fraudulent. See *Notes on Actions for Passing-Off*, infra p. 357.

*non, ante*, p. 000. Dealing with this class, Lord Blackburn, in *Singer Mfg. Co. v. Loog* (1882), 8 App. Cas., said: "There is another way in which goods not the plaintiff's may be sold as and for the plaintiff's. A name may be so appropriated by user as to come to mean the goods of the plaintiff, though it is not, and never was, impressed on the goods . . . so as to be a trade mark properly so called. Where it is established that such a trade name bears that meaning, I think the use of that name or one so nearly resembling it as to be likely to deceive, may be the means of passing off those goods as and for the plaintiff's . . . And I think it is settled by a series of cases that both trade marks and trade names are in a certain sense property, and the right to use them passes with the good will of the business to the successors of the firm which originally established them, even though the name of that firm be changed so that they are no longer strictly correct." *Cf. Robin v. Hart, ante*, p. 232; *Reddaway v. Banham*, [1896] A.C. 199.

In *Pabst v. Ekers*, above referred to, it was held, by the Superior Court for Quebec, reversing the decision of Davidson, J., that protection would be granted against a competitor using the same or some similar name only upon proof either of fraud or deception as regards such use and of prejudice resulting therefrom. It may be doubted in view of the authorities cited below whether this is good law. In the Court below, Davidson, J., granted an injunction on the ground that a rival has no right to use a similar name in such a way as is calculated to mislead purchasers into the belief that his goods are another's. This appears to us to be the correct view of the law. Fraud need not be proved: *Cf. Reddaway v. Banham (ante)*; *Powell v. Birmingham, etc., Co.*, [1896] 2 Ch. 54; [1897] A.C. 710; Notes on Passing-off Actions, *infra*, p. 357. The Superior Court's decision could, however, be supported on another ground, that the plaintiffs had no right to the trade name in question as it was a name *publici juris* when adopted by them.

Though fraud need not be shewn, it is, however, necessary that deception of the public is probable before relief will be granted: *Goodfellow v. Prince* (1887), 35 Ch. D. 9; *California Fig Syrup Co. v. Taylor* (1897), 14 R.P.C. 564. Moreover, where the goods are clearly so alike as to be calculated to deceive "no evidence is required to prove the intention to deceive . . . The sound rule is that a man must be taken to have intended the reasonable and natural consequences of his acts and no more is wanted. If,

on the other hand, a mere comparison of the goods, having regard to the surrounding circumstances, is not sufficient, then it is allowable to prove from other sources that what is or may be apparent innocence was really intended to deceive." *Saxlehner v. Apollinaris Co.*, [1897] 1 Ch. 893, *per* Kekewich, J.; *cf.* *Watson v. Westlake*, *ante*, p. 144.

As to cases where the name imitated is that of a company, it is laid down that very clear evidence of probability of deception will be required: *London Assurance Co. v. London and Westminster Assurance Co.* (1863), 32 L.J. Ch. 664; *Lee v. Haley* (1869), L.R. 5 Ch. 155; *Colonial Life Assurance Co. v. Home & Colonial Assurance Co.* (1864), 33 Beav. 548. In British Columbia it has been decided that the name "British Columbia Permanent Loan & Savings Company" is not so similar to "The Canada Permanent Loan and Savings Company" as to be calculated to deceive the public: *Canada Permanent v. B. C. Permanent* (1898), 6 B.C.R. 377.

The various companies Acts in Canada contain various regulations regarding the use of similar names. In Ontario, the Company Act, R.S.O., 1897, ch. 191, sec. 10, sub-sec. 1(a), provides that the proposed name shall not be identical with that of any known company, or so nearly resembling the same as to be likely to deceive, and similar provisions are to be found in the Acts of the Dominion, and other Provinces. Section 24 of the Ontario Act provides for changing the name of any company incorporated under the Act if it is made to appear that such name is the same as, or so similar to any existing company, partnership, or any name under which any existing business is being carried on, as to deceive. A similar power exists in Quebec. Art. 4702.

The question of the *right of a trader to his own name* is dealt with in the Notes to *Partlo v. Todd*, *ante*, p. 212; for note on use of *geographical name*, see same reference; for note on *titles to periodicals*, see Notes to *Carey v. Goss*, *ante*, p. 142.

[IN THE COURT OF QUEEN'S BENCH FOR QUEBEC.]

THE QUEEN V. AUTHIER.

(Q.R. 6 Q.B. 146.)

*Trade-marks—Forgery—Criminal Code—Section 448.*

A trade-mark resembled a registered trade-mark in a way that was calculated to mislead incautious or unwary purchasers or to lead persons to believe that the goods marked with it were manufactured by some other person than the real manufacturer.

*Held*, this was sufficient to bring the person using such trade-mark within the provisions of section 448 of the Criminal Code of Canada, which prohibits the sale of goods falsely marked.

*Held*, further, that in such a case it is not necessary that the resemblance should be such as to deceive persons who might see the two marks placed side by side, or who might examine them critically.

*Held*, also, the Canadian law respecting trade-marks being founded on English law, reference should be had to English decisions in its interpretation, especially as it is the universal law of Canada.

APRIL 24, 1897. WURTELE, J.:—

This is an appeal from a conviction by the Police Magistrate, under which the defendant, C. E. E. Authier, a grocer on St. Catherine Street, was convicted of having in his possession bottles of gin to which a label had been affixed so nearly resembling the registered trade mark of Messrs. John De Kuyper & Son as to be calculated to deceive.

The offence of which the defendant is accused is that provided for in section 448 of the Criminal Code of Canada, which deals with the forgery of trade marks and the fraudulent marking of merchandise. Under that section everybody is guilty of an indictable offence who sells or has in his possession for sale, or for any purpose of trade, any goods to which a forged trade mark or a false trade description is applied, or to which a mark so nearly resembling a trade mark as to be calculated to deceive is falsely applied. Now, under section 443, sub-section 2, the



provisions relating to the application of a false trade description of goods extend to the application to goods of marks which are reasonably calculated to lead persons to believe that the goods are the manufacture or merchandise of some person other than the person whose manufacture or merchandise they really are. Under article 450 any one charged with the commission of the offence of selling goods falsely marked is also liable to be tried in a summary way and to be punished on summary conviction.

In this case the defendant does not dispute the sale of the goods in question nor the fact that he keeps goods similarly marked for the purposes of trade, but he says that he is within his legal rights in doing so; in other words that the mark he uses is not calculated to deceive. The issue which I have to decide therefore is one of fact, namely, as to whether the so-called Peg-top label which the defendant uses is calculated to deceive. There have been a number of witnesses examined upon both sides at the trial of this case, some of whom testified that incautious or unwary purchasers of goods of this description might be deceived by the use of the defendant's label into believing that they were buying the goods of Messrs. John De Kuyper & Son. As I do not find that under the circumstances this evidence is necessary in order to enable me to come to a conclusion I will not enter into it. I am entitled to examine the label for myself and to form a conclusion as to the resemblance: *In re Marks & Tellefsen's Application* (1885), 63 L.T. 234. In so doing I have to bear in mind the circumstances and conditions under which the two labels are used: *Wotherspoon & Currie* (1872), 5 E. & I. App. p. 508; *In re Beigel's Application* (1887), 57 L.T. p. 247; *Re Rosing's Application* (1885), 54 L.J. Chy. p. 975. They are both applied to the sale of gin, both used upon bottles of the same shape, height and colour, sealed with wax of the same colour and the label affixed to each bottle in the same place. Looked upon at a little distance the general effect of the two packages is the same. It is not claimed by the prosecution that a cautious purchaser would be deceived by the resemblance.

The plaintiffs' label is a white heart-shaped piece of paper upon which is printed the word "Geneva" in large letters, and other matter in smaller characters. The defendant's label is also upon white paper and is shaped so as to have a resemblance to a peg-top, or more accurately speaking to the section of a peg-top. It also bears on it the word "Geneva" and other matter in smaller characters, but in size and general effect it resembles the other label. It is obvious that any person of ordinary intelligence comparing the two side by side would detect the points of difference between them, but these are not the persons whom the law desires to protect. The object of the legislation in this country, I take to be to protect the owners of trade-marks so as to secure to them the benefit of the money and time which they have expended in building up a market for their own goods, and to do this the Legislature must protect them with respect not to the intelligent and wary purchaser, but to the unwary one: Per Lord Kingsdown in *Leather Cloth Co. v. American Leather Cloth Co.* (1865), 11 H.L.C. p. 539. Lord Chelmsford in *Wotherspoon & Currie* (1872), L.R. 5 E. & I. App. 519. In my opinion there is a sufficient resemblance between the two labels used in the way they are to justify me in saying that the defendant's label is calculated to deceive.

The facts of the case would also indicate that such was the intention. It was stated, though not proved in evidence, that the defendant had recently prepared a gin of a peculiar flavour which he desires to put upon the market and to distinguish from other gins already known to the trade. If such is the case, his gin cannot yet have any special reputation or be particularly known under the label which is complained of. In August last it appears that he used a white heart-shaped label. Messrs. John Hope & Co., who represent Messrs. John De Kuyper & Son in Canada, notified the defendant that if the use of this label was not discontinued, legal proceedings would be taken against him, and he thereupon agreed to withdraw the objectionable label and wrote a letter, which is filed, to the effect that he would not use it in future. Almost immediately afterwards he appears to

have devised this peg-top label. Why he should have done so, if his intention was to absolutely distinguish his goods from those of others, it is difficult to understand. The gin of Messrs. John De Kuyper & Son was probably the best known in the market. It appears by the evidence of Mr. Langlois to have a larger sale than any other, and by the evidence of Mr. Lajoie to be known as "heart gin." Now, if the defendant was seeking to adopt some form of label which would distinguish his gin, he would naturally have adopted some form of mark, hundreds of which might suggest themselves, not in any way resembling that of Messrs. John De Kuyper & Son; he does not do this, but applies the whole of his ingenuity to devising something that is as nearly like the label of Messrs. John de Kuyper & Son as it possibly can be, and yet have distinctions which can be pointed out by a person of ordinary intelligence.

In *Seixo v. Provezende* (1865), L.R. 1 Ch. p. 196, Lord Cranworth, L.C., said: "It would be a mistake to suppose that the resemblance must be such as would deceive persons who would see the two marks placed side by side." The rule so restricted would be of no practical use.

It appears by the evidence of Mr. Ethier, examined on behalf of the defendant, that Mr. Authier consulted him before using this label, told him of his previous trouble with Messrs. Hope & Co. with regard to the label he had been using, and then asked Mr. Ethier's opinion as to whether he would get into trouble by using the label he proposed to adopt, and thereupon Mr. Ethier expressed his opinion in the negative; at the same time, however, he advised him to submit the label to Messrs. Hope & Co. before he used it, but this Mr. Authier said he would not do and does not appear to have done.

As regards the want of proof as to any persons having been actually deceived I would refer to *Johnson v. Orr Ewing* (1882), 7 App. Cas. 219, where Lord Blackburn quotes with approval the words of Lord Justice James: "The very life of a trade-mark depends on the promptitude with which it can be vindicated,"

and lays it down that where there is a similarity calculated to deceive the use may be restrained although the evidence does not shew that any purchaser had actually been misled: *Edelston & Vick* (1854), 18 Jur. p. 7; *Farina v. Siverlock* (1855), 24 L.J. Chy. 632.

Some authorities have been cited with regard to the interpretation of the statute, which are really only applicable to the modern French law. I do not feel that I am called upon to compare our respective systems of trade-mark legislation. The provisions in this respect of our Criminal Code are taken from the law of England, and the part relating to the fraudulent marking of merchandise is taken almost verbatim from English statutes. It is moreover the universal law of Canada, applying in all of the Provinces, all of which except Quebec are governed by laws derived from those of England and by English decisions for their interpretation. I could not, therefore, in interpreting a statute copied from an English one, consider myself bound by French authorities, where they differ from the English decisions on the same matter. Under the English law, as I have already stated, the question to be decided is whether an incautious or unwary purchaser would be deceived.

Under the circumstances, I see no reason to disturb the decision of the Court below, by which the defendant was convicted, and this appeal is therefore dismissed with costs.

*Conviction affirmed.*

*L. E. Bernard*, for the appellant.

*T. Brosseau*, counsel.

*C. S. Campbell*, for the respondent.

*M. J. F. Quinn*, Q.C., counsel.

## [IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

RADAM V. SHAW.

(28 O.R. 612.)

*Trade mark*—"Microbe Killer"—*Valid Mark*—*Properties of*—*Fancy names*  
—*Injunction.*

The term "Microbe Killer" was registered by the plaintiffs as a trade mark in February, 1888, and had been used from that time continuously to designate the plaintiff's mixture.

*Held*, the words, being regularly registered, and being within the class of fancy names, constituted a valid trade mark. Injunction restraining its use by defendant granted.

*Davis v. Kennedy* (1867), *ante*, p. 8, followed.

This was an action by the owner of a registered trade-mark of the words "Microbe Killer," claiming an injunction to restrain the defendant from using such trade-mark.

The action was tried at Toronto on Oct. 26th and 27th, 1897, before BOYD C., without a jury.

Wallace Nesbitt, for the plaintiff.

L. V. McBrady, for the defendant.

The following cases were referred to: *Saxlehner v. Apollinaris Co.*, [1897] 1 Ch. 893; *Roddaway v. Banham*, [1896] A.C. 199; *Reinhardt v. Spalding* (1879), 49 L.J. Ch. 57; *Powell v. Birmingham, etc., Co.*, [1896] 2 Ch. 54; *Rockingham Railway Co. v. Allen* (1896), 12 Times L.R. 345; *In re Hudson's Trade-Marks* (1886), 32 Ch. D. 311; *Partlo v. Todd* (1889), 17 S.C.R. 196; *Robinson v. Bogle* (1890), 18 O.R. 387; *Singer Manufacturing Co. v. Loog* (1882), 8 App. Cas. p. 27; *Attorney-General v. Acton* (1883), 22 Ch. D. 221; *Cooper v. Whittingham* (1880), 15 Ch. D. 501; *Hext v. Gill* (1872), L.R. 7 Ch. 699.

November 1st, 1897. BOYD, C. :—

A specific trade mark when duly registered under R.S.C. ch. 63, holds good for twenty-five years (sec. 14), and the proprietor may maintain suit against any one who uses it without his permission (sec. 18).

The term "Microbe Killer" was registered by the plaintiff as a trade mark in February, 1888, in connection with the sale of medical compounds as specified in the application to the Crown, and it is still in force for the plaintiff's benefit. It has been in use more or less ever since in this country in the way of designating and promoting the sale of his mixture by his agents and licensees, and I find no reason in law or fact for holding that its efficacy has ceased as a trade mark.

This trade mark the defendant has used and threatens to continue to use against the will of the plaintiff.

Upon the argument it was urged that the term "Microbe Killer" has not the properties of a valid trade mark. The case of *Perry Davis & Son v. Harbord*, reported in the Patent Cases of 1896 (vol. 7), and also in L.R. 15 App. Cas. 316, was relied on to support this view. No doubt in that report the Lord Chancellor Halsbury and Lord Morris give opinion that the words "Pain Killer" were not special and distinctive words within the meaning of sec. 10 of the Imperial Trade Mark Registration Act, 1875, there being nothing to distinguish goods manufactured by Perry Davis & Son, the appellants, from goods manufactured by other persons. It is also worthy of notice that two other Law Lords, Lord Herschell and Lord Macnaghten, markedly abstain from committing themselves to such an opinion, and reserve the right to deal with that point when presented for decision.

Now, in Ontario this matter has been decided by Spragge, V.-C., in *Davis v. Kennedy* (1867), 13 Gr. 523. He held that the term "Pain Killer," though suggestive of the use of the medicine, was within the class of fancy names used to distinguish one article from another by the maker or inventor. It is my duty to

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follow that decision as good law in this case, so as to support the like term "Microbe Killer" as a valid trade mark. *Davis v. Kennedy*, is in accord with such cases as *Reinhardt v. Spalding* (1880), 49 L.J. Ch. 57.

The opinion of the English Judges was based upon the words "special and distinctive" used in the Imperial Statute, but it is noted by Proudfoot, J., in *Smith v. Fair* (1888), 14 O.R. 732-33, that our trade-mark statute is not couched in such restricted terms.

The judgment I pronounce is also supported on the further ground that the words "Microbe Killer" were first used by the plaintiff in connection with his medical compound, and that the same was extensively sold under that name, and would in common use be referable to the commodity put up by him or with his label on, and the evidence justifies the conclusion that the defendant's use of these words in connection with his trade is calculated to deceive the public, and prejudice the plaintiff. See *In re Hopkinson's Trade Marks*, [1892] 2 Ch. 120-2; *Powell v. Birmingham Vinegar Brewing Co.*, [1896] 2 Ch. 54; *Reddaway v. Banham*, [1896] A.C. 199; *Saxlehner v. Apollinaris Co.*, [1897] 1 Ch. 893.

This suffices to dispose of the case adversely to the defendant. The injunction should be granted as prayed with costs.

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**Notes:**

See *Notes to Davis v. Kennedy, ante*, p. 8.

## [IN THE EXCHEQUER COURT OF CANADA.]

IN THE MATTER OF AN APPLICATION TO REGISTER A TRADE-MARK.

J. J. MELCHERS, WZ., APPLICANT,  
AND  
JOHN DE KUYPER & SON, OPPOSANTS.  
(6 Ex. C.R. 82.)

*Trade-Marks—Resemblance between—Refusal to register both—Grounds of.*

- The object of section 11 of the Act respecting Trade-marks and Industrial Designs (R.S.C. ch. 63) as enacted in 54-55 Victoria, ch. 35, is to prevent the registration of a trade-mark bearing such a resemblance to one already registered as to mislead the public, and to render it possible that goods bearing the trade-mark proposed to be registered may be sold as the goods of the owner of the registered trade-mark.
2. The resemblance between the two trade-marks, justifying a refusal by the Minister of Agriculture in refusing to register the second trade-mark, or the court in declining to make an order for its registration, need not be so close as would be necessary to entitle the owner of the registered trade-mark to obtain an injunction against the applicant in an action of infringement.
  3. It is the duty of the Minister to refuse to register a trade-mark when it is not clear that deception may not result from such registration.

This was a reference by the Minister of Agriculture under the provisions of the Trade-mark Amendment Act, 54 and 55 Vict., c. 35, sec. 11.

The terms of the reference were as follows :—

DEPARTMENT OF AGRICULTURE.  
COPYRIGHT AND TRADE-MARK BRANCH.

OTTAWA, Canada, 14th April, 1897.

*Reference to the Exchequer Court of Canada :*

In the matter of Messrs. Melchers' application to register a trade-mark.



An application having been made on the 16th February last, by Messrs. Bisailon, Brosseau & Lajoie, Advocates, of Montreal, on behalf of Messrs. Melchers, of Schiedam, in the Kingdom of the Netherlands, for the registration of a trade-mark consisting of certain signs and devices upon a label, intended to be affixed to bottles containing gin, described in the application as being a "Cerf-volant."

And Messrs. Abbotts, Campbell & Meredith, Advocates, also of Montreal, on behalf of Messrs. John de Kuyper & Son, of Rotterdam, Holland, protesting against the granting of the said application, which they hold to be an interference with their clients' trade-mark (heart-shaped label) No. 5415, I beg to refer the said application to the Exchequer Court, to hear and determine the matter, and to decide whether the label claimed by Messrs. Melchers should be admitted to be registered, pursuant to section 11 (*a* and *b*) and (2) of 54 & 55 Vict., c. 35.

(Sgd.)

SYDNEY FISHER,

*Minister of Agriculture.*

To the Exchequer Court,  
Ottawa.

The following is a copy of the description of the proposed trade-mark transmitted to the court with the reference :

*Au Ministre de l'Agriculture,*

*Branches des Marques de Commerce et de fabriques.*

*Ottawa.*

Nous, L. Irénée Boivin, et Joseph Marcelin Wilson, de la cité de Montréal, dans le district de Montréal, faisant affaires sous le nom de "Boivin, Wilson & Compagnie," représentants en Canada de la maison "J. J. Melchers, Wz.," de "Schiedam," Hollande, et autorisés par eux, transmettons ci-jointe copie en double d'une marque de commerce spéciale, conformément aux clauses de l'acte des marques de commerce et dessins de fabriques, dont je réclame la propriété, parce que je crois sincèrement qu'ils en sont les véritables propriétaires.

Cette marque de commerce spéciale consiste en une étiquette en forme de cerf-volant, la base placée en haut étant formée par une demi-circonférence raccordée aux côtés latéraux rectilignes, rappelle ainsi la forme d'un cerf-volant.

L'encadrement, de même forme que l'étiquette, se compose d'un trait noir simple.

Sur une bande noire circule, concentrique au haut du cadre se lit, en lettres blanches sur fond noir: "The largest gin distillery;" puis au dessous, en lettres noires sur le fond de l'étiquette: "Genuine Hollands" et enfin plus gros caractères "Geneva."

Le centre de l'étiquette est occupé par une vignette représentant un éléphant tourné vers la droite.

Immédiatement audessous de l'étiquette "J. J. M. Wz.," puis, sur une bande circulaire, concave vers le haut, "J. J. Melchers, Wz." Enfin, audessous "Schiedam," et au bas "Registered." Un fleuron en cul-de-lampe termine l'étiquette.

Nous demandons par ces présentes l'enregistrement de cette marque de commerce spéciale, conformément à la Loi.

Nous incluons, en mandat de poste, n<sup>o</sup> —, le montant de la taxe de vingt cinq piastres (\$25) requise par la clause douzième de l'acte précité.

En foi de quoi nous avons signé, en présence de deux témoins soussignés, au lieu et à la date ci-dessous mentionnés.

Montréal, 12 février, 1897.

Témoins :  
H. G. Bisson. }  
M. Boivin. }

LÉONARD IRÉNÉE BOIVIN.  
JOSEPH MARCELIN WILSON.  
BOIVIN WILSON ET CIE

The following notice of the application to register the trademark was given by the Registrar in *The Canada Gazette* in four consecutive issues thereof, in pursuance of an order made in that behalf :

## IN THE EXCHEQUER COURT OF CANADA.

In the matter of Messrs. Melchers' application to register a trade-mark, and in the matter of the Reference made therein to this court dated 14th April, 1897, by the Minister of Agriculture.

Notice is hereby given that Messrs. Melchers, of Schiedam, in the kingdom of the Netherlands, and residing and carrying on business at Schiedam aforesaid, under the firm name of "J. J. Melchers Wz." who, alleging in substance that they are the proprietors of the trade-mark hereinafter described, have applied to the Minister of Agriculture to have the same registered in the register of trade-marks kept in the Department of Agriculture, as a specific trade-mark to be applied to the sale of Hollands Gin manufactured and sold by them.

That the said specific trade-mark is in the said application described to consist of certain signs and devices upon a label intended to be affixed to bottles containing gin, described in the said application as a kite (*cerf-volant*).

This specific trade-mark consists of a label in the form of a kite, the base placed above being in the form of a semi-circumference joining the lateral rectilinear sides, thus suggesting the design of a kite.

The border consist of a single black scroll in the same alignment as the label.

On a black curving concentric band at the top of the border one reads, in white letters on a dark background : "The Largest Gin Distillery ;" and below in black letters on the background of the label : "Genuine Hollands ;" and lastly, in larger letters : "GENEVA." In the centre of the label is a vignette (design) representing an elephant turned to the right. Immediately underneath the label : "J. J. M. Wz.," and on a circular band, concave towards the top : "J. J. Melchers Wz." Finally underneath : "Schiedam," and at the bottom : "Registered." A pendant ornament completes the label.

This trade-mark in question is, in the application for registration, described as follows, to wit : (Here follows a specific description of the trade-mark, to be found *ante*.)

The following is a fac-simile of the duplicate copy so furnished :—



That the Minister of Agriculture has seen fit to refer the matter to the Exchequer Court for the determination of the following question :

Whether the label claimed by Messrs. Melchers should be admitted to be registered pursuant to section 11 (*a* and *b*) and (2) of 54-55 Victoria, chapter 35 ?

That the present notice is to be inserted in four consecutive issues of *The Canadian Gazette*; and that if any person desire to oppose the registration of such specific trade-mark he should, not later than fourteen days from the last insertion of such notice in *The Canada Gazette*, file a statement of his objections with the Registrar of this court and serve a copy of the same upon Messrs. Bisailon, Brosseau & Lajoie, Place d'Armes Hill, in the City of Montreal.

That if no one appears to oppose the registration of such trade-mark the applicants may file with the Registrar of the court an affidavit in support of the application, and upon ten days notice to the Minister of Agriculture, and upon serving him with a copy of any affidavit so filed, may move the court for an order to allow the registration of such trade-mark.

That if any person appear to oppose the registration, and file and serve a statement of his objections as hereinbefore mentioned, such person shall become a party to these proceedings and shall be liable to pay any costs the court may direct him to pay.

That the applicants shall, within fourteen days after service upon their solicitors of any statement of objections, file and serve an answer thereto, whereupon the said matter shall be, and be deemed ripe, for trial, and any issue or issues so raised by such statement of objections and answer may be set down for trial in like manner as any action in the court, and notice of such trial shall be given as well to the Minister of Agriculture as to the opposite party.

Dated at Ottawa, this 21st day of June, A.D., 1897.

(Signed), L. A. AUDETTE,  
*Registrar Exchequer Court.*

The following opposition to the registration was filed by the opposants herein :—

*Title of Proceeding.*

Johannes de Kuyper and Anna Maria de Kuyper *née* Amtmann, carrying on business at Rotterdam, in the Kingdom of the Netherlands, under the firm name of John de Kuyper & Son,

hereby declare that they oppose the application of the said Messrs. Melchers, and say :

1. That heretofore, to wit, on the fourteenth day of September, eighteen hundred and ninety-five, the opposants registered in the Department of Agriculture, in Trade-Mark Register number twenty-three, fyle 5,415, in accordance with *The Trade-Mark and Design Act*, a specific trade-mark to be applied to the sale of Hollands gin, and consisting of a white heart-shaped piece of paper used as a label and of the following words, devices and designs depicted thereon, to wit : Along close to and parallel with the edge of the said heart-shaped paper or label there runs a scroll, consisting of one oval link alternating with two round links. Within the space enclosed by said scroll on one side at the top is the word " Genuine " and on the other side at the top the word " Hollands ; " the letters composing each of said words being aligned upon a curve and beneath which is a scroll curving parallel with the alignment of the word. Below these words and across the upper central space of the label is the word " Geneva " and beneath it an anchor inclined to one side and on each side of the anchor an ornamental scroll or flourish. The letters J. D. K. & Z. in capitals appear just beneath the anchor. Across the lower central space of the label is designed a ribbon upon which appear the words " John De Kuyper & Son " and below this is the word " Rotterdam " whilst in the apex of the heart is a vine or scroll. The whole as more fully appears by a certified copy of the said registration, to which the opposants crave leave to refer.

2. That the said label or trade-mark is used by the opposants in connection with the sale of Hollands Gin and is applied on square-faced bottles of dark glass, and is well known to the public.

3. That the trade-mark proposed for registration by the said Messrs. Melchers resembles the trade-mark of the opposants already registered as aforesaid.

4. That the trade-mark proposed to be registered by the said Messrs. Melchers is calculated to deceive and mislead the public, especially when applied to the sale of Hollands gin in connection

with the dark square-faced bottles in which the same is usually sold.

CLAIM.

The opposants pray that this honourable court may be pleased to reject the said application (*a*) because the said mark proposed for registration resembles said trade-mark of the opposants already registered ; and (*b*) because the same is calculated to deceive and mislead the public, and the opposants pray for costs.

Montreal, 14th August, 1897.

The following answer to the above opposition was filed by the applicants :—

*Title of Proceeding.*

Messrs. Melchers, for answer to John de Kuyper & Son's opposition in this matter, say :

1. That the heart-shaped label claimed to have been registered by opposants, and also the words and device printed or written upon it, had been in use for years in Europe and in Canada upon the same class of goods and was common to the trade long prior to the opposants alleged registration of same, and the heart-shape of the label has been and is one of the essential features, and the designs thereon were subordinated to the shape, and any originality or exclusiveness in the arrangement of said design or label or any part thereof, excepting the anchor, exist only by reason of such heart-shape.

2. That the registration alleged to have been obtained by opposants was obtained without sufficient cause, should have been refused and the registration of the alleged trade-mark should be cancelled and the entry thereof expunged from the registry.

3. That it is not true that the trade-mark proposed for registration by Messrs. Melchers resembles the trade-mark alleged as having been registered by opposants, but on the contrary among the striking differences between the two labels or trade-marks are the following : The opposants' label is heart

shaped, your petitioner's is in the form of a kite. The scroll along and parallel with the edge of opposants' label is corrugated or rope-like, while that of your petitioners is a plain band or border. At the top of the plain band or border in white letters on a dark back-ground are the words, "The Largest Gin Distillery," while under the scroll on the over-links of the heart-shaped label are the words "Genuine Hollands," the letters being aligned upon a curve beneath which is a scroll curving parallel with the alignment of the words. The words "Genuine Hollands" are more prominently set out in the heart-shaped label than in the kite form one. Beneath the word "Geneva" on the heart-shaped label is an anchor inclined to one side, and on each side of the anchor an ornamental scroll or flourish; while in the centre of your petitioners' label is a design representing an elephant turned to the right. Immediately under this design are the letters J. J. M. Wz., and a circular band towards the top on a scroll with the name J. J. Melchers, Wz., while in the heart-shaped label, in corresponding position, are the letters J. D. K. Z. inclined to the right and underneath a ribbon instead of a scroll with John de Kuyper & Son. The word "Rotterdam" is on the heart-shaped label and under the name of such city is a vine or scroll; while in the corresponding place on the kite-shaped label is the word "Schiedam," and under this name the word "registered," and there is a "pendant" where in the heart-shaped label, is the scroll or vine.

4. It is not true that the trade-mark proposed to be registered by Messrs. Melchers is calculated to deceive or mislead the public.

The applicants, Messrs. Melchers, pray for the reasons above mentioned that this honourable court, may be pleased to reject the opposition of Messrs. John de Kuyper & Son, and declare that the registration of their trade-mark, as set out in paragraph No. 1 of their statement of objections, be set aside and declared null and void and be ordered to be erased from the Trade-Mark Register in the Department of Agriculture; and that the appli-



cation of Messrs. Melchers for registration of this trade-mark be allowed with costs against the said John de Kuyper & Son.

Montreal, December 1st, 1897.

REPLY OF OPPOSANT TO ABOVE ANSWER.

*Title of Proceeding.*

The opposants reply to Messrs. Melchers' answer to their opposition, and say :—

1. As to paragraphs one and two of the said answer, opposants say that the allegations therein contained are irrelevant and do not constitute in law any answer to the opposition filed herein, nor can effect be given thereto herein, and opposants claim the benefit of this objection as if they had demurred.

2. Subject to the foregoing, the opposants deny the allegations of paragraphs one, two, three and four of the said answer.

January 11th, 1898.

The matter was heard at Montreal.

*T. Brosseau*, on behalf of the applicants : There is not such a similarity between the trade-mark of the opposants and that which the applicants seek to register, as to deceive the public in any way. The distinctive feature of the trade-mark proposed for registration by the applicants is the elephant, while that of the other is the anchor. The gin manufactured by the applicants is known to the trade and to consumers as the "Elephant Brand." There is no substantial reason for refusing the registration asked for. (He cites *Eugène Pouillet : Des Marques de Fabrique* p. 79.)

*C. S. Campbell*, for the opposants : The applicants are in the same position before the court as if they had never used their trade-mark. The heart-shaped label cannot be the subject of a trade-mark in Canada. He cites *De Kuyper v. Van Dulken* (1894), 4 Ex. C.R. 71; *Eno v. Dunn* (1890), 15 App. Cas. 252;

*Re Dewhurt's Trade-Mark*, [1896] 2 Ch. 137; *The Queen v. Authier* (1897), Q.R. 6 Q.B. 146. The authorities show conclusively that if there is any possible similitude the registration of the second trade-mark ought to be refused.

*A. Ferguson, Q.C.* followed for the opposants. This is a case of first instance, and according to the English doctrine it ought to be decided upon the lines of analogy to cases already decided bearing the closest resemblance thereto. The case of *De Kuyper v. Van Dulken* (*ut supra*) decides that the opposants are the owners of the heart-shaped label as applied to the manufacture of gin. In view of that decision, and in view of the fact that the Minister is in doubt as to the propriety of granting the application in this case, the court ought not to order registration. The mere label itself is not the proper subject of a trade-mark, because, as was established in the case referred to, the use of a heart-shaped label was common to the trade. We have by means of the use of our trade-mark upon a heart-shaped label, built up an important trade in this country; and our rights should not be lightly interfered with. (He cites *Speers' Case* (1887), 55 L.T.N.S. 880.)

As to the question whether the resemblance between the two marks is such as to justify the Minister in refusing to register, I would refer to *In re Australian Wine Importers* (1889), 41 Ch. D. 278. The only difference between the two marks is that in the case of the heart-shaped label there is an indentation that does not appear in the case of the kite. The resemblance is close enough to deceive the public. The second trade-mark is an interference with a vested right, and should not be protected by the Court. (He cites *Crossmith's Trade-Mark* (1889), 60 L.T.N.S. 612.)

*Mr. Brosseau* replied.

THE JUDGE OF THE EXCHEQUER COURT now (March 7th, 1898) delivered judgment.

This matter comes before the court on a reference by the Minister of Agriculture in which after reciting that an application had been made on the 16th of February, 1897, on behalf of

Messrs. Melchers of Schiedam, in the Kingdom of the Netherlands, for the registration of a trade-mark, consisting of certain signs and devices upon a label intended to be affixed to bottles containing gin, described in the application as being a "cerf-volant," and that Messrs. John De Kuyper & Son, of Rotterdam, in the same kingdom had protested against the granting of the said application, which they held to be an interference with their trade-mark, consisting of a heart-shaped label No. 5415, the Minister referred the application to the Court "to hear and determine the matter and to decide whether the label claimed by Messrs. Melchers should be admitted to be registered pursuant to sec. 11 (*a* and *b*) and (2) 54-55 Vict., ch. 35."

The 11th section of the *Act Respecting Trade-marks and Industrial Designs* (1), as enacted in 54-55 Vict., ch. 35, is as follows:—

"11. The Minister of Agriculture may refuse to register any trade-mark in the following cases:—

(*a*) If he is not satisfied that the applicant is undoubtedly entitled to the exclusive use of such trade-mark.

(*b*) If the trade-mark proposed for registration is identical with or resembles a trade-mark already registered.

(*c*) If it appears that the trade-mark is calculated to deceive or mislead the public.

(*d*) If the trade-mark contains any immorality or scandalous figure.

(*e*) If the so-called trade-mark does not contain the essentials necessary to constitute a trade-mark, properly speaking.

2. The Minister of Agriculture may, however, if he thinks fit, refer the matter to the Exchequer Court of Canada, and in that event such Court shall have jurisdiction to hear and determine the matter, and to make an order determining whether and subject to what conditions, if any, registration is to be permitted."

The questions to be determined on this reference are:—

1. Are the applicants entitled to the exclusive use of the trade-mark which they propose to register; and

2. Is it identical with or does it resemble, a trade-mark already registered?"

As to the first question there is no controversy. The applicants are undoubtedly entitled to the exclusive use of the trade-mark they propose to register if otherwise they are entitled to register it. Then, too, it is clear that the proposed trade-mark is not identical with any trade-mark already registered. The only question for determination is as to whether or not it so resembles the registered trade-mark of John de Kuyper & Son that registration ought to be refused?

The further question as to whether or not it is calculated to deceive or mislead the public has not been directly referred to the Court, though so far as such deception may depend upon the resemblance of such trade-mark to one already registered, the question is involved in that which has been submitted to the Court. If the trade-mark proposed to be registered so resembles one already on the register that the owner of the latter is liable to be injured by the former being passed off as his, then a case is presented in which the proposed trade-mark is calculated to deceive or mislead the public. Whenever the resemblance between two trade-marks is such that one person's goods are sold as those of another the result is that the latter is injured and some one of the public is misled. To prevent these things from happening the Legislature has given the Minister of Agriculture a discretion to refuse to register a trade-mark proposed for registration where it is identical with or resembles a trade-mark already registered. If, as in the present case, he refers the question to the Court, the Court should, I think, exercise its discretion and determine the matter upon the same principles as should guide the Minister in the exercise of his discretion.

The trade-mark that the applicants propose to register is described in their application as follows:

“ Cette marque de commerce spéciale consiste en une étiquette en forme de cerf-volant, la base placée en haut étant formée par une demi-circonférence raccordée aux côtés latéraux rectilignes, rappelle ainsi la forme d'un cerf-volant.

" L'encadrement, de même forme que l'étiquette, se compose d'un trait noir simple.

" Sur une bande noire circule, concentrique, au haut du cadre, se lit, en lettres blanches sur fond noir: 'The largest gin distillery:' puis au-dessous, en lettres noires sur le fond de l'étiquette: 'Genuine Hollands,' et enfin en plus gros caractères 'Geneva.'

" Le centre de l'étiquette est occupé, par une vignette représentant un éléphant tourné vers la droite.

" Immédiatement au-dessous de l'étiquette 'J. J. M. Wz.,' puis sur une bande circulaire, concave vers le haut, 'J. J. Melchers, Wz.' Enfin, au dessous, " Schiedam," et au bas 'Registered.' Un fleuron en cul-de-lampe termine l'étiquette."



The following extract from the certificate issued by the Minister of Agriculture, on the 12th of September, 1895, to John de Kuyper & Son gives a description of their registered trade-mark:

“This is to certify that this trade-mark (specific) to be applied to the sale of Hollands gin, and which consists of a white heart-shaped piece of paper used as a label, and the following words, devices and designs depicted thereon, to wit: Along close to and parallel with the edge of the said heart-shaped paper or label there runs a scroll consisting of one oval link alternating with two round links. Within the space enclosed by said scroll on one side, at the top, is the word ‘Genuine,’ and on the other, at the top, is the word ‘Hollands;’ the letters composing each of said words being aligned upon a curve, beneath which is a scroll curving parallel with the alignment of the word. Below these words and across the upper central space of the label is the word ‘Geneva,’ and beneath it an anchor inclined to one side, and on each side of the anchor an ornamental scroll or flourish. The letters J. D. K. & Z., in capitals, appear just beneath the anchor. Across the lower central space of the



label is designed a ribbon, upon which appear the words, 'John de Kuyper & Son,' and below this is the word 'Rotterdam,' whilst in the apex of the heart is a vine or scroll, as per the annexed label and application, has been registered in the Trade-Mark Register No. 23, folio 5415, in accordance with the *Trade-mark and Design Act.*"

It will be seen from the description of the two trade-marks, and more especially by an inspection of the two labels that the differences in detail between the two are many, and as to their general appearance no one of ordinary intelligence and education would be likely to mistake the one for the other. The resemblance, such as it is, lies in the colour and shape of the label. In the one case the label is heart-shaped, in the other it takes the form of a kite, and in both the colours are white and black.

Messrs. de Kuyper & Son, who have for a long time had a well-established business in Quebec and elsewhere in the Dominion, have for many years used the heart-shaped label on bottles containing gin made by them. After litigation and proceedings in this Court, to which it is not necessary to refer more particularly, that label was registered in 1895. Messrs. Melchers are also distillers of gin. They have, too, for a number of years done business in Quebec and elsewhere in Canada. Formerly they used a label the colour and shape of which were very dissimilar to that used by de Kuyper & Son, as well as to that which they now seek to register. Then for a while they used a white heart-shaped label having, in general appearance, a somewhat close resemblance to de Kuyper & Son's label. That label they have abandoned in favour of the one now in question. These labels are in use attached to bottles of a similar shape and like general appearance. It will be seen, however, by an inspection of the exhibits in this case, that in the glass of the bottles used by Messrs. Melchers are impressed the word and letters "J. J. Melchers, Wz." Of course they are not bound to use such bottles and may whenever they care to do so use bottles without any such distinguishing mark. And the fact is not material except as showing what is, I think, otherwise clear from the

evidence, that they are not, so far as they are concerned, attempting to sell their gin as gin made by de Kuyper & Son. Why, then, have they changed their labels, and in the one case somewhat closely followed that used by de Kuyper & Son, and in the other come as near to it apparently as they thought it safe to do? The wholesale dealers, the retail dealers, the saloon-keepers, and the inn-keepers all know the difference. None of them are misled or deceived by any resemblance between de Kuyper & Son's label and that which the applicants seek to register. None but the incautious and unwary among the customers of the retailers would be likely to be misled, and some of the witnesses appear to think that even with these the thing is not likely to happen. I am inclined, however, to take a different view. Although the resemblance between the two labels is not marked, yet there is a resemblance and one which it seems to me might in some cases mislead ignorant persons not on their guard. I fail to see why the applicants, who do not themselves attempt to sell their gin as that made by de Kuyper & Son, would care to have a label in any way resembling that used by the latter, if it were not that the retail dealers, the saloon-keepers and inn-keepers, or some of them, did not prefer to buy gin in bottles bearing labels with some such general resemblance, and did not buy more of it because the bottles bear such labels; or why the retailers would the more readily buy, and buy more, gin in bottles with such labels if the labels did not in some way enable them in selling to get some advantage from the reputation that John de Kuyper & Son have obtained as distillers of gin. Mr. Langlois, a travelling agent for the sale of groceries and liquors being asked in cross-examination which gin it was that he "pushed," answered that there is always one they need not push and that is the de Kuyper mark. If they took another mark they had to push it, but so far as de Kuyper's is concerned it is always asked for. And though this witness had not sold Melchers' gin I have no reason to think that his testimony does not fairly present the state and condition of the trade in gin in Quebec and other places where he travelled. And that shows us



why it is that other distillers of gin, or their customers, find it an advantage, or think it to be an advantage, to use a label resembling that used by the de Kuypers. But there can be no advantage unless some persons are misled by the resemblance between the labels and buy gin made by others when they think they are buying de Kuypers'.

That, it seems to me, is a fair inference to draw from the facts of the case, and though not in itself conclusive, it strengthens the view which I have formed from an inspection of the two labels that there is on the whole such a resemblance between them as would justify the Minister of Agriculture in refusing to register the trade-mark in question, and the Court in declining to make an order for its registration. It is always to be borne in mind in applications of this kind that the question is not the same as that which arises in an action for an infringement of a trade-mark. It does not follow that because the person objecting to the registration of a trade-mark could not get an injunction against the applicant, the latter is entitled to put his trade-mark on the register. [*Re Speer* (1887), 55 L.T. 880; *In re The Australian Wine Importers, Lt.*, L.R. (1889), 41 Ch. Div. 278.] With reference to the exercise by the Comptroller of the discretion given him by *The Patent, Designs and Trade-Marks Act*, 1883, to register or to refuse to register a trade-mark, the House of Lords has held that he ought to refuse registration where it is not clear that deception may not result. [*Eno v. Dunn* (1890), 15 App. Cas. 252; see also *In re Trade-mark of John Dewhurst & Sons, Lt.*, [1896] 2 Ch. D. 137.] And that, I think, is a rule which the Minister of Agriculture and this Court should follow in disposing of applications made under the Canadian Act.

The common sense view of cases of this kind is well stated in the *Law Quarterly Review* for 1896, vol. 12, p. 12:—

"The world is wide," said Lord Justice Bowen once in a trade-mark case, "and there are many names. The world is wide, and there are many designs. There is really no excuse for imitation in a cathedral stove or anything else, and when we

find such a stove selling largely, and another enterprising trader producing a similar article, only with different tracery, his conduct is only explicable on one hypothesis, and that is a desire to appropriate the benefit of another person's business. [*Harper & Co. v. Wright & Co.*, [1895] 2 Ch. 593 ; 64 L.J. Ch. 113 ; reversed on appeal: [1896] 1 Ch. 142.] The argument of undersigned coincidence is one which may be commended to Judeus Apella, and the other argument—the stock argument—as to the proprietor of a design or trade-mark not being entitled to monopolize art or the English language, is about equally deserving of respect. In such cases, as Lord Westbury said in *Holdsworth v. McCrea*, L.R. (1889), 2 H.L. at p. 388, and Lord Herschell in *Hecla Foundry Co. v. Walker* (1889), 14 App. Cas. 550, repeated, the appeal is to the eye, and rightly. It is the eye by which the buyer judges, and by which, if colourable imitations are by law allowed, he will be deceived and defrauded."

I am of opinion that in this case the registration of the proposed trade-mark should not be permitted, but should be refused, and there will be an order of the Court to that effect.

*Judgment accordingly.*

*Bisaillon, Brosseau & Lajoie*, Solicitors for applicants.

*Abbotts, Campbell & Meredith*, Solicitors for opposants.

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Notes:

RESEMBLANCE CALCULATED TO DECEIVE—RULES OF COMPARISON AS TO.

Lord Cranworth, in *Seixo v. Provezende* (1865), L.R. 1 Ch., at p. 196, says: "It is obvious that questions of considerable nicety may arise as to whether the mark adopted by one trader is or is not the same as that used by another trader complaining of its illegal use, and it is hardly necessary to say that, in order

to entitle a party to relief, it is by no means necessary that there should be absolute identity. What degree of resemblance is necessary, from the nature of things, is a matter incapable of definition *à priori*. All that Courts of justice can do is to say that no trader can adopt a trade mark so resembling that of a rival as that ordinary purchasers, purchasing with ordinary caution, are likely to be misled."

1. The "*idea of the mark*" is to be regarded.—In considering the principles of comparison which should control either the Minister of Agriculture or the Court in considering whether one trade mark so resembles another as to be calculated to deceive or mislead the public, the language used in the report by Lord Herschell's Committee on Trade Marks, given at length in Kerly on Trade Marks, 2nd ed., p. 227, is of value. It is there said: "Two marks, when placed side by side, may exhibit many and various differences, yet the *main idea left on the mind* by both may be the same; so that a man acquainted with the first mark registered, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted. Take, for example, a mark representing a game of football; another mark may show players in a different dress, and in very different positions, and yet the *idea* conveyed by each might be simply a game of football (Compare *Barker's Tm.* (1885), 53 L.T. 23, *per Kay, J.*). It would be too much to expect that persons dealing with trade marked goods, and relying, as they frequently do, upon marks, should be able to remember the exact details of the marks upon the goods with which they are in the habit of dealing."

The leading trading cases bear out the remarks just noted.

In *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219, where both the plaintiffs' and the defendants' marks consisted of tickets bearing pictures of two elephants with a banner between them, the figures being different, Lord Selborne, L.C. (at p. 225), used the following language: "Although the mere appearance of these tickets could not lead anyone to mistake one of them for another, it might easily happen that they might both be taken by natives of Aden or of India, unable to read and understand the English language, as equally symbolical of the plaintiffs' goods. To such persons, or at least to many of them,

even if they took notice of the differences between the two labels, it might probably appear that these were only differences of ornamentation, posture and other accessories, leaving the distinctive and characteristic symbol unchanged."

In the *Taendstikker Case* (1886), 3 R.P.C. 54 (C.A.), there was a question of the resemblance between two labels. The appellant's label as registered consisted of a black oblong, bearing the word *taendstikker* printed at the bottom, and the word *nitedals* at the top, and a small geometrical device having two overlapping medals on each side of it in the middle. The rival label was of a similar appearance, with the word *medals* instead of *nitedals*, two blank spaces having the same outline as the medals, and a cross instead of the device, the blanks and cross corresponding in size and shape with the medals and device. It was shown that in practice the respondents printed representations of medals over the blanks.

Lord Esher said: "The trade mark is the whole thing—the whole picture on each. You have therefore to consider the whole. Mr. Justice Chitty has looked at the distinguishing features. He, I think, only looked at it to see whether, with that distinction, the whole was like or unlike. That is what he did, but the argument raised by Mr. Romer . . . was this: the moment there is any distinction in any part, the things are at once alike. That is his point. . . . It seems to me that he has fallen into this fallacy—he takes each thing by itself, and says either it is common or it is the same, and leaves out altogether the mode in which the things are put together in the two pictures." Lindley, L.J., said: "The difference here, looking at the boxes, is simply this, that the word *medals* is used instead of the word *nitedals*, all the rest being, according to the evidence, common. Now I do not think that is a dissimilarity which is sufficient in this case . . . The question is, what is the effect of the use or introduction of that distinguishing character (the name at the top or bottom of the label) on the whole? When you look at the wholes, then it appears to me, I confess, that the dissimilarity is not enough to make the wholes dissimilar."

See *Abbott v. The Bakers', etc., Association* (1872), W.N. 31, per Lord Chancellor Hatherley: "Though no one particular mark was exactly imitated, the combination was very similar and likely to deceive"; *Farrow's Case* (1890), 63 L.T. 233.

But where the resemblances are common parts alone and nothing distinguishing to the one has been taken by the owner

of the other, there is no infringement: *Jamieson v. Jamieson* (1898), 15 R.P.C. 169; *Payton & Co., Ltd. v. Snelling, Lampard & Co., Ltd.* (1900), 17 R.P.C. 48, affirmed by H. of L. 628; *Payton & Co., Ltd. v. Titus, Ward & Co., Ltd.* (1900), 17 R.P.C. 58. In this last case, Lindley, M.R., said: "When what is called the plaintiffs' get-up consists of two totally different things combined, namely, a get-up common to the trade and a distinctive feature affixed or added to the common features, then what you have to consider is not whether the defendants' get-up is like the plaintiffs' as regards the common features, but whether that which specially distinguishes the plaintiffs' has been taken by the defendants. A defendant may take it more or less. It is seldom that he copies it. Of course he does not do that, but if he so nearly takes it that when you look at it as a whole you can say that the defendants' goods are calculated to be taken for the plaintiffs' goods when properly looked at—if you can say that—then the plaintiff is entitled to succeed."

See also *Currie & Co.'s Application* (1896), 13 R.P.C. 681, Kekewich, J. ("Cock o' the North" label).

2. *The marks are to be compared as used in business from day to day, and not to be merely viewed side by side as in samples presented to the Court or the Minister.*—The standpoint of comparison must be that of the unwary or incautious purchaser: *Seizo v. Provezende* (1866), L.R. 1 Ch. 192; *Wilkinson v. Griffith* (1891), 8 R.P.C. 370; *Rosing's Application* (1878), 54 L.J. Ch. 975n; *Lyndon's Tm.* (1885), 32 Ch. D. 109; *Lambert's Tm.* (1889), 61 L.T. 344; *Davis v. Reid*, ante, p. 000; *Partlo v. Todd*, ante, p. 000; *Re Jelley* (1878), 51 L.J. Ch. 639n. Moreover, the Court should consider the mark as actually used and lawfully altered by the owner: *Worthington's Case* (1879), 14 Ch. D. 8; *Smith v. Fair*, ante, p. 152 ("seal" cases); *Christiansen's Tm.*; supra; *Lyndon's Tm.*, supra; *Melachrino v. The Melachrino Egyptian Cigarette Co.* (1887), 4 R.P.C. 215; *Rowland v. Mitchell* (1897), 14 R.P.C. 37. "I agree," said Fry, L.J., in *In re Lyndon's Trade Mark* (ante), at p. 122, "with what was said by the Master of the Rolls in *In re Rosing's Application* (ante), that you must have regard to size, and I think you must also have regard to the material upon which the mark is to be impressed, and also to the natural imperfections of the impressions."

3. *The Court must have regard to the market or trade in which the goods marked are to be trafficked in.*—It must con-

sider whether it is a home or foreign market; what other similar trade marks are extant in those markets; what are the customs and usages of the trade. In the report of Lord Herschell's Committee, above referred to, it was said: "One chief complaint has been that the usages of the trade and the character of the markets where the marks are intended to serve their purposes have not been sufficiently kept in view." Compare the remarks of Lord Selborne in *Johnston v. Orr-Ewing* (*supra*): "Although the mere appearance of these tickets could not lead anyone to mistake one of them for the other, it might easily happen that they might both be taken by natives of Aden or India, unable to read and understand the English language, as equally symbolical of the plaintiff's goods."

If there are numerous marks of the same kind on the register, a similar mark, though to be applied to a different class of the same kind of goods, may be rejected: *Hargreaves' Case* (1879), 11 Ch. D. 669; *Thewlis and Blakey's Tm.*, and *Hughes and Young's Tm.* (1893), 10 R.P.C. 369; *Orr-Ewing v. The Registrar of Tms.* (1879), 4 App. Cas. 479; *König v. Ebhardt's Tm.*, [1896] 2 Ch. 236.

4. Where a trader's goods are known by a name suggested by the mark, rival marks which could not fail to lead purchasers to attribute to goods marked with such marks the same name as that under which the trader's goods were known, will not be sanctioned: *Seixo v. Provezende* (1866), L.R. 1 Ch. 192; *Anglo-Swiss Condensed Milk Co. v. Metcalf* (1886), 31 Ch. D. 454; *Speer's Tm.* (1887), 55 L.T. 880; *Baschiera's Tm.* (1889), 5 T.L.R. 54; *Dewhurst's Application*, [1896] 2 Ch. 137; *Currie & Co.'s Application* (1896), 13 R.P.C. 681.

"CALCULATED TO DECEIVE."

These words, which appear in section 11(e) of R.S.C. 1886, ch. 63, as amended by 54-55 Vict. ch. 35, sec. 1, "impart at first sight a design to deceive; but I think it plain, from the rest of the section and the decisions of the Courts, that a mark is within the section when that mark, fairly used, is so like a mark on the register, also fairly used, as that the one is likely to be mistaken for the other." *per* Fry, L.J., in *In re Lyndon* (1886), 32 Ch. D. 109. In the same case, Bowen, L.J., said: "a trade mark is calculated, by its resemblance to another already on the register, to deceive, if in the course of its legitimate use in the trade it is likely to do so."

It is the better opinion in England that it is not necessary that the resemblance "calculated to deceive" should be such that an injunction would be granted to restrain the use of the applicant's mark, but the true question is whether the resemblances are such as to be likely in future to give rise to litigation: *In re Farina* (1881), 26 W.R. 261; *In re Marks and Tellefsen* (1885), 63 L.T.N.S. 234; *In re Speer* (1887), 4 R.P.C. 521; *In re Dunn* (1890), 41 Ch. D. 439, *per* Kay, J.; *Eno v. Dunn* (1890), 15 App. Cas. 252. The same opinion prevails in Canada: See *per* Burdidge, J., in the case to which these notes are appended.

The provisions of the section in the Imperial corresponding to section 11 in the Dominion Statute, *viz.*, section 72, Patents, Designs and Trade Marks Act of 1883, as amended by the Act of 1888, have been held to exist not merely for the benefit of the owners of trade marks, but for the protection of the public, *viz.*, to prevent confusion and deception, and the same principle will govern the Court in considering whether it ought to encourage concurrent applications: *Per* Stirling, J., in *In re Ehrmann*, [1897] 2 Ch. 495.

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## [IN THE COURT OF APPEAL FOR ONTARIO.]

WILSON V. LYMAN.

(25 A.R. 303.)

*Trade Mark—Trade Name—"Fly Poison Pad"—Infringement of Registered Mark—Trade Marks and Designs Act.*

The plaintiffs sold thick felt paper pads, circular in form, impregnated with a compound designed to destroy flies and other insects. The name on the pad, which was registered as a trade mark, was "Wilson's Fly Poison Pad." The defendants put up fly poison in pads similar in appearance to those of plaintiffs, but octagonal in shape instead of circular, under the name "The Lyman Bros. & Co., Limited, Lightning Fly Paper Poison," and on the packages containing the pads the words, "6 pads in a package," or 3 pads in a package," with directions similar to those on the plaintiffs' envelopes. The evidence shewed that the word "pads" had grown to be used in common connection with various fly poisons so as to be disassociated to some extent from plaintiffs' goods, and hence not calculated to create the impression in the mind of the public that the defendants' fly poison was the same as that of the plaintiffs.

*Held*, that the word "pads" had become in such a measure *publici juris*, that the defendants were entitled to call their poison sheets "pads," especially as the general appearance was different, and the word "pads" on defendants' packages was not given any undue prominence likely to mislead purchasers.

Judgment of Rose, J., affirmed.

This was an appeal by the plaintiffs, and a cross-appeal by the defendants, from the judgment of ROSE, J.

The following statement of the facts is taken from the judgment of MOSS, J.A.

The plaintiffs are manufacturers and wholesale vendors of a compound designed for the destruction of flies and other insects. The plaintiffs' manufacture consists of thick felt paper pads, circular in form, impregnated with the preparation.

For a number of years the pads have, for the purposes of sale, been put up in packages or envelopes and placed in boxes containing either fifty or a hundred envelopes according to the number of pads in the envelope.



In connection with the sale of their fly poison the plaintiffs are the proprietors of a specific trade mark registered under the provisions of the Trade Mark and Designs Act of 1879. As stated in the application for registration it "consists in the words 'Wilson's Fly Poison Pad,' the same being printed on a poison pad. \* \* the essential feature of the trade mark being the words 'Fly Poison Pad' prefixed with or without the name 'Wilson,' but preferably with it, and so as generally to present the following appearance :



In May, 1896, they commenced this action complaining that the defendants were putting up fly poison in pads similar in appearance to those of the plaintiffs, but octagonal in shape instead of circular, that these pads were being put up in envelopes containing six or three pads with printed directions similar to those on the plaintiffs' envelopes, calling the poison "The Lyman Bros. & Co., Limited, Lightning Fly Paper Poison, 6 pads in a package 10 cents ;" that they were being put up in boxes with fifty envelopes of six each and one hundred of three each exactly similar to the plaintiffs' boxes. They further charged that the defendants offered their fly poison for sale as "fly pads," intending to mislead and deceive the public and induce them to believe they were buying the plaintiffs' goods, and with that view had imitated and infringed on the plaintiffs' trade mark, envelopes, and boxes, and the pads manufactured by them.

The defendants denied that they infringed the plaintiffs' trade mark or that they intended to mislead or deceive the public, and submitted that the plaintiffs' trade mark was not the proper subject of a trade mark, the words being only descriptive and not properly registered in accordance with the Act. They further alleged that they had manufactured fly poison for thirty-eight years and sold it under the name of "Lightning Fly Paper Poison," and were putting it in pads merely for greater convenience in handling and in compliance with the universal practice of manufacturers of fly poison, and without any reference to the plaintiffs' goods.

The plaintiffs moved for an injunction immediately after the issue of the writ, and the defendants having expressed their willingness to make certain concessions with regard to the labels on the envelopes and boxes in which their goods were put up, and having undertaken to keep an account, the motion was adjourned to the trial.

At the trial the defendants' counsel offered to continue the concessions, and the case was narrowed down to the question whether the plaintiffs were entitled to restrain the defendants from making use of the word "pads" on their envelopes or packages in the manner employed by them.

The plaintiffs make claim to have been the first to put up and sell fly poisons in circular pads, and to put up and sell pads in envelopes, and to use envelopes, pads, the labels on them, and the trade mark in Canada, and to have acquired a reputation under the name of "fly pads," and that purchasers in asking for "fly pads" mean the plaintiffs' goods.

The defendants still continue to designate their preparation as "Lyman Bros. & Co., Limited, Lightning Fly Paper Poison," but upon their envelopes or packages there are printed the words "6 pads in a package, 10 cents," or "3 pads in a package, 5 cents," according to the circumstances, and the plaintiffs contend that the defendants are not entitled to so use the word "pads."

The plaintiffs claim the right to restrain the defendants, first, by virtue of their registered trade mark, and second, upon the ground that the word "pad" has become so identified with the plaintiffs' goods that wherever used it would be understood to indicate the plaintiffs' goods, and that the defendants by means of its use are enabled to pass off their goods as those of the plaintiffs.

The action was tried at Hamilton on the 25th and 26th of January, 1897, before ROSE, J., who on the 23rd of June, 1897, decided that the plaintiffs failed in their endeavour to restrain the use by the defendants of the word "pads" as used.

The plaintiffs appealed from this part of the judgment and urged the same grounds. The defendants also appealed, contending that there ought not to have been any relief granted to the plaintiffs.

The appeal and cross-appeal were argued before BURTON, C.J.O., OSLER, MACLENNAN, and MOSS, J.J.A., on the 18th and 21st of March, 1898.

*S. H. Blake, Q.C., and Scott, for plaintiffs.*

*Thomson, Q.C., and Henderson, for defendants.*

References were made in the arguments to *Sykes v. Sykes*, (1824), 3 B. & C. 541; *Millington v. Fox* (1838), 3 My. & G. 338; *Seixo v. Provezende* (1866), L.R. 1 Ch. 192; *Reddaway v. Banham*, [1896] A. C. 199; *Powell v. Birmingham, etc., Co.*, [1894] A.C. 8; [1897] A.C. 710; *Wotherspoon v. Currie* (1872), L. R. 5 H. L. 508; *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219; *Montgomery v. Thompson*, [1891] A.C. 217; *Barsalou v. Darling* (1882), 9 S.C.R. 677; *Partlo v. Todd* (1888), 14 A.R. 444; 17 S.C.R. 196; *Saxlehner v. Appollinaris*, [1897] 1 Ch. 893.

May 10th, 1898. The judgment of the Court was delivered by

MOSS, J.A. :—

Upon the question of infringement of the registered trade mark the point is not whether there has been an infringement of the mark used by the plaintiffs in their business, but whether there has been an infringement of the mark which they have registered. Is the use of the word "pads" in the manner above mentioned an infringement of the plaintiffs' registered trade mark?

In dealing with this question we are to keep out of view the other details of "get up" in the defendants' label, for these have been eliminated by the action of the defendants in the concessions made at the trial and by the judgment of the Court.

Since the introduction of the envelope system the words of the plaintiffs' registered trade mark have been printed on the envelopes in prominent type, and in the latest issue, inaugurated in 1891, they appear surmounting a pictorial representation of a lady housekeeper with a gratified expression, engaged in collecting an insect holocaust, these being the most pronounced features of the label.

The defendants do not use the word "pad" upon the article itself, but only on the envelope where it is indicative of the number of pads in the package and the price. Any one handling the pads themselves finds printed on them the words "Lightning Fly Paper Poison," and "Lyman Bros. & Co.," and there is nothing appearing on them to lead to their being taken for those of the plaintiffs.

The plaintiffs' contention is that the defendants in so using the word on their labels have adopted the essential part of the plaintiffs' trade mark, but eliminating the matters abandoned by the defendants and then comparing the plaintiffs' label with the defendants', it does not appear to me that the latter presents in general appearance of lettering or pictorial design any resemblance to the plaintiffs' likely to mislead any one.

In the cases where the plaintiff has obtained an injunction on this ground it is to be seen that the word taken out of the

plaintiff's trade mark and used by the defendant in connection with his goods was given great prominence, and so brought out in his advertisement or label as to give a character to the rest and attract the attention of the reader or observer. Or it is to be found placed in such a conspicuous connection with the manufactured article itself as to represent in effect that it is the plaintiff's manufacture, or to lead careless or unwary persons into whose hands the document may come to suppose that such is the case.

In *Ford v. Foster* (1872), L.R. 7 Ch. 611, and *Wotherspoon v. Currie* (1872), L.R. 5 H. L. 508, there were circumstances tending to shew a deliberate intent to imitate the plaintiff's trade mark, but so far as they were dealt with on the ground of mere resemblance, the ground of decision was the prominent use of the most distinctive word in the plaintiff's trade mark. And so in *Barsalou v. Darling* (1882), 9 S.C.R. 677, and other cases.

In the case *In re Leonard and Ellis's Trade Mark—Leonard v. Wells* (1884), 26 Ch. D. at p. 300, the Earl of Selborne, L.C., sitting in the Court of Appeal and dealing with a question of this kind, said: "That brings us to the last point which we have to consider. Is this document issued by the defendants a document which, considered on the principles properly applicable to such cases, so uses the word 'valvoline,' which is a prominent part of the plaintiffs' trade mark, as to represent in effect, or to have a tendency to lead careless persons into whose hands the document might come, to suppose that the article is the plaintiffs' manufacture, putting aside the enjoyment which the plaintiffs had of the name by reason of its having been on the register ever since 1878? I think not. The word 'valvoline' is here used clearly not as a trade mark but as a sort of heading, or title, or label, or prominent word descriptive of the article, and the names 'M. Wells & Co., Oil Refiners and Importers,' with their proper address, are placed upon the document with as much prominence as the word 'valvoline,' so that any one looking even casually at the document, and only attending to that which is most con-

spicuous in it, if he saw the word 'valvoline' would see the words 'M. Wells & Co.' "

I think this language very applicable here. Looking at the plaintiffs' and defendants' labels and judging of the defendants' in the light of the principles laid down in so many cases, I think it may well be said of it that any one looking even casually at it and only attending to that which is most conspicuous, if he saw the word "pads" at all would certainly see the words "Lyman Bros. & Co., Limited, Lightning Fly Paper Poison."

Then comes the question of "passing off" or in other words, whether the use of the word "pads" as it is used by the defendants in connection with a preparation called fly poison is calculated to mislead the public and induce them to believe that the defendants' manufacture is that of the plaintiffs'?

The learned trial Judge found that the plaintiffs' fly paper decide whether the word had become so identified with the plaintiffs' goods as to have acquired a secondary meaning and to become known to the trade as "pads," but he did not expressly indicate to the public fly poison paper made by the plaintiffs' as distinguished from fly poison paper made by others, nor whether, assuming that to be so, the defendants by the use of the word in the sentence already quoted so describe their fly paper as to mislead purchasers and induce them, notwithstanding the other words, to buy the defendants' goods as and for the plaintiffs'.

Here once more in considering the evidence the general details of the "get up" must be left out. As the case is now presented, the defendants are to be regarded as persons having a right to manufacture and vend fly poison, and to put the papers or squares in envelopes or packages. As incident to this right, they have the right to describe what they are selling, but they must not describe them so as to make them pass as the plaintiffs' goods.

They say they are selling packages containing 6 pads for 10 cents, and packages containing 3 pads for 5 cents, and in these respects they are stating the actual facts. Is there evidence to show that this statement leads or is calculated to lead to the

impression that the pads so offered for sale are of the plaintiffs' manufacture?

In view of the evidence the plaintiffs cannot contend that they have any exclusive or special right to the manufacture of "pads" in connection with fly poison. Indeed, they do not claim to prevent the defendants from making fly poison pads, and do not dispute that anybody may make and vend fly poison pads. Now, when a word is a descriptive word, and descriptive of a thing which anybody may make and which anybody may sell, the burden is upon the plaintiffs to shew that it is so used by the defendants in their circulars or advertisements as in effect to represent or to have a tendency to make people suppose that the thing advertised or mentioned in the circulars is the manufacture of the plaintiffs: *In re Leonard & Ellis's Trademark—Leonard v. Wells* (1884), 26 Ch. D. at p. 299.

True, a word of this kind may acquire in a trade a secondary signification, but it may also be deprived of the value of the secondary meaning by becoming or being made *publici juris*.

The impression produced upon my mind by the evidence is that the word "pads" did obtain a secondary signification in connection with the plaintiffs' fly poison, but that of late years it has grown to be used in connection with other fly poisons as well, so as to be disassociated to some extent from the plaintiffs' goods and to become in a measure *publici juris*.

There is no evidence that any one has been in fact deceived or misled by the defendants' label. I am aware that this is not strictly essential in all cases, especially those in which the imitation of the plaintiffs' mark is very pronounced and decided. But it is an important circumstance in considering a case like the present, where it is the essence of the plaintiffs' case, that the use of the word should be understood in the market to imply that the goods sold or dealt with under it are the plaintiffs' goods: *Parsons v. Gillespie*, [1898] A.C. 239 at p. 246.

That being so, I do not think that the plaintiffs have made out a case upon the evidence that the use of the word "pads" in the way it appears on the defendants' envelope in connection

with the conspicuous words "Lyman Bros. & Co., Limited, Lightning Fly Paper Poison," is calculated to create the impression in the mind of the public dealing in such commodities that the fly poison contained in the packages is that made by the plaintiffs.

With regard to the defendants' appeal, I am not disposed, having regard to the offers and concessions made by their counsel before and at the trial, to interfere with the decision of the trial Judge. I am not satisfied that the use of the other details of "get up" in conjunction with the word "pads" did not amount to a combination calculated to mislead. I refer to the observations of Lindley, L.J., in *Lever v. Goodwin* (1887), 36 Ch. D. 1.

I would dismiss both appeals with costs, with the right of set-off.

*Appeal and cross-appeal dismissed.*

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**Notes:**

See *Notes to Rose v. McLean, ante*, p. 290.

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[IN THE EXCHEQUER COURT OF CANADA.]

WRIGHT, CROSSLEY & Co.,  
v.  
THE ROYAL BAKING POWDER CO.  
(6 Ex. C.R. 143.)

*Trade Mark—Action to Expunge—Plaintiffs out of Jurisdiction—Costs—  
Order for Security—Particulars, When Ordered.*

On an application by the plaintiffs to expunge the defendants' trade mark from the register, the defendants, resident out of the jurisdiction, applied for and obtained an order for security for costs against the plaintiffs, also out of the jurisdiction; plaintiffs thereupon applied for a similar order on the ground that the matter was within the jurisdiction of the Court.

*Held*, that security should not be ordered against the defendants.

THIS was an application by the plaintiffs for an order for security for costs against the defendants in a proceeding to expunge a trade mark from the register.

Both the parties to the proceeding were resident out of the jurisdiction of the Court. After the service of the statement of claim, an application was made on behalf of the defendants for an order compelling the plaintiffs to give security for the defendants' costs, and this order was granted. Plaintiffs then applied for a similar order against the defendants.

June 28th, 1898.

*C. J. R. Bethune*, for the application: The English practice is to grant an order for security against either party living out of the jurisdiction: *James v. Lovel* (1887), 56 L.T., p. 742; *In re Compagnie Générale d'Eau Minérales*, [1891] 3 Ch. D., p. 458. Under the Ontario practice the Court has no discretion; as soon as it is shewn that the party against whom the order is sought is

without the jurisdiction of the Court, the order will be made of course. This is a case where the Court should exercise its discretion to grant the order asked for in the interests of justice. Both parties being domiciled abroad, they ought to be treated on an equal footing. This case may be likened to a matter of interpleader or replevin. It is the practice in Ontario in interpleader proceedings to grant security against any party who is out of the jurisdiction: *Knickerbocker Trust Co. of N.Y. v. Webster* (1896), 17 P.R. 189.

*J. F. Smellie, contra*, relied on the *Annual Practice*, 1897, at p. 1152, and cases there cited.

*Bethune* replied.

THE JUDGE OF THE EXCHEQUER COURT.—I feel that I cannot entertain the application made by the plaintiffs for an order calling on the defendants to give security for costs to the plaintiffs simply because the former are resident out of the jurisdiction; and the application must, therefore, be dismissed. But as this is the first occasion when the question has been raised before me, I will dismiss the application without costs.

*Note.*—Upon application by the defendants in this case, an order was made directing the plaintiffs to give particulars of the date of the first user in England of the word "Royal" as applied to baking powder, and the names of the places, other than England, where it had been used, together with the dates of user in such places.

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## [IN THE SUPERIOR COURT FOR QUEBEC.]

THE SINGER MANUFACTURING CO., V. DAME SOPHIE MARIA  
CHARLEBOIS ET VIR.  
(Q.R. 16 S.C. 167.)

*Trade Mark—Use of Similar Name—"Singer"—Injunction.*

The petitioners had registered a trade mark for their sewing machines, which trade mark included the word "Singer." They complained that the respondent was also manufacturing sewing machines, and was putting the name "Singer" on her machines in the same place in which petitioners had been accustomed to mark the name "Singer" on the machines manufactured by them, and was also using the name on her bill-heads, etc.

*Held*, although the petitioners had not the right to prevent the respondent from using the word "Singer" in connection with sewing machines, they were entitled to an injunction against the use of the name in any way which would deceive the public and lead to the belief that the machines made by her were of petitioners' manufacture.

Montreal, May 18th, 1899. ARCHIBALD, J. :—

Whereas the petitioners in their petition praying for a writ of injunction against the female respondent allege that they are the manufacturers of a sewing machine known as 'Singer Sewing Machine,' and are the proprietors of all patents trade-marks, good-will, and rights in the manufacture of said machines in the United States, Dominion of Canada and in other countries; that petitioners have registered a trade-mark in Canada, to wit: on the 3rd of November, 1891, which trade-mark includes the word 'Singer'; that said company, petitioners, in the manufacture and sale of these sewing machines, have adopted and appropriated the word 'Singer,' and by such word these machines are known; that the female respondent has been engaged in advertising and selling sewing machines, not manufactured by petitioners, under the name of 'Singer,' 'Singer Sewing machines,' and 'Improved Singer Sewing machines,' upon which machines is marked the name 'Singer' in the same place in which petitioners have been and are accus-

tomed to mark the name 'Singer' upon the machines manufactured and sold by petitioners, which machines so sold by respondent are not truly described by said names or any, or either of them; that said respondent in so advertising and selling said sewing machines with the name 'Singer' thereon, is interfering with the rights of petitioners and causing them serious and grievous damage, and petitioners have sustained damage to the extent of \$300; and prays that the respondent, her servants, agents, attorneys, employees, workmen and confederates be restrained and enjoined to suspend all acts and proceedings complained of by petitioners;

Considering that the respondent, defendant, has made default to plead;

Considering that the petitioners, plaintiffs, have established that the respondent has interfered with the said privileges of petitioners, but have failed to prove that they have sustained any damages;

Considering that plaintiffs have not proved any infringement of petitioners' trade-mark by the female defendant;

Considering that plaintiffs have proved that the female respondent has offered to sell and has sold machines, not manufactured by petitioners, but made to resemble machines of such manufacture, and bearing the word 'Singer' painted thereon in the same place where said word appears on the machines manufactured by petitioners, such resemblance being sufficient to deceive persons of ordinary intelligence and to lead them to believe that the said machines were actually manufactured by the petitioners;

Considering that it has also been proved that female respondent issued circulars, representing the machines kept by her on sale as 'Improved Singer machines,' without any words to indicate that such machines were not manufactured by petitioners, and that such circulars were of a nature to deceive persons of ordinary intelligence and lead them to believe that said machines had been manufactured by petitioners;

Considering that although the petitioners have not the right to prevent the respondent from using the word 'Singer' in connection with sewing machines, it has the right to prevent the use of it in any way which will deceive the public and lead to the belief that the machines offered in sale are of the petitioners' manufacture ;

Doth perpetually enjoin the female respondent, her agents, servants and representatives, from marking upon sewing machines made or sold by her or upon any plate or device connected therewith or attached thereto, the word 'Singer,' or words or letters equivalent thereto, without clearly or conspicuously specifying in connection therewith that such machines are the manufacture of some persons other than the petitioners, and not manufactured by the 'Singer Manufacturing Co.,' and also doth enjoin said female respondent from issuing bill-heads, circulars, advertisements or other documents in connection with the sale of sewing-machines, containing the name 'Singer,' without at the same time clearly and conspicuously indicating upon each of said documents that the machines offered in sale are not of the manufacture of the said 'Singer Manufacturing Co.,' on pain of being held in contempt of Court, and doth condemn the female respondent to pay petitioners' costs.

*Hall, Cross, Brown, Sharp & Cook*, for petitioners.

*Beaudin, Cardinal, Loranger & St. Germain*, for respondent.

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**Notes:**

WORDS INDICATING A PROCESS OR PRINCIPLE.

The decision in the above case is consistent with the principle established in a number of cases in England, that where a word, which has no descriptive meaning to persons unacquainted with the particular trade, indicates to traders in those goods a process or principle, it is descriptive and incapable of exclusive appropriation.

This principle has been exemplified nowhere better than in what are known as the sewing machine cases.

In *Wheeler & Wilson v. Shakespeare* (1870), 39 L.J. Ch. 36, the defendant had advertised himself as the agent for sale of the Wheeler-Wilson machine, although he was not the plaintiffs' agent, and was not selling their machines. James, V.-C., while restraining him from advertising himself as the plaintiffs' agent, refused to restrain him from describing the machines sold by him as Wheeler & Wilson's. That was not the name of the makers, but of the principle or process and the monopoly granted under the expired patent could not be continued by granting a monopoly in the name.

This decision was followed in 1875 in *Singer v. Wilson*, L.R. 2 Ch. 434. The House of Lords, however ((1877), 3 App. Cas. 376), gave no decision as to whether the word "Singer" was indicative of a maker or of a principle of construction, the defendant's evidence being incomplete; but in *Singer v. Loog* (1880), 18 Ch. D. 395; (1882), 8 App. Cas. 15, it was decided that a trader has a right to make and sell machines similar in form and construction to those made and sold by a rival trader, and in describing and advertising his own machines to refer to his rival's machines and his rival's name, provided he does so in such a way as to obviate any reasonable possibility of misunderstanding or deception. There the defendant had placed upon the machines which he sold a plate marked *Singer Machine*, but bearing also words referring to the foreign makers of the goods. This plate he offered to abandon, but he claimed the right to use the word *Singer* to describe his machines. In his advertisements he referred to *our Singer machines*, and to machines made on the *Singer system*. It having been held by the Court of Appeal and the House of Lords that the documents issued by the defendant were not calculated to deceive and the action having, therefore, failed, the question as to the secondary meaning of the word *Singer* did not arise (18 Ch. D. 417), but the plaintiffs admitted that, if the defendant could show that the article in question was a specific article known by a specific name, and that, as in the case of Wellington boots or Hansom cabs, he was unable to designate the article in any other way than by its known name, the plaintiffs could claim no exclusive use of the word. Lush, L.J., said, at the close of his remarks (18 Ch. D., p. 428): "Possibly the time has come when the *Singer* machine might now be popularly understood to mean not a machine made by any per-

son of the name of *Singer*, but a machine of the description and kind known as the *Singer* machine. However . . . that question does not arise . . . I would only further observe that whenever that question does arise, there is a great body of evidence before us now to shew . . . that at all events at the present time the word *Singer* has become in popular use and acceptance a word of description, rather than a word denoting the maker." Lord Selborne, on the other hand, came to the conclusion (8 App. Cas., p. 26), unhesitatingly, that the term *Singer system* had become a *bonâ fide* and intelligible description of some really distinctive character or characters in that method of construction.

In the United States there are a number of cases following the lines indicated above: *Singer Manufacturing Co. v. Larsen* (1878), 8. Biss. 181; *Singer Manufacturing Co. v. Stanage* (1881), 2 McCrary 512; *Singer Manufacturing Co. v. Riley* (1882), 11 Fed. Rep. 706, and *Brill v. Singer* (1884), 41 Ohio 127. Treat, J., in the *Stanage Case*, said: "Where a patented article is known in the market by any specific designation, whether of the name of the patentee or otherwise, every person, at the expiration of the patent, has a right to manufacture and vend the same under the designation thereof by which it was known to the public."

See also a collection of cases on this point in Sebastian, 4th ed., p. 55.

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## [IN THE SUPERIOR COURT FOR QUEBEC.]

THE ASBESTOS AND ASBESTIC CO. V. THE WILLIAM SCLATER CO.

(Q.R. 18 S.C. 32.)

*Trade Mark—Plea to Action for Infringement.*

*Held*, In an action for infringement of plaintiffs' trade mark for "asbestic wall plaster," that the defendants were entitled to allege in their plea, without having taken steps to have the plaintiffs' mark annulled, that they had sold asbestic wall plaster long prior to and since the registration of plaintiffs' trade mark, and that by law they had the right to make use of the words "asbestic wall plaster," the word "asbestic" being merely an indication and description of the article sold by the defendants and referring to the character and quality of the article.

The plaintiffs prayed for a writ of injunction to restrain the defendants from making use of the name "Asbestic Wall Plaster," as applied to a material for which they had obtained registration under the above title.

The defendants pleaded, among other things, that they had sold asbestic wall plaster long prior to and since the 3rd February, 1896, date of registration of plaintiffs' trade mark, and that by law they had the right to make use of the words "asbestic wall plaster," the word "asbestic" being merely an indication and description of the article sold by the defendants, and referring to the character and quality of the article.

The plaintiffs inscribed in law against this part of the plea, and alleged that the defendants' allegations of fact above mentioned were no answer in law to the action; that the defendants could not invoke, in any action for infringement, the nullity of the registered mark, nor pretend that the mark should not have been registered, without taking or having taken legal means to have the mark expunged from the register of trade marks.

Montreal, 17th November, 1899. DOHERTY, J. :—

The Court having heard the parties by their respective counsel upon the inscription in law of plaintiff against the fourth paragraph of defendant's plea, examined the pleadings and deliberated;



Considering that defendant does not, by the allegations of the paragraph attacked, invoke the nullity of a registered trade mark, nor pretend that the mark should not have been registered, but merely sets up that a word, being one of several words which, in combination with a trowel on which is inscribed the letter 'A,' constitute the alleged registered trade mark of plaintiff, is merely an indication and description of the character and quality of an article, to wit, 'Asbestic Wall Plaster,' which defendant had sold prior and subsequent to the registration of plaintiff's said trade mark ;

Considering that the effect of said allegation is not to put in question the validity of plaintiff's said registered trade mark, consisting of the combination of the words aforesaid with the mark or device of a trowel with the letter 'A,' but that the fact thereby set up tends to shew that the said word 'asbestic' is not a name adopted by plaintiff for the purpose of distinguishing any manufacture, product or article manufactured, produced, compounded, packed or offered for sale by him, within the meaning of sec. 3 of the Trade mark and Design Act (R.S.C., ch. 63), but a mere descriptive adjective indicating the character of the goods in question, and that the use by defendant of said word as descriptive of goods of the character indicated by said adjective, sold by it, constitutes no infringement of said alleged registered trade mark of plaintiff ;

Considering that even if said allegation could be interpreted as putting in question the validity of plaintiff's registered mark, in so far as it is contended that the same gave plaintiff a right to the exclusive use of the word 'Asbestic' as applied to wall plaster, nothing in the said Trade mark and Design Act, nor in the Act 54-55 Vict., ch. 35, has the effect of giving to a person who has caused to be registered as a trade mark under the said first mentioned act a word which as a matter of fact is not a name adopted by him for the purpose of distinguishing any manufacture, product or article manufactured, produced, compounded, packed or offered for sale by him, but is a descriptive adjective applicable to and descriptive of

all goods of a certain quality or character, an exclusive right to the use of said word in such manner as to prevent other manufacturers of, or dealers in, goods of a like quality or character, from truthfully describing the goods so manufactured or dealt in by them as having the said quality or character, or of preventing such other manufacturers or vendors when sued for infringement of the trade mark so registered, from pleading in answer to and as a defence to said action, that such word is such descriptive adjective and correctly described the goods manufactured or dealt in by them, and their right to use it as so describing said goods (*Partlo v. Todd* (1888), 17 Supreme Court Reports, p. 197);

Considering in so far as said inscription in law is directed specially against the words 'and since' contained in said fourth paragraph of said plea, that although the fact that defendant has since the date of the registration of plaintiff's mark sold asbestic wall plaster, does not of itself constitute an answer to plaintiff's demand, it is pertinent for defendant to allege, as by said words taken with the context he does, in answer to plaintiff's allegation that defendant has been and is, in violation of plaintiff's right, selling what purports to be asbestic wall plaster stamped and labelled as such, that he has since the registration of said mark sold asbestic wall plaster, and has right to describe it as such;

Considering that the reasons invoked by plaintiff in support of its said inscription in law are unfounded;

Doth reject said inscription in law with costs.

*Greenshields & Greenshields* for plaintiffs.

*Carter & Goldstein* for defendants.

[IN THE SUPERIOR COURT FOR QUEBEC.]  
(COURT OF REVIEW.)

THE VIVE CAMERA COMPANY, LIMITED, v. HOGG.

(Q.R. 18 S.C. 1.)

*Trade Mark—Injunction—Passing off Goods of one Manufacturer as those of Another—Right to Restrain Sale under False Representation.*

The plaintiffs had for years manufactured and sold in Canada a certain camera and photographic supplies, using always the word "Vive" or "Vives" to distinguish their goods, and the public had come to know their goods by such name. The defendant sold similar goods under a similar designation, and endeavoured to take advantage of the wide advertising and established custom of the plaintiffs. In an action to restrain the defendants from selling their goods under such name and for damages, it was—

*Held*, an action for damages lay against a person who represents articles or goods manufactured by him as the manufacture of another, and an injunction will be granted to restrain the sale of such goods under false representations, although the plaintiff has not registered any trade mark for his goods.

The judgment inscribed in review was rendered by the Superior Court, Montreal, Davidson, J., 30th June, 1899, maintaining the plaintiffs' action for an injunction and in damages.

The plaintiffs' claim was founded on allegations to the effect that for a number of years they had been putting a certain camera and photographic supplies on the market throughout the Dominion of Canada, and that they had built up a large trade by means of advertising, and had always attached the word "Vive" or "Vives" to their goods for the purpose of giving them a distinguishing name, and the public had come to know their goods by this name; that the defendant with intent to deceive the public, and to defraud the plaintiffs of their right to distinguish their goods from the goods of others, and for the purpose of taking advantage of the plaintiffs' advertising, had put similar goods on the market and attached to them the same words or names, which were calculated to lead purchasers to believe that in buying the defendant's goods they were getting the goods that were called "Vive" or "Vives."

On the part of the defendant it was denied that his cameras had been represented as the manufacture of the plaintiffs.

Mr. Justice Davidson maintained the action by the following judgment :—

“ Seeing the plaintiffs allege that they are a body corporate and have for years carried on and still carry on business as manufacturers of cameras and photographic supplies ; that their products have acquired a wide reputation, and have been and are in great demand, throughout the United States and Canada ; that plaintiffs have applied the word “ Vive ” or “ Vives ” to their products and have advertised them under that word ; that said word was invented by plaintiffs and their goods have come to be known under said name ; that defendant manufactures and sells in the city of Montreal and elsewhere, cameras and photographic supplies of the same character and description as plaintiffs’ products, but inferior in quality and lower in price, and represents that he is connected with plaintiffs’ business ; that defendant falsely and fraudulently and with intent to deceive the public and to defraud and injure plaintiffs, represent that the cameras and supplies sold by him and his agents are those manufactured and sold by plaintiffs, and in like manner and with like intent, gives to them the word Vive and Vives ; that plaintiffs have advertised their goods extensively and defendant seeks to take advantage of said advertisements to further the sale of his goods ; wherefore plaintiffs pray that defendants be restrained in the premises, and pay \$3,500 damages .

“ Seeing defendant hath filed a special inscription in law to paragraphs 5, 6, 7, 12 and 16, of plaintiffs’ declaration, and to that portion of the conclusions thereof, beginning with the words ‘that a writ of injunction do issue,’ and ending with the words ‘said plaintiffs’ in the fifth line from the end of the conclusions ;

“ Seeing that defendant for plea to the said action says that

plaintiffs did not invent the word *Vive* or *Vives* and do not possess any right to the exclusive use of the said words ;

“ Considering that in the autumn of 1897, the Canadian Camera Company bought two of plaintiffs’ *Vive* cameras, and manufactured, on defendant’s orders, at least 102 cameras, almost identical in size, appearance and style of construction with those of plaintiffs ; that no manufacturers’ name was put on said cameras, but on each cover box was a label with the following words printed thereon :

‘ New *Vive*, Magazine Camera, for 12 plates,  $4\frac{1}{4}$  by  $4\frac{1}{4}$ , price \$5.00.

Sole agent, David H. Hogg, Montreal.’

“ Considering that defendant advertised said cameras as *Vive* Cameras, and in doing so copied verbatim the following words from plaintiffs’ advertisement : ‘ The *Vive* is the camera ‘ of to-day ; it is so simple, any one can take perfect pictures ‘ without previous experience ; it has no complicated mechanism ‘ and it takes pictures when finished much larger than any other ‘ camera of its size ;’

“ Considering that with each of plaintiffs’ cameras was supplied an extra piece of cuff material, to which was attached a slip of paper on which was printed instructions for its use, and that defendant also furnished with each of his cameras an extra piece of cuff material on which was printed a verbatim copy of plaintiffs’ said instructions ;

“ Considering that defendant at his establishments in Montreal and elsewhere, and by his travellers, pressed the sale of his said camera and cuff material, under the name of *Vive* camera and *Vive* supplies ;

“ Considering that for a considerable time before defendant so obtained his said stock of cameras and supplies, and named, advertised, canvassed and sold them as aforesaid, plaintiffs had by themselves and their agents, widely advertised their cameras and supplies, and established a market therefor, and the same had become widely and favorably known under the name of *Vive* or *Vives* ;

“ Considering that defendant sought, but unsuccessfully, to be appointed plaintiffs’ agent in Canada ;

“ Considering that defendant in the respects and manner aforesaid used and uses the word Vive or Vives for the purpose of inducing intending purchasers, his customers, and the public generally, to believe that his goods and business are the goods and business of plaintiffs ;

“ Considering that plaintiffs suffered damages to the extent of \$225 ;

“ Doth dismiss the inscription in law, and adjudge and condemn defendant to pay plaintiffs the sum of \$225 with interest from this date ; and doth restrain, enjoin and order defendant, his agents and representatives from pretending or representing that the cameras or photographic supplies manufactured for defendant or sold by him, his agents or representatives, are the cameras or photographic supplies of plaintiffs, and doth restrain, enjoin and order defendant from using in connection with cameras or photographic supplies the words : Vive or Vives, and doth condemn defendant to costs.”

*W. R. Hibbard*, for the defendant, inscribing:—

Resolved into a question of proof it is found plaintiffs are the manufacturers of a very ordinary magazine camera of two sizes, which they advertise and sell as the “Vive.” The camera has been selling in Canada for three years, in the course of which some eight hundred have been disposed of, at a profit of \$1.50 each, or \$1200 in all, about a third of the claim in damages. When the camera appeared in November, 1896, the defendant had some correspondence with plaintiffs about acting as their agent, for the sale of it, but though the plaintiffs betrayed a great anxiety to have him do so, defendant abandoned the idea, after purchasing two samples which he disposed of.

Two years later, defendant having ordered a magazine camera from the Canadian Camera Company, a manufacturing concern in Montreal, had delivered to him a lot of cameras

invoiced as "Vives" and "Vivettes." These he advertised and sold to a limited extent, first as "New Vives," and secondly as "New Vivas." Only 74 of larger and smaller size altogether were sold, at from four to five dollars each. This would seem to be the whole head and front of the offending. True, the defendant, in his circular, used the same flattering language about his camera that plaintiffs applied to theirs, but, after all, this is only the usual thing, said in the usual way by anybody who has anything of a similar kind to sell. Again, a feature of both cameras, plaintiffs' and defendant's, and a common enough thing in its way, is a cuff of opaque material, to prevent the admission of light, while manipulating the plates in the camera. The cuffs in either camera were of the same nature of material, a sample of which was enclosed to be used in repairing punctures and tears. To this sample is attached a little printed slip of paper giving the most ordinary directions as to how the repairs are to be made. Great stress is laid on the fact that these directions are similar, as far as they go, in each case. It might be noted, however, plaintiffs' slip contains a whole paragraph more than the defendant's.

As to the name—plaintiffs never had any exclusive user of this. The ingenious explanation that the word was invented from the suggestion of the Roman numeral V, the intended price of the camera being five dollars, is rather discounted by the fact plaintiffs tried at the outset to sell their cameras for \$6 or more, and some of them sell as high as \$15. Moreover, it is rather striking that the word is of the proper gender of a very appropriate adjective as applied to a camera. Paris, moreover, is the great world's centre for optical goods of all kinds, and French is known there, if not in Chicago. However, whether invented or not, plaintiffs did not think it worth while to protect their name, as they might easily have done, as a trade mark, under chapter 63, R.S.C., sec. 3, which reads as follows:—

"All marks, *names*, brands, labels, packages, or other "business devices which are adopted for use by any person in

“ his trade, business, occupation or calling, for the purpose of  
“ distinguishing any manufacture, product or article of any  
“ description manufactured, produced, compounded, packed,  
“ or offered for sale by him—applied in any manner whatever  
“ either to such manufacture, product or article, or to any  
“ package, parcel, case, box or other vessel or receptacle of any  
“ description whatsoever containing the same, shall, for the  
“ purpose of this Act, be considered and known as Trade  
“ Marks, and may be registered for the exclusive use of the  
“ person registering the same, in the manner herein provided ;  
“ and thereafter such person shall have the exclusive right to  
“ use the same to designate articles manufactured or sold by  
“ him.”

Plaintiffs must be held to have been aware of the penalty for non-registration contained in section 19 of the above Act, which reads as follows :—

“ No person shall institute any proceeding to prevent the  
“ infringement of any trade mark, unless such trade mark is  
“ registered in pursuance of this Act.” 42 Vict., ch. 22, sec. 4,  
part.

Under the provisions of the Act cited, defendant met plaintiffs' action by a demurrer on which *preuve avant faire droit* was first ordered. The reason was that plaintiffs had abundantly charged defendant with all manner of fraud, and proof of these allegations was deemed proper. The question of fraud will be discussed later. What defendant presently submits is that he had a perfect right to use the name “ Vive ” either as denoting a magazine camera or a name properly and popularly used in connection with cameras. If invented the inventor had given the name to the world. In this sense defendant cites :

*Morse v. Martin* (1884), 3 Dor. Q.B., p. 353, where it was held by Mr. Justice Johnson that previous registration of a trade mark was essential to any proceedings against infringement.

*Porter v. Weir* (1885), 29 L.C.J., p. 220: “When an action  
“ does not lie to restrain one trader from copying and circulat-



"ing the advertising circulars of another, unless the latter have "been protected by registration."

*Smith v. Fair* (1887), 14 Ont. Rep., p. 729, where it was held in the absence of registration or a conclusive case of fraud, an injunction would not lie.

Citations will doubtless be made of decisions both before and under the English Trade Marks Act. Defendant would respectfully direct the Court to the following clause in the Act of 1883-8 :

*Registration of a trade mark shall be deemed to be equivalent to public use of a trade mark*—sec. 75. In other words public user is the equivalent of registration. This section has been wholly omitted from our Act which is otherwise almost a copy of the English Act. The inference is plain, that public user will not replace registration, and in fact, nothing will. Hence the Act of 1883-8 made no difference in respect of the English courts issuing injunctions to protect mere public use, for it was fully recognized after the Acts as before it.

Supposing, however, that the Court, while having no authority to enjoin the use of unregistered names, symbols, etc., could issue an injunction against intentional fraud, can the stigma of such fraud be attached to the defendant's acts in the present case

Defendant has already drawn attention to the similarities existing in the description of plaintiffs' and defendant's goods. Defendant would now call attention to some of the differences.

In general, let it be remembered, the cheaper styles of cameras, such as those in question in the present case, are constructed in oblong black pebbled cases, with certain essential and common features, and of much the same size and general appearance. Externally, however, the defendant's camera differed from the plaintiffs'.

It was put up in a black paste board and cloth box, with the name "New Vive" in plain Roman capitals, in black, printed directly across the front, and the name of defendant as sole agent.

Plaintiffs first used a white pasteboard box, and then a white wooden one.

The word "Vive" was written diagonally across the front in script, with plaintiffs' name, all in scarlet.

Coming to the camera proper, defendant's camera is longer than plaintiffs', has but one catch for shutting the shutter, as against two in plaintiffs', which moreover has the edges rounded, and bears a little steel tablet with plaintiffs' name and factory engraved thereon. These are in external features, of which there are but very few on any camera.

The internal arrangement is wholly different. The shutter mechanism is utterly unlike, being infinitely more simple in defendant's. In place of the tin plates there is paper backing, and so on.

Defendant and all his agents emphatically deny they ever represented their cameras as plaintiffs' article. Nor was there any inducement to do so. The witness Jeffrey had handled plaintiffs' cameras as agent in Toronto, before his connection with defendant, and they gave so much trouble, he declined to have anything further to do with them after the first lot were sold. Baikie found that they were a troublesome camera, and expensive to handle. In the course of three years moreover, plaintiffs' entire sales of cameras throughout Canada were only 800. Moreover, for the very reason that he did not wish his camera to be confounded with plaintiffs', defendant called it the "New Vive," and, of course, urged it as a superior article. Had defendant deliberately intended to palm off his own goods as plaintiffs' why not, when the latter's camera was a new and attractive thing? Not wait two years, when, as one of the witnesses stated, the market was glutted with Vives. All the foregoing would go to show defendant had carelessly and perhaps negligently adopted the manufacturer's nomenclature and description, but of deliberate and intentional fraud, there was none.

As to the relative merits of the cameras, plaintiffs lay very great stress on the alleged palming off of a cheap and inferior

article as theirs. Both cameras are admitted toy articles, and cheap in their line. The evidence shows one to be practically as good as another, with a superior lens, and greater simplicity about the defendant's.

The evidence of Patterson, plaintiff's manager, as to the mysterious nature and source of supply of the sleeving, is proved to be absurd, and is flatly contradicted.

Defendant submits the whole action is ridiculously exaggerated, if not wholly trumped up, and a fitting subject for the application of the rule *de minimis non curat lex*.

On the question of damages defendant cites :—

Sebastian, page 256, where the following words occur as to the judgment of Vice-Chancellor Wood, in the case of the *Leather Cloth Company v. Hirshfield* (1865), L.R. 1 Eq. 299.

"That it would not be assumed in the absence of evidence that the amount of goods sold by the defendant under the fraudulent trade mark, would have been sold by the plaintiff's trade mark ; for how could the Court assume that the persons who bought what the plaintiff averred were inferior articles, at an inferior price, would necessarily, if they had not done so, have bought the superior articles at the higher prices."

Plaintiffs also cite Brown, 2nd Edition, paragraph 505, where the following words occur :—

"But the\*damages must be proved from the evidence, not from mere conjecture, independent of the evidence. A mere possible injury furnishes no ground of damages."

*Greenshields & Co.*, for the plaintiff respondent in review :—

As to the facts of the case, the proof is perfectly clear that the word "Vive" or "Vives" had become, by user and by advertising, well known, and that the public when induced by an advertisement to buy a Vive camera, would simply ask for a camera under that designation, and that if it bore that designation, the purchaser would take the camera without further enquiry.

Smith's evidence is clear on this point, and he explains also that even the use of the word "New" before the word "Vive" or "Vives," would not distinguish the defendant's goods from the plaintiffs', but on the contrary would lead the public to believe simply that this was an improvement on the Vive, and that the use of the word "New" by the defendant would be an additional inducement to the public to buy the defendant's goods, believing them to be the plaintiffs'.

Patterson, the manager of the plaintiff, established that the plaintiff was the first to use these words "Vive" or "Vives," having used them for a long time, and having spent thousands of dollars in advertising their goods under that name.

The proof also establishes the fraud and bad faith of the defendant in selecting this name, and in attaching it to his camera and photographic goods.

In November, 1896, as appears by exhibit which is piece 18 of the record, and the replies thereto, the defendant tried to get the agency for the plaintiffs' goods in Canada, and failed; nevertheless he ordered two cameras from the plaintiff. Subsequently it appears that he got cameras made on the same plan, and sold them under the same name as the plaintiffs' cameras. The proof is clear that the defendant long previous to this knew of the plaintiffs' cameras and goods, and had seen them frequently advertised in the papers and magazines. The defendant then proceeded to advertise the new camera which he had manufactured for him by the Canadian Camera Manufacturing Company, and he advertises them under the name "Vive" as appears by a circular which is of record as piece No. 22. It will be seen on reference to this piece 22, and the exhibit piece 23, that the defendant has copied word for word his advertisement out of the plaintiffs' catalogue and circular piece 23.

In addition to this circular issued by the defendant, he publishes a certain magazine, in which he advertises his camera under the same name as the plaintiffs'. As will appear by the exhibits, the cameras were put up in boxes which were labelled

"New Vive," and David H. Hogg was stated to be their sole agent, and it is to be remarked that the name of the manufacturer was not in any place put upon the cameras or the boxes in which the cameras were packed. This was clearly done by Hogg for the purpose of leading the public to believe that the camera was the camera which was manufactured by the American company, and which had been so widely advertised in the different magazines and newspapers, and that he was the sole agent.

Another particular part of the camera of the plaintiff, for which the plaintiff claims great superiority, and which is proven to be very superior to the camera of the defendant, is the cuff material, into which the hand is put for the purpose of transferring the plates in the camera. This also was widely advertised by the defendant. Strange to say again, the defendant in advertising the cuff material, which was put into each box, and sold with each of these New Vive cameras, put in a slip of paper bearing exactly the same words as the advertisement of the plaintiff for his patent cuff material.

Of course, the defendant tries to plead ignorance of some of these facts, and put it on the Canadian Camera Manufacturing Company and his employees, but the evidence shews most clearly that the defendant knew his business, and knew what was going on at his business establishment, and knew the representations that were made by his employees as to the cameras. An explanation as to the way the defendant came to select this word "Vive" or "Vives" for his camera is given in the most naive fashion by the witness Rice, the traveller of the defendant, and called on behalf of the defendant. He says: "We chose the word "Vive" for the want of a better word, and then in order to distinguish our camera from the plaintiffs', we called it the "New Vive," and then when the plaintiff began to complain about that, we called it the "New Viva."

These cameras, as it stated by the witness, Miss Galbraith, were not in boxes in the store of the defendant, but were piled up at one end of the store. The defendant cannot be believed

when he states that he had never seen this slip attached to the piece of cuff material sold with his Vive, for the cameras were not done up in boxes but were put into the boxes, and this material put in with them upon their being sold.

Besides this, the evidence of Patterson and Miss Galbraith shews with the utmost clearness that direct representations were made for the purpose of passing off the defendant's goods as the plaintiffs' goods, and at the same time these representations were made, Hogg himself was present and must have overheard them, for, as Miss Galbraith stated, he was only about twelve feet away.

There is no doubt that the evidence shews most clearly intention on the part of the defendant to defraud the plaintiff, and to sell his goods for those of the plaintiff.

As to the amount of damages that has been proven, \$225 is a very conservative estimate.

The evidence as to the damages is ample to maintain a judgment for \$225, for the grounds upon which the plaintiff can claim damages, are : 1. Loss of sales, and 2, the damage done to his business and name generally by an inferior copy being sold by the defendant as the plaintiffs' ; and the sale of the supplies for plaintiffs' camera by defendant, Paterson. This appears clearly from the case of *Taylor v. Carpenter* (1847), 2 Wood & M. 1 ; 9 L.T. (old series) 514. This is quoted at page 148 of the second edition, Sebastian on Trade Marks.

The principles of law upon which the action is founded, are so well recognized by all the authorities and the jurisprudence, that it is hardly necessary to refer to them.

As stated, the action may be said to be brought under article 1053 C.C., and is in no sense an action for infringement ; the basis for an action of infringement being that the defendant is using the plaintiffs' trade mark, whereas the basis of this action is, that the defendant has made representations or done acts calculated to lead intending purchasers or customers to believe that his goods are the goods of the plaintiff, and the use of the word " Vive " is only one of the means which we have established

against the defendant, in addition to the direct representations made by him and his employees to intending purchasers and customers.

We draw attention to the peculiar word which was employed by the plaintiff, to show the fraudulent intention of the defendant.

In the case of the *Cellular Clothing Company v. Mazden* (1899), 68 L.J.R. P.C. 74, it was held that "a trader who selects an invented name for the purposes of distinguishing his goods from those of other traders, is entitled to be protected in the use of the sign which he has chosen." In such a case the mere fact of the use of the arbitrary sign by a rival trader raises presumption of a design to pass off his goods under false colors, which it is not easy to displace."

Kerly at page 414, says: "That the existence of unexpected and unexplained similarities between the goods of the defendant and those of the plaintiff, or of similarities which have been modified by colorable differences or by differences and distinctions so arranged as to escape notice, are all proofs of fraudulent intention."

It cannot be pretended that the section of our statute providing that no action for infringement can lie unless the mark is registered, prevents the plaintiff from taking this common law action for damages and injunction.

Kerly, at page 265, expressly states: "That section 77 has no application to actions to restrain a trader passing off his goods, or doing what is calculated to pass off his goods as the goods of another." Section 77 referred to is the section 77 of the Imperial Trade Mark Act, 46-47 Vict., ch. 57.

By the jurisprudence and by the authors the distinction is made between the action for infringement, and the passing off action, and it cannot be said that the terms of our statute are such as to even suggest that the intention of the legislators was to take away the right of action which so clearly exists under the statute, from which the section of our Act (sec. 19) was copied.

As to the relief granted by the judgment inscribed against by the defendant herein, that is strictly in accordance with the jurisprudence also, as will be seen by reference to page 427 and following of Kerly on Trade Marks.

We submit that the plaintiff has proven the allegations necessary to be entitled to an injunction, and that the damages awarded are by no means excessive, and the judgment is well founded, both in fact and in law, and should be confirmed.

Montreal, November 30th, 1899.

The Court of Review (Taschereau, Cimon and Lemieux, JJ.) unanimously maintained the judgment of the Court below, for the reasons assigned therein.

*Greenshields, Greenshields, Laflamme & Dickson*, for the plaintiffs.

*W. R. Hibbard*, for the defendant.

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**Notes:**

PASSING OFF ACTIONS.

(a) *Principle Governing:*

Kay, L.J., in *Powell v. Birmingham Vinegar Brewery Co.*, [1896] 2 Ch. at p. 79, summarizes the principles governing passing off actions as follows:—"The law relating to this subject may be stated in a few propositions: (1) It is unlawful for a trader to pass off his goods as the goods of another. (2) Even if this is done innocently it will be restrained (*Millington v. Fox*, 3 My. & Cr. 338). (3) *A fortiori* if done designedly, for that is a fraud. (4) Although the first purchaser is not deceived, if the article is so delivered to him as to be calculated to deceive a purchaser from him, that is illegal (*Sykes v. Sykes*, 3 B. & C. 541). (5) One apparent exception is that where a man has been describing his goods by his own name, another man having the same



name cannot be prevented from using it, though this may have the effect of deceiving purchasers (*Burgess v. Burgess* 3 DeG. M. & G. 896; *Turton v. Turton*, 42 Ch. D. 128). (6) But this exception does not go far. A man may so use his own name as to infringe the rule of law. 'It is a question of evidence in each case whether there is a false representation or not' (per Turner, L.J., in *Burgess v. Burgess*, 3 DeG. M. & G. 905). So he may be restrained if he associates another man with him, so that under their joint names he may pass off goods as the goods of another person (*Croft v. Day*, 7 Beav. 84; *Clayton v. Day*, 26 Sol. Jour. 43; *Melachrino v. The Melachrino Egyptian Cigarette Co.*, 4 R.P.C. 215). (7) Another apparent exception is where a man trading under a patent had a monopoly for fourteen years, and had given the article a descriptive name, he cannot, when the patent has expired, prevent another from selling it under that name (*Young v. Macrae*, 9 Jur. N.S. 322; *Linoleum Co. v. Nairn*, L.R. 7 Ch. D. 834). (8) I am not sure if this would be so if the name so used were the name of the patentee, or even a purely fancy name not descriptive. (9) Certainly where there has not been a patent, and an article has been made and sold under a fanciful name not descriptive, so that the article as made by one person has acquired a reputation under that name, another trader will not be permitted to use the name for a similar article made by him (*Braham v. Bustard*, 1 K. & M. 417; *Cochrane v. McNish*, 13 R.P.C. 100). (10) In this last proposition there is again a limitation. If the first maker has slept upon his rights or allowed the name to be used by others until it has become *publici juris*, this Court will not interfere."

(b) *Distinguished from Actions for Infringement:*

"The cases which have come before the Court may, I think, be conveniently divided into two classes: the first class, which is the more numerous one, consists of cases where the goods manufactured are distinguished by some description or device in some way or other affixed to the article sold. It may be, as I said before, description, that is, it may consist of a name or names, or a

lengthy description consisting of names with superadded words, and that description may be either affixed to, or impressed upon, the goods themselves, by means of a stamp or adhesive label, or it may be made to accompany the goods by being impressed or made to adhere to an envelope or case containing the goods. Now, as to this class, it is quite immaterial that the maker of the goods to which—what I will call for the sake of shortness—the trade mark is affixed did not know that it was a trade mark, and had not the slightest intention of defrauding anybody." "The second class of cases are of a totally different character: they are always cases of fraud. They are cases where the defendant, without putting any trade mark at all upon his goods, or putting a trade mark which is admittedly different in substance from the trade mark, if any, of the plaintiff on the goods, has represented the goods as goods manufactured by the plaintiff . . . What the defendant has said or done must amount to representation that the goods to be sold are the goods of the plaintiff, or that they are manufactured by the plaintiff. What amount of representation will be sufficient for that purpose must again depend, of course, on the facts of each particular case." *Per* Sir Geo. Jessel, M.R., in *The Singer Manufacturing Co. v. Wilson* (1874), 2 Ch. D. 434 and 443.

The limitation, in the second class, of redress to cases where the defendant has been guilty of fraudulent intention, is not, however, the now accepted doctrine. See *ib.*, 3 App. Cas., p. 389, *per* Lord Cairns, who said: "It may well be that if an imitated trade mark is attached to the article manufactured, there will, from that circumstance, be the certainty that it will pass into every hand into which the article passes, and thus be a continuing and ever present representation with regard to it; but a representation made by advertisements that the articles sold at a particular shop are articles manufactured by A. B. must, in my opinion, be as injurious in principle . . . as the same representation made upon the articles themselves." In *Singer Manufacturing Co. v. Loog* (1879), 18 Ch. D. 395; (1882), 8 App. Cas. 15, the same question was under discussion, and sev-

eral of the judgments contained passages which are in accordance with the view of Lord Cairns. Lord Selborne used the following language: "It was contended that the acts of the defendant enabled his wholesale customers to show these documents to their own retail customers for the purpose of passing off the goods bought from the defendant as the plaintiffs' manufacture. The answer is that, unless the documents were fabricated with a view to such a fraudulent use of them, or unless they were in themselves of such a nature as to suggest, or readily and easily lend themselves to, such a fraud, . . . the supposed consequence is too remote, speculative, and improbable to be imputed to the defendant, or to be a ground for the interference of a Court of justice with the course of defendant's business." See also *per James, L.J., ib.*, 18 Ch. D., p. 412. And in a very recent case, it was held that to entitle a plaintiff to succeed in a passing-off case, he need not prove fraud, or give evidence that one single person was deceived: *In re Bourne's Tm.*, [1903] 1 Ch. 211.

In actions for infringement the complaint is that the defendant has taken the plaintiff's trade mark, wholly or in part, or has colourably imitated it, and the claim for redress is based on the plaintiff's exclusive right to use the mark in question for a specified class of goods; in an action for passing off, the plaintiff accuses the defendant of using means to pass off or of selling his goods in a way calculated to lead to the belief in the minds of purchasers that the goods so sold are manufactured by the plaintiff, and the means or selling may or may not comprise or consist of an infringement of a trade mark to which the plaintiff has a title.

Again, in trade mark actions proper, registration of the mark is a condition precedent to action: R.S.C. 1886, ch. 63, sec. 19.

Trade mark actions proper are but a specialized variety of "passing-off" actions. Every case of infringement would be a case of passing off but for the fact that where the actual mark is taken, or an obvious imitation is made, the Court will not trouble to inquire whether deception is likely to result in view of the plaintiff's exclusive, statute-given right.

In conclusion it is necessary to call attention to the distinction between passing-off actions and common law actions for deceit. This was brought in the judgment of Lord Westbury in *Edelsten v. Edelsten* (1863), 1 D.J. & S. 185—a passing-off case, where he says, at p. 199: “At law the proper remedy is by an action on the case for deceit, and proof of fraud on the part of the defendant is of the essence of the action; but this Court will act on the principle of protecting property alone, and it is not necessary for the injunction to prove fraud in the defendant, or that the credit of the plaintiff is injured by the sale of an inferior article. The injury done to the plaintiff in his trade by loss of custom is sufficient to support his title to relief. Neither will the plaintiff be deprived of remedy in equity, even if it be shewn by the defendant that all the persons who bought from him goods bearing the plaintiffs’ trade mark were well aware that they were not of the plaintiff’s manufacture. If the goods were so supplied by the defendant for the purpose of being sold again in the market, the injury to the plaintiff is sufficient. Again, it is not necessary for relief in equity, that proof should be given of persons being actually deceived, and having bought goods with the defendant’s mark, under the belief that they were the manufacture of the plaintiff, provided that the Court be satisfied that the resemblance is such as would be likely to cause the one mark to be mistaken for the other.” See also *per* Lord Blackburn in *Singer Manufacturing Co. v. Loog* (1882), 8 App. Cas., p. 29.

(c) *Canadian Cases:*

There are few cases in Canada which are strictly passing-off cases, but in some of the true trade mark cases observations are met with illustrating the principles applicable to the former.

In *Davis v. Kennedy*, *ante*, p. 8, the action was brought under the Trade Mark Act (1861), (Can.), and also upon the common law—which is the safer method of proceeding in the event of the infringement action not succeeding through defect in title, etc. *Spragge, V.-C.*, while doubting the plaintiff’s right to proceed under the Act in view of the fact that the declaration

of ownership produced upon the application to register was not made by the proprietor, but by an agent,\* upheld the plaintiff's action at common law for passing off, and granted an injunction as prayed.

*Davis v. Reid*, *ante*, p. 24, was in reality a passing-off case, though the plaintiff was under the impression, shewn to be erroneous, that he had registered the mark in question. Mowat, V.-C., said: "From the similarity of the two stamps . . . I have no doubt that the defendants copied their stamp from the plaintiff's; and that whether they had or not any intention of misleading purchasers—a point which is for the present purpose quite immaterial— . . . their mark is well calculated to have that effect . . . Nor is it necessary that the resemblance should be so close as to deceive, notwithstanding close examination. If even ordinary purchasers may be deceived, or "incautious purchasers" . . . an injunction will be granted."

The next case in point of time is *McCall v. Theal*, *ante*, p. 56, which was a purely common law action. The plaintiff sought to restrain the defendant from using the name "Bazaar Patterns" in such a manner as to induce the public to believe they were purchasing the plaintiff's patterns. Blake, V.-C., adopting the principles laid down in *Perry v. Truefitt* (1842), 6 Beav. 66, held that although there was no right in the plaintiff to the exclusive use of the word "Bazaar"—it having become *publici juris*—yet the plaintiff was entitled to an injunction restraining the defendant from representing that his goods were the goods of the plaintiff. *Cf. Singer v. Charlebois*, *ante* p. 336, where similar relief was given.

In *Rose v. McLean*, *ante*, p. 271, the plaintiffs obtained an injunction restraining the defendants from using the word "Canada" or "Canadian" in conjunction with the word "Bookseller," as being too close to the title of the plaintiff's journal, "The Canadian Bookseller and Library Journal,"<sup>1</sup> commonly known as

\* It has since been held in *Spitting v. Ryall*, *infra*, p. 425, that such a declaration is sufficient.

"The Canadian Bookseller." MacMahon, J., said: "There is every probability of the plaintiff being injured by the public being deceived." Burton, J.A., said: "The defendant shall not be allowed to assume a name for their journal which is practically the same as the plaintiff's, and thereby probably obtain advertisements which were intended for his." "For the purpose of the present case," said Ferguson, sitting with the Court of Appeal, "I think (the law) may be stated thus: To entitle the plaintiff to the interposition of the Court, the name of his journal must be used in such a way as to be calculated to deceive or mislead the public . . . and to induce them to suppose that the journal published by the defendants is the same as that which was previously being published by the plaintiff."

See also *Pabst v. Ekers*, *infra*, p. 391, where it was held that a trader has a common law right to protection against a competitor using his trade mark only upon proof of either fraud or deception as regards such use and damage resulting therefrom.

(d) *The Relief Granted:*

This corresponds to that granted in an action for infringement, and includes an injunction; an order for the delivery up of any goods marked with the deceptive mark, and in the possession or under the control of the defendant; damages for the past infringement of the plaintiff's rights; or an account of profits made by the defendant by the sale of goods under the deceptive mark, or some one or more of these: See *Davis v. Kennedy*, p. 8; *Rose v. McLean*, p. 271; *McCall v. Theal*, p. 56; *Davis v. Reid*, p. 24; Kerly, 2nd ed., pp. 514 *et seq.*

[IN THE EXCHEQUER COURT OF CANADA.]

THE BOSTON RUBBER SHOE COMPANY

V.

THE BOSTON RUBBER COMPANY OF MONTREAL, (Limited).

(7 Ex. C. R. 9.)

*Trade-mark—Infringement—Trade-Name—Statement of Claim—Sufficiency of—Demurrer.*

In an action for infringement of a trade-mark, it is sufficient allegation that the trade-mark used by the defendant is the registered trade-mark of the plaintiff to charge in the statement of claim that the registered trade-mark of the plaintiff and the mark used by the defendant are in their essential features the same.

2. It is not necessary in such statement of claim to allege that the imitation by the defendant of the plaintiff's trade-mark is a fraudulent imitation.
3. It is not necessary to allege that the defendant used the mark with intent to deceive, and to induce a belief that the goods on which their mark was used were made by the plaintiff.

DEMURRER to the statement of claim in an action for infringement of a trade mark.

The statement of claim filed by plaintiff was, in substance, as follows:—

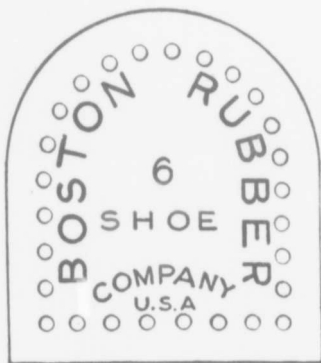
“The plaintiff is a company duly incorporated in the year 1853, or thereabouts, to carry on the business of manufacturing and selling rubber boots and shoes, having its chief place of business at the cities of Boston and Malden, State of Massachusetts, in the United States of America.

“The defendant is a company incorporated by letters-patent on or about the 27th day of November, 1896, under the laws of the Dominion of Canada, to carry on a similar business to that of the plaintiff, and having its chief place of business in the City of Montreal, Canada.

“That ever since its incorporation the plaintiff has been and still is carrying on the said business of manufacturing rubber boots and shoes and selling the same to dealers and consumers in

the United States of America and in the City of Montreal and elsewhere throughout the Dominion of Canada, as well as in almost every other civilized country of the world.

"That ever since its incorporation the plaintiff has used as its trade mark applied to and placed upon rubber boots and shoes so made and sold by it a mark, the essential features of which consist of the words "Boston Rubber Shoe Company," generally arranged as follows:



but sometimes with the words otherwise arranged and with the form of the diagram altered or omitted.

"That the plaintiff is the owner of said mark, it or its predecessors in said business having been the first to use the same, and having continuously down to the present time so used it.

"That the plaintiff's goods always were and are well and favourably known throughout Canada and other parts of the world by said trade mark, and were purchased and dealt in under the description indicated by said mark.



"That on or about the second day of October, 1897, the said trade mark was duly registered by the plaintiff in the Department of Agriculture of the Dominion of Canada under the statutes of Canada respecting registration of trade marks, and a certificate therefor duly granted to the plaintiff, and said mark had also been therefore duly registered as a trade mark in the United States of America under the laws in force there in that behalf.

"That on or about the 21st October, 1896, the Toronto Rubber Shoe Manufacturing Company (Limited) obtained the registration, under the statute of Canada respecting trade marks, of a specific trade mark consisting of the word "Boston," and a certificate for such registration was duly granted to said last-mentioned company, and on or about the 20th September, 1897, by assignment duly made, the plaintiff became and now is the assignee of all the right and title of said Toronto Rubber Shoe Manufacturing Company (Limited) to the said trade mark.

"That in or prior to the year 1899 the defendant began and has ever since carried on the manufacture and sale in said City of Montreal and elsewhere in Canada of rubber boots and shoes of similar classes to those made and sold by the plaintiff, and put thereup and applied thereto as the defendant's mark the following:



said mark being placed upon the same part of the boot or shoe made by the defendant as the plaintiff on its boots and shoes used to place its said trade mark.

"That said defendant has not obtained the registration of said mark under the statutes of Canada respecting trade marks.

“The said mark so used by the defendant is in its essential features the same as that of the first-mentioned trade mark of the plaintiff, or in any event resembles the same, and it is an imitation thereof and is an infringement of the plaintiff’s said trade mark.

“The said mark so used by the defendant so closely resembles in its essential features and mode of application upon similar classes of goods the said mark used by the plaintiff as to be calculated to mislead the public in Canada and elsewhere into believing that in purchasing the goods made by the defendant and so marked they are purchasing goods made by the plaintiff.

“That said mark so used by defendant is also in its essential features the same as the trade mark secondly above mentioned, and of which the plaintiff is assignee as aforesaid, or in any event resembles the same and is an imitation and infringement thereof.

“The defendant has made and is still making large profits out of the sale in Canada of boots and shoes so marked by it as aforesaid, which sales and profits have been brought about in whole or in part by reason of the purchasers of said boots and shoes being misled by said defendant’s mark into purchasing the said goods made by the defendant, believing them to be goods made by the plaintiff.”

The plaintiff therefore prays:—

“That the defendant may be restrained by the order and injunction of this honourable Court from continuing to use the said mark now in use by the defendant, or any other mark similar thereto, upon rubber boots or shoes, or any other goods made or sold by the defendant and from in any other way infringing the plaintiff’s said registered marks or either of them.

“That the defendant may be restrained from making, selling or otherwise disposing of rubber boots and shoes made by the defendant with said mark now in use by the defendant as aforesaid, or any other mark calculated to mislead the public into believing that in purchasing said goods they are purchasing goods made by the plaintiff.

“That the plaintiff may be paid by the defendant all damages

that the plaintiff may have sustained or may hereafter sustain by reason of the infringement of the plaintiff's said marks, or either of them, by the defendant as aforesaid, and may also be paid all profits that the defendant has made from sales by the defendant of rubber boots and shoes with said defendant's mark upon them to the public in the belief that they were buying goods made by the plaintiff, and all damages that the plaintiff may have otherwise sustained by the use of said mark by the defendant owing to its closely resembling said marks, or either of them, of the plaintiff.

"That a reference to ascertain such damages may be directed if thought necessary.

"That the plaintiff may have such further or other relief as may be considered just and may be paid the costs of this action."

To the statement of claim the defendant demurred in substance, as follows:—

The defendant demurs to the plaintiff's statement of claim, and says that the same is bad in law on the ground that it is not alleged in said statement of claim that the mark alleged to have been put upon the rubber boots and shoes made and sold by the defendants is the registered trade mark of plaintiff set forth in paragraph 4 of said statement or a fraudulent imitation thereof.

"Because it is not alleged that defendant's said mark is the trade mark set forth in paragraph 8 of said statement or a fraudulent imitation thereof.

"Because it is not alleged in said statement of claim that defendant's said mark has been made or used by defendant with intent to deceive and to induce any person to believe that the goods on which the defendant's mark was used were made by the plaintiff.

"Because it appears from the said statement of claim that the words of the defendant's mark as set forth in paragraph 9 of said statement are essentially the corporate name of the company defendant; and that the wording and arrangement thereof are entirely different from the wording and arrangement of plaintiff's alleged trade mark.

"Because the registration of the word 'Boston' as alleged in paragraph 8 cannot prevent the use by the company defendant of its own corporate name or of the essential and prominent words of its said corporate name.

"Because it does not in any way appear from the allegations of said statement of claim that the defendant has infringed any trade mark of the company plaintiff."

October 25th, 1900.

The demurrer now came on for argument.

A. McGoun, Q.C., for the defendant in support of demurrer:—

It is not sufficient to allege that the defendant has infringed by imitating the plaintiff's mark; it should also be charged that the imitation was done fraudulently. Secondly, it is no infringement upon a trade mark to merely use the name of a corporation upon the goods manufactured by that corporation. That is all the defendant has done here. The words used by us, and of which the plaintiff complains, are in effect the corporate name of our company. This is no infringement: *Browne on Trade Marks*, 2nd ed., sees. 196, 420; *Faber v. Faber* (1867), 49 Barb. 357; *London and Provincial Law Assurance Society v. London and Provincial Joint Stock Life Assurance Co.* (1847), 17 L.J. Ch. 37; *Colonial Life Assurance Co. v. Home and Colonial Assurance Co.* (1864), 33 Beav. 548; *Sebastian on Trade Marks*, 4th ed., p. 256; *Kerly on Trade Marks*, p. 398.

R. V. Sinclair, contra:—

Plainly under the 3rd section of the Trade Mark and Design Act, and under the authorities, an innocent infringement may be restrained; *Sebastian on Trade Marks*, 4th ed., p. 124; *Kerly on Trade Marks*, p. 4. The English Courts have always granted relief without proof of fraudulent use; *Millington v. Fox* (1838), 3 My. and Cr. 338. The defendant has no authority for the proposition that fraudulent intention should be alleged.

Secondly, the defendant cannot escape the consequences of its infringement by saying that it merely uses its corporate name on its goods. Our trade mark was known to the trade before it secured its corporate existence: (*Tussaud v. Tussaud* (1880), 44 Ch. Div. 678); *Plant Seed Co. v. Michel Plant and Seed Co.* (1886), 23 Mo. App. 579; *Celluloid Mfg. Co. v. Cellonite Mfg. Co.* (1887), 32 Fed. Rep. 94; Sebastian on Trade Marks, 4th ed., p. 221 and foot note.

By its demurrer the defendant admits that the public have been deceived into purchasing its goods for those of the plaintiff: *Johnston v. Orr-Ewing* (1882), 7 App. Cas. 219; *Rose v. McLean Publishing Co.* (1897), 24 Ont. A.R. 240.

A. McGoun, Q.C., replied, citing 26 Am. and Eng. Encycl. of Law, p. 444; Browne on Trade Marks, sec. 386.

THE JUDGE OF THE EXCHEQUER COURT now (November 15th, 1900) delivered judgment:—

By the demurrer to the statement of claim it is admitted, among other things, that the defendant company put upon rubber boots and shoes a mark that is in its essential features the same as the plaintiff's registered trade mark, used by the latter upon rubber boots and shoes manufactured by them; that the mark is placed on the same part of the boot or shoe; that in any event it resembles the plaintiff's trade mark, and is an imitation and infringement thereof. It is also admitted that the mark so used by the defendant so closely resembles in its essential features and mode of application to similar classes of goods the plaintiff's registered trade mark, as to be calculated to mislead the public of Canada and elsewhere into believing that in purchasing goods made by the defendant and so marked, they are purchasing goods made by the plaintiff.

The grounds of the demurrer are in substance as follows:—

First, that the statement of claim is bad in that it is not alleged therein that the mark used by the defendant is the registered trade mark of the plaintiff. As to this, it seems to me that

the allegation that the plaintiffs' trade mark (which is alleged to be registered) and the mark used by the defendant, are in their essential features the same, is sufficient. It may as a matter of fact be that they are not; but for the purposes of the demurrer it is admitted that they are.

Secondly, it is objected that the statement of claim is bad because it is not alleged therein that the imitation by the defendant of the plaintiff's trade mark is a fraudulent imitation. That, it seems to me, is not necessary. Imitation involves knowledge; and if one by a mark attached to his goods knowingly imitates another's trade mark, I do not see very well how he is to expect a Court to find that the thing is done innocently. Of course a trader may happen, without knowledge of another's trade mark, to adopt the same mark, but it cannot in such a case be said with propriety that the mark so adopted is an imitation. But even in such a case the true owner is entitled to protection.

I am also of opinion that the third ground of demurrer cannot be sustained. It is objected that the statement of claim is bad because it is not alleged that the defendant used the mark with intent to deceive, and to induce a belief that the goods on which his mark was used were made by the plaintiff. But that again is not necessary, for the fraud that entitles the owner of the trade mark to redress need not consist in an intention to deceive on the part of the defendant, but may consist in an actual deception, or in the creation of a probability of deception independently of any fraudulent intention. (Sebastian's Law of Trade Marks, 4th ed. 169.)

Then it is also argued that the statement of claim is bad because it appears from it that the mark used by the defendant is its corporate name. That will no doubt be an important fact in the defendant's favour when the case comes to be heard upon the merits; but it will not, it seems to me, constitute a good defence to the action if the facts that are admitted by the demurrer, as hereinbefore stated, are found to be the true facts of the case.

The demurrer is overruled. The defendant may, within twenty days, file a statement in defence, upon paying the plaintiff company its costs of the demurrer.

*Judgment accordingly.*

Solicitor for plaintiff: *R. V. Sinclair.*

Solicitors for defendant: *McGoun & England.*

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[IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

LOVE V. LATIMER.

(32 O.R. 231.)

*Trade Name—Sale of Business—Right to Use After Expiry of Fixed Period.*

Where the proprietor of a trade name sells the business and goodwill thereof, together with the right to use the trade name for a fixed period, and after that period the purchaser continues to use, the proprietor cannot restrain the use of such trade name by the purchaser after the expiry of the fixed period, when he neither carries on nor intends to carry on a business under that firm name.

THIS was an action to restrain the use of a business trade name, tried at Toronto on the 1st and 2nd October, 1890, before STREET, J., without a jury.

*Meek*, for the plaintiff.

*Heighington*, for the defendant.

The following authorities were referred to: *The Singer Manufacturing Co. v. Loog* (1882), 8 App. Cas. at p. 33; Kerly's Law of Trade Marks and Trade Name, 391, 417; *Levy v. Walker* (1878), 10 Ch. D. 436 at p. 448, 449; *Walker v. Mottram* (1881), 19 Ch. D. 355; *Gage v. The Canada Publishing Co.* (1884), 6 O.R. 68, 11 A.R. 402, (1885), 11 S.C.R. 306; *Robinson v. Bogle* (1889), 18 O.R. 387; *Shipwright v. Clements* (1871), 19 W.R. 599; Brown on Trade Marks, 2nd ed. sec. 91; *Cotton v. Gillard* (1875), 44 L.J. Ch. 90; *Ex parte Lawrence Brothers—Re Marler's Trade Mark* (1881), 44 L.T.N.S. 98; *Maughan v. Sharpe* (1864), 17 C.B.N.S. 443; *Johnson v. Helleley* (1864), 34 Beav. 63; *Robertson v. Quiddington* (1860), 28 Beav. 529; Allan on Goodwill, pp. 19-21; *Webster v. Webster* (1791), 3 Swans. 490; *Trego v. Hunt*, [1896] A.C. 7.



October 5, 1900. STREET, J.:—

The only claim the plaintiff had to the name of "Neil C. Love & Co." was because the business carried on by his father under that name was bequeathed to him and because he carried on the business for some years after his father's death under that name. Then he sold the business and the goodwill to the defendant, and a paper of a very informal character was drawn up by the defendant in the following words: "I, Charles Love, do hereby agree to sell the stock of drugs and fixtures and goodwill and preparations and the (name of Neil C. Love & Co., for at least five years) now being carried on at 166 Yonge Street (to) W. Latimer for the sum of \$4,000, and that I, W. Latimer, do hereby deposit the sum of \$50 as binding the agreement, providing that the lease of the premises can be obtained at \$70, or less, for at least the term of five years." This was signed by the plaintiff and defendant.

The plaintiff does not dispute that the sale of the goodwill and everything but the right to use the name was absolute, but he disputes the defendant's right to use name after the expiration of the period of five years.

The meaning, if any, which the parties intended to attach to the use of the words "at least five years" in regard to the firm name is not apparent on the face of the document, and no satisfactory explanation was offered as to it by either the evidence or the argument.

The plaintiff ceased to carry on business when he sold out to the defendant, and entered the civil service, where he has ever since been employed, and where he intends remaining.

Since the action was begun the defendant has abandoned the use of the name of "Neil C. Love & Co.," and has also sold out the business, so that the case has been brought down to trial merely to determine who should pay the costs.

I may add that there was no evidence that at the end of five years the name "Neil C. Love & Co." was of any pecuniary value to any one.

The defendant was quite willing to discontinue it at the end

of the five years, but was requested by the plaintiff to continue to use it, and he did so for two years longer, and until shortly after he was forbidden to use it by the plaintiff, whereupon he seems to have denied the plaintiff's right to stop him from further use of it, but to have in fact discontinued its use.

Whatever right the plaintiff might have had to restrain the defendant from using the name of "Neil C. Love & Co." as describing his business, had the plaintiff wished to begin again to carry on the business himself, I can find no authority for the position that he has any such right apart from any business at all. The name of a firm may, under certain circumstances, pass to its successors in the business as part of the goodwill, but the exclusive right to a firm name strictly as such (the name not being the actual name of the person claiming it) does not seem to be a right which can be enforced by a person who neither carries on nor intends to carry on a business under that firm name.

The underlying principle seems to be that a person has *prima facie* and apart from special legislation the right to carry on business under any name he pleases, and it is only when by doing so he misleads the public to the injury of someone else, or when some statute prevents his doing so, that he can be restrained from using the name he has chosen.

There is no contract by the defendant here not to use the name of "Neil C. Love & Co." after the five years, but it is possible, looking at the writing between the parties, that if after five years the plaintiff had desired to resume business under that name, he might have restrained the defendant from using it to his detriment.

In my opinion the plaintiff had not when he commenced this action any right which he could enforce against the defendant, and the action must be dismissed with costs.

## [IN THE SUPREME COURT OF THE NORTH-WEST TERRITORIES.]

TEMPLETON V. WALLACE.

(4 Terr. L.R. 340.)

*Trade mark—Infringement—Use of similar name—Misrepresentation—  
“Simpson’s kidney pills”—Injunction.*

Two rival druggists were engaged in the business of selling kidney pills.

The plaintiff was first in the business and sold his pills under the name of “Simpson’s Kidney Pills,” which name he registered as his trade mark in the year 1898. In 1897, the defendant sold kidney pills under the designation of “Simpson’s Buchu Juniper Kidney Pills, the Original.” Apart from the similarity of the name “Simpson,” there was no likeness between the boxes of pills in size, shape or style of printing on the labels. It appeared that the word “Simpson” had been registered in connection with other pills prior to plaintiff’s registration, but not in connection with kidney pills.

*Held*, the plaintiff was not debarred from using the name “Simpson” upon his trade mark for kidney pills, nor from acquiring the exclusive right to use that name in connection therewith merely because the name had been used previously in connection with pills intended for other sicknesses, and that therefore the use of the name by the defendant in a manner evidently intended to deceive the public and to lead it to believe that the defendant’s pills were the plaintiff’s should be restrained.

A person may adopt a fictitious name as part of his trade mark so long as there is no intention to deceive nor will his adoption of such a name disentitle him on the ground of misrepresentation to relief against a person infringing it.

It is only a misrepresentation contained in the trade mark itself which will disentitle the proprietor to maintain an action for its infringement and fraud or misrepresentation with respect to matters merely collateral will not be a bar to action.

*Held*, therefore, the use of fictitious testimonials in advertising his manufacture did not disentitle the plaintiff to relief.

*Quære*, whether prior user outside of Canada of a trade mark will disentitle a person to an exclusive use thereof in Canada.

THIS action was tried at Calgary, before SCOTT, J., on the 30th November and 1st and 2nd December, 1899. The facts and points involved sufficiently appear from the judgment. The case came on for argument, on the points of law involved, on the 16th February, 1900.

*J. B. Smith, K.C., for the plaintiff.*

*P. J. Nolan, for the defendant.*

March 8th, 1900. SCOTT, J.—Plaintiff, who carries on business as a chemist and druggist at Calgary, alleges that he manufactured at Calgary, and sold for profit, large quantities of pills in boxes wrapped in the labels having the words "Simpson's Kidney Pills" printed thereon, said words being his trade mark, to denote that the pills were manufactured by him, and to distinguish them from articles of the same kind manufactured by other persons; that he enjoyed a great reputation from the public on account of the good quality of his pills and made large profits by the sale of them; that said trade mark was duly registered in the trade mark registry at Ottawa, and he is the registered proprietor thereof; that the defendant wrongfully and fraudulently and without the consent of the plaintiff, manufactured at Calgary large quantities of pills and caused them to be wrapped in boxes with a label thereon containing the words "Simpson's Buchu Juniper Kidney Pills," in imitation of plaintiff's trade mark, in order to cause it to be believed that such last-mentioned pills were manufactured by the plaintiff; that the defendant wrongfully and fraudulently sold such pills as and for pills manufactured by the plaintiff; that by reason thereof the plaintiff was prevented from selling great quantities of the pills manufactured by him, and lost the profits he would have made from the sale thereof, and that the defendant continues the manufacture and sale of his pills so marked in such manner as to induce the belief that they are of the plaintiff's manufacture.

Plaintiff claims damages and an injunction restraining the defendant from manufacturing and selling pills with a label bearing the word "Simpson's" thereon; or any similar label inducing the belief that same are of plaintiff's manufacture.

The defendant, who also carries on business as a chemist and druggist at Calgary, denies that the pills sold by the plaintiff labelled "Simpson's Kidney Pills," were manufactured by him, or that these words were intended to or did denote that same were

of the plaintiff's manufacture, or that such words were a trade mark of the plaintiff's, or that such trade mark was ever registered or that the defendant ever manufactured or sold pills in boxes with a label thereon in imitation of the plaintiff's trade mark, or that he has by means of any such label or otherwise attempted to cause it to be believed that any pills sold by him were manufactured by the plaintiff, or that he has ever sold any pills as and for pills of the plaintiff's manufacture, or that the label on the pills sold by him is in any way an infringement of plaintiff's trade mark, or that the plaintiff was by any act of the defendant prevented from selling any appreciable quantity of his pills, or that he lost any profit by reason of any act of the defendant.

The defendant admits that long prior to the registration of the plaintiff's trade mark, and since that time, he has sold pills in boxes, or bottles, bearing a label containing the words "Simpson's Buehu Juniper Kidney Pills," but he claims that for a long time prior to and at the time of the registration of the plaintiff's trade mark, a label, bearing these words, as a wrapper for kidney pills, was in common use in the trade, and was in reality public property, and the plaintiff was not entitled to procure the registration of the words "Simpson's Kidney Pills" as a trade mark, and that if such registration was granted to him, it was granted in error and improvidence, and by reason of the plaintiff falsely representing to the Minister of Agriculture that such trade mark was not to his knowledge in use by any other person at the time of his adoption thereof, and that such registration should therefore be declared void as against the defendant.

The defendant also claims in the alternative that for a long time prior to and at the date of the registration of the plaintiff's trade mark, the label used by the defendant was used by wholesale druggists and their customers, including the defendant, as a label for kidney pills, and that the plaintiff was not entitled to become the proprietor of a trade mark which would prevent the use of such label by such wholesale druggists and their customers, including the defendant, and that if the plaintiff did procure

such registration, the same was granted in error and should be declared void as against the defendant.

The defendant further claims that the plaintiff was not entitled to be registered as proprietor of his trade mark:

(1) Because there are no words, mark or symbol in such trade mark indicating that said pills are the manufacture of the plaintiff or of any particular person.

(2) Because said trade mark, being a specified trade mark, was not used in connection with the sale of a class of merchandise of a particular description.

The name "Simpson's Kidney Pills" was first adopted by the plaintiff about the year 1893. In that year he prepared a formula for kidney pills and procured the firm of Parke, Davis & Co., manufacturing chemists at Detroit, Michigan, and Windsor, Ont., to manufacture them for him. He started in to advertise them extensively under the name of "Simpson's Kidney Pills" in the Calgary newspapers, and by means of posters, calendars, circulars, bill heads, etc., having spent up to the time of the trial between \$2,500 and \$3,000 in advertising that particular medicine. All the pills advertised and sold by him were manufactured for him by Parke, Davis & Co., at Detroit or Windsor. They were colored pink and were put up in oblong telescopic paper boxes with a wrapper upon which the words "Simpson's Kidney Pills" were printed in red ink, and other printed matter in black ink. It was not until after he had learned that the defendant was selling kidney pills in a wrapper bearing the word "Simpson's" that plaintiff applied for registration of his label as a trade mark. On 13th September, 1898, he obtained registration for a specific trade mark, consisting of the words "Simpson's Kidney Pills" in red letters on glazed paper or wrapper and in red letters on label.

The pills which were sold by the defendant were also colored pink, and were put up in round wooden bottles, wrapped in a label upon which were printed in blue ink the words "Simpson's Buchu Juniper Kidney Pills, the original," together with the name and address of the defendant. Other words were printed

with smaller type in red ink. These pills were manufactured by Frederick Stearns & Co., a firm of manufacturing chemists at Windsor, Ont. That firm had apparently been manufacturing kidney pills put up in bottles similar to those sold by the defendant, and with similar labels, except that the words "Simpson's" and "the original," and defendant's address, did not appear thereon. It appears from the evidence that on the 4th February, 1897, the defendant ordered three dozen Buehu Juniper Kidney Pills from that firm, and in his order he instructed them to make them pink tinted and to name them "Simpson's Buchu Juniper Kidney Pills, the original."

It is also apparent from the evidence of the manager of that firm that the only kidney pills manufactured by them which bore the word "Simpson's" on the label were those which were manufactured for the defendant and bore that word at his request. There is no evidence that pills by the name of "Simpson's Buchu Juniper Kidney Pills" were ever sold or known except those which were manufactured by Stearns & Co. for the defendant. The evidence shows that packages of pills styled "kidney pills" were advertised and sold by Robert Simpson & Company of Toronto, and that the name of that firm appears upon the packages, but it does not appear that such packages were advertised or sold prior to the commencement of this action. The evidence with respect to them is therefore not material.

Defendant in his evidence states that he wanted to get a kidney pill to put on the market, and selected the name "Simpson's" because it was a familiar name known with pills; that he never heard of "Simpson's Kidney Pills" before he gave the order to Stearns & Co., nor did he know that plaintiff was advertising them. I cannot believe this statement. His knowledge of the fact that plaintiff was advertising these pills, is, to my mind, conclusively proved, and the only reasonable conclusion from the evidence is that not only did the defendant know at the time he gave the order referred to, that plaintiff was advertising "Simpson's Kidney Pills," but also that his object in directing Stearns & Co. to put the words "Simpson's" and "the original," on the

labels of the pills he ordered from them, was solely to induce the public to believe that they were the pills which plaintiff was advertising. The evidence also shows that on more than one occasion he sold "Simpson's Buchu Juniper Kidney Pills" as the "Simpson's Kidney Pills" which were advertised, and the only such pills advertised in the vicinity of Calgary, were those of the plaintiff.

The packages of plaintiff's pills were as I have shown, of a shape different to those of the defendant and the labels were also different, the only point of resemblance between them being the use of the word "Simpson's." No one having once seen a package of plaintiff's pills could reasonably mistake a package of defendant's for it. It is apparent, however, that the use of the word "Simpson's" alone, even on a dissimilar package and label, would have the effect intended by the defendant, viz., of inducing intending purchasers who had not previously seen plaintiff's packages, to believe that they were obtaining the pills advertised by the plaintiff.

In *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508, Lord Chancellor Hatherley says: "The offence consisted in putting on the labels that which naturally led, and, from evidence of suspicious conduct, we are justified in saying was intended to lead, to the conclusion on the part of the public that when they buy defendant's goods, they are buying an article manufactured by the plaintiff; they are led to this conclusion in consequence of a name being used, the celebrity of which was first acquired by the plaintiff, and the value of which was first acquired by its being applied to the plaintiff's manufacture, which, of course, they think it continues to be."

Lord Chelmsford says at the same page: "Where a trade mark is not actually copied, fraud is a necessary element, and the party accused of piracy must be proved to have done the act complained of with the fraudulent design of passing off his own goods as those of the party entitled to the exclusive use of the trade mark. For the purpose of establishing a case of infringement it is not necessary to show that there has been the use of a



mark in all respects corresponding with that which another person has acquired the exclusive right to use, if the resemblance is such as not only to show an intention to deceive, but also such as to be likely to make unwary purchasers suppose that they are purchasing the article sold by the party to whom the right to use the trade mark belongs."

In *Farina v. Silverlock* (1855), 6 DeG. M. & G. 214, Lord Chancellor Cranworth says:—"There may be a question here as in all other cases, as to the manner in which Judges may have occasionally applied the law to particular facts, but I apprehend the law is perfectly clear that anybody who has acquired a particular mode of designating his particular manufacture has a right to say, not that other persons shall not sell the same article, better or worse, or looking exactly like it, but they shall not so sell it as to steal the plaintiff's trade mark and make purchasers believe it is the manufacture of somebody else."

In *Johnston v. Orr-Ewing* (1882), 51 L.J. Ch. 797, 7 App. Cas. 219, Lord Watson says, at p. 804: "I am of opinion that having regard to what they knew about the trade and trade mark of the respondents, it was eminently the duty of the appellants in adopting a ticket of their own to avoid every feature of the older trade mark which could by possibility create the risk of their yarns being sold by some unscrupulous dealer as the respondent's, and failure in that duty will necessarily give rise to inferences unfavourable to the honesty of their intention, unless the owners of the new ticket can and do give some reasonable explanation of their conduct."

Plaintiff, before commencing this action, registered his trade mark under "The Trade Mark and Designs Act," R.S.C. ch. 63, section 8 of which provides that the proprietor of a trade mark may have it registered on forwarding to the Minister of Agriculture a drawing and description in duplicate of such trade mark, and a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof. Section 19 provides that no person shall institute any proceedings to prevent the infringement of a trade mark unless such trade mark is registered in pursuance of the Act.

From the evidence it appears that on July 11th, 1898, plaintiff made application under section 8 to register his trade mark for kidney pills: that he was then informed by the registrar that the name "Simpson's" was already registered in connection with pills since February, 1873, by one Stark of Hamilton, Ont., who had acquired it from James Bell Simpson, the original proprietor thereof, and that plaintiff's application for registration could not be granted until Stark's assent was procured. Plaintiff afterwards obtained Stark's consent and his trade mark was then registered.

It was contended on behalf of the defendant, that, as plaintiff was aware before the registration of his trade mark that the name "Simpson" had been used in connection with pills prior to his user thereof, he was not entitled to obtain registration thereof, as part of his trade mark in connection with kidney pills.

The evidence does not show that the pills in respect of which Stark obtained registration were styled kidney pills, or were intended or known as a specific for kidney complaints. On the contrary, a box of pills put in by the defendant at the trial is labelled "J. Bell Simpson's Specific Pills," and contain an advertisement stating that they were manufactured at Hamilton, Ont., and that they, as also his tonic pills, were intended as specifics for weakness of the generative organs and nervous complaints.

In my opinion the plaintiff is not debarred from using the name "Simpson" upon his trade mark for kidney pills, or from acquiring the exclusive right to use that name in connection therewith, merely because that name had previously been used in connection with pills intended as a specific for some complaint not in any way connected with the kidneys. I think it would be unreasonable to hold that because a certain person had acquired the right to use a certain name in connection with pills for the cure of a certain complaint, no other person could acquire the exclusive right to use that name in connection with pills for the cure of any other ailment.

One of the defendant's witnesses (Simpson) states that in the

year 1891 he saw the name "Simpson's Kidney Pills" inscribed upon a wire door mat in London, England. The evidence as to this inscription was objected to by the plaintiff's counsel on the ground that secondary evidence thereof was inadmissible. I received it subject to the objection. I now rule that the evidence should be admitted on the ground that the production of the door mat at the trial would have been highly inconvenient (See Taylor on Evidence, secs. 438 and 439a). That evidence, which was the only evidence of the prior use of the name "Simpson" in connection with kidney pills, is not sufficient to convince me that Simpson's Kidney Pills were known or sold in England prior to the adoption by plaintiff of that name. If such had been the case, surely some stronger evidence than the uncorroborated testimony of one man to the effect that he had seen them advertised on a door mat, could have been procured. The witness states that his attention was drawn to the advertisement by the fact that his own name appeared in it; but that would not account for the fact of his recollection after such a long interval of time of the particular class of pills he saw advertised.

Defendant put in as evidence at the trial a drug catalogue of 500 pages, issued in 1892 by a firm of wholesale drug dealers carrying on business in London, England. In it the name "Simpson" appears in connection with anti-bilious pills, herbal pills and other medicinal preparations, but Simpson's Kidney Pills are not mentioned. In addition to this, Mr. Bott, one of plaintiff's witnesses, who now carries on a drug business in Calgary, and who, prior to his coming to Calgary about six years ago, appears to have been for thirteen years engaged in the drug business in nearly all parts of England, and to have seen all the drug catalogues and trade lists of any importance that were issued there, states that he never heard of Simpson's Kidney Pills until he saw them advertised by the plaintiff.

It is also open to question whether the prior user outside of Canada of the word "Simpson" in connection with kidney pills would disentitle plaintiff to its exclusive use here in that connection. I am under the impression that it has been held that it

would not, but I cannot at present ascertain where it has been so held.

It is further contended on behalf of the defendant that the plaintiff has been guilty of misrepresentation in connection with his trade mark and the goods sold by him under it, and that by reason thereof, he is not entitled to the relief claimed by him.

In my opinion there is no misrepresentation in the trade mark itself which would have the effect of misleading the public as to the quality of the goods or their mode of manufacture. It might be urged that the use of the word "Simpson" constitutes a representation that the pills were manufactured by or from a formula prepared by a person of that name. There is no magic in the name, and I cannot believe that any person would be induced to buy plaintiff's pills in preference to any other kidney pills because they bore that name. The public bought "Simpson's Kidney Pills" merely because they were advertised by the plaintiff in that way, and not because they believed them to be manufactured or concocted by any person named Simpson.

In *Pidding v. Howe* (1863), 6 L.J. Ch. N.S. 345, the plaintiff, a tea merchant in England, sold a mixture of tea which he prepared himself and sold under the name of "Howqua's mixture." Howqua was a tea merchant at Hong Kong with whom plaintiff had dealings, but plaintiff had no authority from him to use his name. The action was for an injunction to restrain the defendant from using the name of "Howqua's mixture," but the injunction was refused, on the ground that plaintiff, in advertising his mixture, had represented that it was prepared by Howqua. The use by plaintiff of Howqua's name did not appear to have been considered in itself an objection.

In *Perry v. Truefitt* (1842), 6 Beav. 66, plaintiff sought to restrain the defendant from using the trade mark "Mexican Balm," which plaintiff advertised as having been prepared from herbs procured from Mexico. It was shewn that this advertisement was untrue. The injunction was refused on the ground of misrepresentation, and upon the ground apparently that the name "Mexican Balm" was in itself a misrepresentation.

Plaintiff states that he did not name his pills after any particular person named Simpson, and he cannot account for having selected that name. It is therefore a fictitious name so far as his trade mark is concerned, but I cannot find any authority to show that a person may not adopt a fictitious name as part of his trade mark, so long as there is no intention to deceive, or that his adoption of such a name would disentitle him on the ground of misrepresentation to relief against a person infringing it.

Plaintiff, in advertising his pills, appears to have published from time to time what purported to be testimonials from persons who had derived benefit from their use. He admitted that he had not received these testimonials and that they were fictitious. This was undoubtedly a misrepresentation, but not, as in *Pidding v. Howe* (*ante*) and *Perry v. Truefitt* (*ante*), a misrepresentation as to the mode of manufacture of the goods. I must admit, however, that, notwithstanding this distinction, I must have had some difficulty in arriving at the conclusion that plaintiff's misrepresentation was not such as should under the principles laid down in those cases, disentitle him to the relief claimed; but it is unnecessary for me to decide that question, because in *Ford v. Foster* (1872), L.R. 7 Ch. 611, it has been held that it is only a misrepresentation contained in the trade mark itself which will disentitle the proprietor to maintain an action for its infringement, and that fraud or misrepresentation with respect to matters merely collateral to it would not be a bar to his action.

It is also shown that plaintiff had upon occasion advertised himself as agent merely for "Simpson's Kidney Pills," and not as proprietor thereof. This action upon his part, even if it amounted to misrepresentation, would be within the principles laid down in *Ford v. Foster*.

Defendant's counsel made no reference in his argument to the objection set forth in the statement of defence to plaintiff's right to obtain registration of his trade mark.

The trade mark appears to me to be (adopting the words of section 3 of the Act referred to) "A label adopted for use by the

plaintiff in his business for the purpose of distinguishing a manufacture offered for sale by him, and applied in a certain manner to the package containing such manufacture." Upon that ground, if upon no other, it was one the registry of which was authorized by the Act.

The evidence also shows that the trade mark was used in connection with the sale of a class of merchandise of a particular description.

For the reasons I have stated, I hold that plaintiff is entitled to an injunction restraining the defendant from applying the name "Simpson's" or "Simpson" to any kidney pills or pills intended as a specific for kidney complaints manufactured or sold by him, unless same be applied by plaintiff's sanction, and from affixing without such sanction any label or card or design containing said name to or upon any package containing such pills.

Plaintiff's counsel stated at the trial that he did not intend to offer any evidence as to loss of profits sustained by plaintiff by reason of the defendant's act. I therefore assume that it is not plaintiff's intention to press his claim for such damages. Evidence was given at the trial from which the actual loss of profits sustained by the plaintiff might be arrived at, but as the amount is small, I think it unnecessary in view of the statement made by plaintiff's counsel to make any computation.

Plaintiff is entitled to the costs of the action. Not only did the defendant knowingly infringe the plaintiff's trade mark, but he has also contested throughout the plaintiff's right to the injunction claimed.

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**Notes:**

FOREIGN PRIOR USER.

The point queried in this case as to the effect of prior user outside of Canada on the rights of a trader to a trade mark so used was touched on in *Smith v. Fair* (*ante*, p. 152). There it

was held that user of a trade mark in a foreign country is no justification for an infringement of a registered mark in the country where the action is brought; therefore it would follow that prior user out of Canada will not disentitle a person to an exclusive right in Canada. Proudfoot, J., in *Smith v. Fair*, speaking of the effect of the assignment of a foreign trade mark to the plaintiff, said: "But besides it does not seem necessary for the plaintiff to rely on the assignment. If the *Berliner Case* be good law it would have been sufficient for the plaintiff to declare that the mark was not used by any person in Canada where he adopted it." The case referred to by the learned Judge, *Berliner, etc., v. Knight* (1883), W.N., p. 70, is a decision of the Chancery Division on appeal from an interlocutory order of Mr. Justice Chitty restraining the defendants from selling, etc., as being Tivoli beer any beer not manufactured by the plaintiffs. The plaintiffs were a Berlin company of brewers whose beer known as Tivoli beer was sold extensively in England. Until the defendants did so, no beer had been sold in England under the name Tivoli except by the plaintiffs. Despite the defendants' contention that Tivoli beer denoted a particular description of beer, and that they had never used the word Tivoli except in conjunction with their own name, the Court (Baggallay and Cotton, L.J.J.) considered that the plaintiffs had made out a *prima facie* case of the defendants having sold their goods in a way calculated to pass them off as goods made by the plaintiffs, and that the injunction had been rightly granted.

It has been also held in England that user abroad is not such user as will bring the person using within the "three-mark" rule, by which similar marks up to three have been allowed to be registered, if they are proved to have been used side by side before the Trade Marks Act (Imp.), 1875. In *Re Münch* (1884), 50 L.T.N.S. 12, it was held that foreign user alone could not entitle an applicant to registration. Such user was not contemporaneous user within the meaning of the three mark rule. And *cf. Jackson v. Napper* (1886), 35 Ch. D. 162, where the applicant, a for-

eigner, was required to shew user in England before going on with his registration. "It is said," said Stirling, J., at p. 177, "and I think rightly, that in order to entitle you to register, there being a similar mark already on the register, you must make out that there was a user of the mark in *England*." So in *In re Mecus' Application*, [1891] 1 Ch. 41, it was thought, though not actually decided, that the importation of goods, marked with a distinctive brand or label for the purpose of transshipment only was not a sufficient user to acquire a title thereto.

#### MISREPRESENTATION.

The cases shew a clear distinction between misrepresentation in some statement as to the trade mark itself and misrepresentation in some collateral matter.

1. The first disentitles the plaintiff to succeed: *Pidding v. Howe* (1837), 8 Sim 499; *Perry v. Truefitt* (1842), 6 Beav. 66; *Davis v. Kennedy*, *ante*, p. 8. In the first mentioned case the plaintiff sold tea under the name *Howqua's* mixture, but made false statements to the public as to the teas from which his mixture was compounded and as to the mode in which they were procured. The Court, therefore, refused to restrain the defendant from selling tea under the same name. In *Perry v. Truefitt*, Lord Langdale, M.R., dealing with this question, said: "I entirely agree with the observation made by the Vice-Chancellor in *Pidding v. Howe*; I do not think it is a favourable case for the interposition of this Court (of Chancery), to say the least of it, when a party having bought a secret invented by a *Mr. Leathart*, represents to his customers and the world, that 'his admirable composition is made from an original recipe of the learned *Von Blumenbach*, and was recently presented to the proprietor by a very near relation of that illustrious physiologist.'" "*Ex turpi causa non oritur actio*, and if the trade mark contains a false representation calculated to deceive the public, a man cannot by using that which is in itself a fraud obtain any right



at all in the mark": per Mellish, L.J., in *Ford v. Foster* (1872), L.R. 7 Ch. 611. In *Leather Cloth Co. v. American Leather Cloth Co.* (1863), 11 H.L.C. 523, the use of a label and advertisements containing false statements as to the character and manufacture of the goods was held to disentitle the plaintiffs to protection. In *Wood v. Lambert* (1886), 32 Ch. D. 247, English-made cigarettes were labelled Turkish-made and Russian-made, which misrepresentation operated to disentitle the word "Eton," which had been used on the boxes so labelled, to registration and protection. Cf. *Newman v. Pinto* (1887), 57 L.T. 31; *In re Wills*, [1893] 2 Ch. 262; *Ford v. Foster* (1872), L.R. 7 Ch. 611.

2. The second kind of misrepresentation—collateral, puffing, statements in newspapers, invoices, etc.—is not a ground upon which to deny the plaintiff's right: *Ford v. Foster* (*supra*); *Davis v. Kennedy* (*ante*, p. 8); *Holloway v. Holloway* (1850), 12 Beav. 209; *Hogg v. Kirby* (1803), 8 Ves. 215; *Metzler v. Wood* (1877), 8 Ch. D. 606. The leading case on the subject is *Ford v. Foster*. There the plaintiff, whose trade mark was "*Ford's Eureka Shirt*," had falsely represented in his invoices and in a few advertisements that he was a "patentee" of the shirt. Sir G. Mellish, L.J., who delivered the principal judgment of the Court of Appeal, said, at p. 630:

"Then would it be a defence to that action at law that the plaintiff has made false representations to the public that his article was patented when in fact it was not? If the false representation was in the trade mark itself, although I cannot find that the point has ever been decided or raised in a Court of Common Law, yet I am disposed to think, and indeed I have a pretty clear opinion, that if the question were raised it would be held that the fact of the trade mark itself containing a false representation would be an answer at law to an action brought for a deceptive use of the trade mark by the defendant. . . . But where the trade is, as in this case, a perfectly honest trade, and where the trade mark is, as in this case, a perfectly honest

trade mark, I am clearly of opinion that there is no common law principle upon which it is possible to hold that the fact of the plaintiff having been guilty of some collateral fraud would be an answer to the action. It would be impossible to plead at law as a justification for the defendants' committing the fraud that the plaintiff had committed a fraud on some one else. . . . It is true that in this case the bills containing this false representation as to its being a patented article are proved to have been given to the defendants themselves; but there is not the slightest evidence or reason for supposing that the defendants were ever deceived by that representation because they knew perfectly well that there was no patent for these shirts."

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[IN THE SUPERIOR COURT FOR QUEBEC.]  
(COURT OF REVIEW.)

THE PABST BREWING COMPANY

v.

H. A. EKERS AND THE CANADIAN BREWERIES, LIMITED.

(Q.R. 20 S.C. 20.)

*Trade Name—Place of Manufacture—Common Law Right—Proof of Deception.*

A manufacturer, whose goods are generally known to the public by a certain name, has a common law right to protection against a competitor using the same or some similar name, only upon making proof either of fraud or deception as regards such use, and of prejudice resulting therefrom. Where the alleged infringement has extended over a number of years, the fact that there is no proof of any one having been deceived during that period is very material.  
Judgment of Davidson, J., reversed.

**Note:**—The judgments delivered in this case, together with annotations thereon, will be found reported in Vol. I., Commercial Law Reports—the judgment of DAVIDSON, J., in the Court below at p. 38, and that of the Court of Review at p. 295.

[IN THE COURT OF KING'S BENCH FOR QUEBEC.]

THE ASBESTOS AND ASBESTIC CO. (PLAINTIFF), APPELLANT.

AND

THE WILLIAM SCLATER CO. (DEFENDANT), RESPONDENT.

(Q.R. 10 Q.B. 165.)

*Trade-mark—"Asbestic"—Word merely descriptive.*

*Held* (affirming the judgment of the Superior Court, Davidson, J., 18 C.S., p. 360):—Where a word is merely descriptive of a natural product, it cannot be appropriated and form part of a trade-mark. Hence, the word "asbestic," prefixed to "wall plaster," being merely descriptive of a material, or natural product, used in the plaster, the sale by other parties of wall plaster under that name is not an infringement of a registered trade-mark consisting of the words "asbestic wall plaster," surmounting a trowel on which was inscribed the letter "A," and the continuance of such sale cannot be prevented by injunction.

The judgment appealed from was rendered by the Superior Court, Montreal, Davidson, J., 22 June, 1900, and is reported below.

The appellant, petitioner in the Court below, applied for an injunction, to restrain the respondent from selling any goods or material under the name of "asbestic wall plaster." In support of the petition it was alleged: 1. That the petitioner is the owner of certain asbestos mines; 2. That the petitioner acquired these mines from the Danville Asbestos & Slate Company; 3. That on the 3rd February, 1896, the Danville Asbestos & Slate Company caused to be registered a specific trade mark to be applied to the sale of material for making wall plaster, which trade mark consists of the words "asbestic wall plaster," surmounting a trowel on which is inscribed the letter "A," as shown by the pattern attached to the application, which trade mark was duly granted by a certificate issued by the Government of the

\* PRESENT—Sir Alexandre Lacoste, C.J., Bossé, Blanchet, Wurtele and Ouimet, JJ.

Dominion of Canada on the 3rd February, 1896; 4. That on the 5th July, 1899, the said trade mark was duly assigned to petitioner; 5. That respondent was selling what purported to be asbestic wall plaster, stamped and labelled as such; 6. That the public was led to believe by circulars and advertisements that in buying asbestic wall plaster from respondent it was buying the product of petitioner; 7. That petitioner had extensively advertised its product, and had established a large business in the sale of asbestic wall plaster, and had acquired a right of property in the words "asbestic wall plaster;" 8. That the respondent was making use of the words "asbestic wall plaster," with the fraudulent intent of deceiving the public and leading it to believe that it was purchasing the product of petitioner. Damages to the extent of \$10,000 were alleged.

The action was dismissed by Mr. Justice Davidson in the Court below by the following judgment.

Montreal, June 22nd, 1900. DAVIDSON, J. :—

"Seeing petitioners pray for writs of interlocutory and perpetual injunction to restrain respondents from making use of the name 'Asbestic Wall Plaster,' as applied to the material which consists of a compound of asbestic and the ordinary wall plaster:

"Seeing respondents plead:

"That they have used the words 'Asbestic Wall Plaster' long previous to the registration of the petitioners' trade mark, and that the word 'asbestic' is merely descriptive of the articles sold by respondents:

"Considering that the title which respondents assert as entitling them to the exclusive use of this name as a trade name is a trade mark registered on the 3rd February, 1896, consisting of the words 'Asbestic Wall Plaster' surmounting a trowel on which is inscribed the letter 'A';

"Considering that the infringement charged against respondents is of said alleged trade name and not of said device;

“Considering that the word ‘asbestic’ means and is pertaining to asbestos, and that the words ‘Asbestic Wall Plaster’ are descriptive of the materials whereof the compound actually consists;

“Considering that respondents cannot be compelled to invent a new name for said compounds or to describe it by a better term, which does not express what it really is or what it is used for;

“Doth quash said interlocutory injunction and doth reject the petition with costs.”

*Greenshields, Greenshields, La Flamme and Dickson*, for the appellant.

What is now known upon the market as “Asbestic” is composed of ground serpentine rock and of asbestos fibre, and is chiefly used as wall plaster. Although it is a product of asbestos, yet this asbestos sand was unknown as a merchantable article prior to 1895, when pulverizers came into use. It is needless to add that the word asbestic as applied to asbestos was also unknown to the commercial world.

But the introduction of pulverizers made of asbestos sand an important product of the miner. The first pulverizer was put up on the 27th of September, 1894, at the Danville asbestos mine by the Danville Asbestos and Slate Company. The use of asbestos sand for the preparation of asbestos wall plaster was discovered in the fall of 1895 by Feodor Boas and by Mr. Pharo, of the Danville Asbestos and Slate Company.

The product could easily have been called asbestos sand, as it is by several large mining concerns, but Mr. B. Marcuse, of the Danville Asbestos and Slate Company, came to the conclusion that it would be better to give a new name to this material, and found the word “asbestic,” which had heretofore been lying in the dictionary like a corpse in a necropolis.

The proof absolutely shows first, that the product itself was unheard of before it was used as a plaster by the Danville As-

bestos and Slate Company, and second, that the word asbestic itself had never been used by any one in the asbestos trade.

But not only was the compound discovered by the Danville Company, and the word asbestic used for the first time by them, but the statements of witnesses examined on both sides agree that the material was first introduced on the market by the Danville Company, in the latter part of 1895 and in the beginning of 1896, through the agency of their representative, Mr. James Cunningham. And it was not until 1897 that the Bell Asbestos Mine Company and the company respondents placed in the market asbestos sand for making wall plaster.

Now, from the outset, the Danville Asbestos and Slate Company, and then the company appellants extensively advertised the material under the name of asbestic.

The circular, exhibit p. 5, is entitled "Asbestic;" and then it speaks of "Asbestic" as a material possessing all of the qualities essential to a most perfect fire proofing; then it states that the spreading of fire will be prevented if a room is plastered with "Asbestic;" then again it mentions tenacity as one of the most remarkable qualities of Asbestic; and again that the two grades are rough asbestic and finish asbestic, etc.

The Department of Agriculture refused to register the words "Asbestic wall plaster" as a trade-mark, and rightly so; but the constant use of the word asbestic, not as an adjective qualifying asbestos sand, but as a noun, and during a period of time of nearly four years, has undoubtedly had the result of giving the appellants an exclusive right, as a trade-name, to the word asbestic, which they discovered as an adjective, but which they invented as a noun, to denote asbestos sand used for wall plaster.

But it is objected by respondents that the word Asbestic is "merely an indication and description of the article sold," and therefore its use cannot be exclusively in any one in particular.

The appellants' first answer to the objection is that although the word asbestic is not a fancy word, because it was contained in the dictionary, yet it cannot be denied that, prior to 1896, it

was a *word not in common use*, and such words should be and are assimilated by the authorities to fancy words proper.

In the second place, it is submitted that asbestic had, up to July 15th, 1899, acquired a secondary distinctive meaning as having reference to the article put on the market by the Danville Asbestos and Slate Company and then by the appellants, and could be monopolized for use in connection with the Danville Asbestos Sand, since the use of the word by others would be calculated to deceive. And the more so, when it is kept in mind the appellants and the Danville Asbestos and Slate Company converted the adjective asbestic into the noun asbestic, and not only advertised the asbestos sand as asbestic, but actually sold the material invariably in canvas bags bearing the words "Asbestic Rough" and "Asbestic Finish" according to the grade.

The result was that the asbestos sand product of the mine operated by the appellants became known on the market as asbestic.

The allegation in the plea, that asbestic is merely the indication and description of the material is the result of an afterthought; their own witnesses, Mr. James Morrison and Mr. George Smith, admit asbestic was not the description given generally by the public to describe this material, but that it was simply known as asbestos sand. Indeed, Mr. Morrison, in his letter to the Canadian Asbestos Company, dated 22nd July, 1899, writes that his firm did not use any material which they represented as asbestic, but that they use Johnson's asbestos sand and asbestos finish, which they believed to be much superior to asbestic; and again in another letter of the same date to Mr. Boas, Mr. Morrison writes that Johnson's sand and asbestos finish is better than asbestic.

Mr. George Smith, manager of the Bell Asbestos Company, examined on behalf of respondents, is bound to admit that the correct and usual description of the material is asbestos sand, and he ventures the opinion that asbestic is a misnomer.

The respondents were evidently of the same opinion. They started to sell the compound of asbestos sand in the summer of 1897 and the first part of 1898; but in 1899 they began to describe it as Asbestic Rough or Asbestic Finish; and Mr. Anderson swears that the material was all sold as asbestos sand, yet he produced a list which contradicts his own statement. The list, indeed, shows that in 1897, all the material was sold under the name of asbestos sand, or of asbestos rough, or of asbestos wall-plaster; that in 1898 it was sold as asbestos rough, with the exception of one ton sold to F. F. Powell on the 18th May, 1898, and one-quarter ton sold to the C. P. R. Company, on the 6th August following, as rough asbestic. But the Court will remark, that in 1899, the product was described by them as asbestic, with the exception of the items of the 17th, 18th July, of 28th August, of 6th, 12th, 14th and 23rd September, when the words asbestos sand, asbestos finish and asbestos rough, are again used. After the granting of the interlocutory injunction the respondents continued to dispose of the material as asbestos sand.

There seems to be a difference of opinion between Mr. Anderson and Mr. Tuck, as to whether in 1898 or 1899, prior to the injunction proceedings, the stuff had been invoiced as asbestic; Mr. Tuck says it was, and the list shows that Mr. Tuck is correct, whereas Mr. Anderson was not, and ascribes the entries in order-book to a mistake of Mr. Tuck.

But taking the version of Mr. Anderson himself, it shows that the word asbestic, in the trade and in the eyes of the public, was not necessarily descriptive of asbestos sand generally, since respondents were satisfied with describing their article as asbestos sand, but asbestic was supposed to be the description of the particular asbestos product placed on the market by appellants.

In conclusion we submit that the judgment appealed from rests on a misconception of the nature of the reasons alleged in support of the action. The Court was probably justified in finding that the registered trade mark was not infringed, but the judgment fails to adjudicate upon the second and more impor-



tant issue, whether the use defendants made of the word asbestic was equivalent to passing off their asbestos sand as that advertised and sold by appellants.

*Carter and Goldstein*, for the respondents.

The word "Asbestic" has been in common use for years, and is to be found in all modern dictionaries; it is only necessary to refer to some of them:

Ogilvie's Dictionary, 1864: Asbestic, relating to, or containing asbestos.

Webster's Unabridged, 1891: Asbestic, of, pertaining to, or resembling asbestos, inconsumable.

Standard Dictionary, 1894: Asbestic, derivative of asbestos, containing or having the properties of asbestos, not consumable.

The word "asbestic" is a mere descriptive adjective, in common use, and could not be appropriated from the rest of the world, and form part of a trade mark.

Sebastian, Trade Marks, pp. 2, 16, 35.

Kerly, Trade Marks, pp. 141, 143, 145.

The material asbestic is a natural product, it is the refuse after the asbestos has been separated, and has been called by different names, such as asbestos sand, asbestos rough, asbestos finish: it has been applied to various purposes. Mr. George R. Smith, one of the respondents' witnesses, states that it was used in conjunction with lime for making mortar to his knowledge for about eight years, but the appellants' claim is, that having in their mines made use of a cyclone pulverizer (though other mines have used the same machine), they have been the means of introducing the material to the public, and according to Mr. Marcuse, one of the appellants' witnesses, no one can sell the material to be applied to mortar except by license from the appellants: in fact the appellants, through their employees, have threatened people with law suits, if they bought this material from any person other than the appellants, they also claim they have a patent for the process, but as shown by the evidence of Mr. Alluisi, a witness on part of the respondents, he also has a

patent bearing a prior date, and he has employed asbestic in making wall plaster since 1895.

The Courts have held time and again that descriptive words cannot be registered as trade marks. This will be found referred to at length in Mew's Digest, volume 14, page 147 *et seq.*

Take as an instance the word "Satinine" which was the subject of discussion in an English case, wherein it was held that the word being a descriptive word having reference to character and quality of the goods, in this case starch, blue, etc., was not a word which could be registered.

The appellants did not attempt to show that the respondents ever sold their goods as those of the petitioners. No doubt the respondents did advertise "asbestic wall plaster" for sale, but the evidence is conclusive that no person could have been deceived in buying the respondents' goods.

It was held in the case of *Turton v. Turton*, Mew's Digest, vol 14, p. 78, that to justify the Court in granting an injunction there must be a passing off by the trader sought to be restrained, of his goods as those of the other trader. Nothing of the kind has taken place.

The pretension of the appellants that they had suffered damages to the extent of \$10,000 by the act of the respondents, is an absurdity, and shows bad faith, for the affidavit in support of the petition for the interlocutory judgment, was sworn to six days before the trade mark was assigned to the appellants. To say the least, it shows recklessness on the part of the person making the affidavit.

Montreal, 18th January, 1901. Bossé, J. :—

The appellants, plaintiffs and petitioners in the Superior Court, complain that the respondents have been making use of a trade mark registered by the plaintiffs and have been making use of the name, *asbestic* wall plaster, which the plaintiffs have been using themselves for many years, and which has also become their exclusive property.

A writ of injunction has also been taken out in the Superior Court, which was granted, *ad interim*, on security of \$10,000 having been given.

After hearing, the final judgment dismissed the action and the petition, and annulled the interim injunction.

It is from this judgment that an appeal has been taken.

The appellants admit that the respondents have not made use of their registered trade mark: a trowel surmounting the letter A, and this part of the demand has been abandoned.

There remains the second part of the complaint: that the defendants, for the purpose of describing the product that they were putting on the market, were making use of the same words: *asbestic* wall plaster, which plaintiffs were using themselves, and the whole question resolves itself into that of knowing if these words can become individual property to the exclusion of all and ought, as a consequence, to be protected.

The doctrine and jurisprudence vary considerably in this matter, because they apply to a great number of different cases, and it is rarely that two cases can be found absolutely similar and in which a judgment rendered in the first case can be invoked to decide the second.

But the principle appears to be well defined.

"One should not recognize," says Dalloz, "as a trade mark, unless employed under a distinctive form or type, an expression which already serves to name the thing, or which is necessary to describe it, a generic qualification which comes naturally to the mind to indicate the species or degree of quality or the efficacy or the destination, an adjective which is but the expression, even though pretentious, of a quality common to all the products of the species. The favor attached to trade marks in so far as they tend to distinguish a product from similar products, cannot go the length of compelling the other dealers in analogous products, all of whom claim to furnish them of a perfect quality of efficacy, not to make use of an adjective which comes habitually to the mind, and to look for equivalents to convey the same idea

and express the same quality." Dalloz, Suppl. Vo. Industry and Commerce, No. 316.

See in this sense the different judgments noted under this article and under article 315.

The same principle is found under the word Trade-Marks, in Vol. 26 of the 1st edition of the Eng. and Amer. Encyclopædia, pp. 282, 283 and following, and in the notes at the foot of the same pages.

Following the general rule as therein stated, "that it will only be some peculiarity of selection, arrangement, or sound which will cause the Court to depart from the usual rules which deny protection to descriptive words," we find that in the case of *Improved Fig Syrup Co. v. California, etc., Co.* (1896), 54 Fed. Rep. 175, it has been held:

"The law, as stated in *Delaware Canal Co. v. Clark*, 13 Wall, U.S., is that 'words in common use, with some exceptions, may be adopted, if at the time of their adoption they were not employed to designate the same or like articles of production.' But, though it is not necessary that the word adopted as a trade-mark should be a new creation, never before known or used, there are some limits to the right of selection. . . . And there are two rules which are not to be overlooked. No one can claim protection for the exclusive use of a trade-mark or trade-name which would practically give him a monopoly in the sale of any goods other than those produced or made by himself. If he could, the public would be injured rather than protected, for competition would be destroyed. Nor can a generic name, or a name merely descriptive of an article of trade, of its qualities, ingredients or characteristics, be employed as a trademark, and the exclusive use of it entitled to legal protection. The phrase 'Syrup of Figs' is in no sense a generic one. It is not a name of a natural product, or of a class of natural products. If such an article exists, it must be the result of a manufacturing process. So far as we are advised, the name never existed, nor was it applied to any natural or artificial product, until formulated by appellee of words of no prior association, and by it used to

designate its preparation. Even if such medicine were made entirely of figs, it is still a new name, applied to a manufactured, and not a natural product; hence indicates rather its origin than its quality, or even its nature."

Now what have we here? *Asbestic wall plaster*, that is to say an *asbestic* wall plaster, having the qualities of asbestos, being of the nature of asbestos, or partaking of the nature of this material.

It is an adjective indicating the nature of wall plaster, and, as the judgment appealed from says, the plaintiffs, in using an adjective indicating the qualities of the product that they offered to the public, could not deprive other manufacturers of the use of that adjective and compel them either to invent a specific name, or adopt another word already known which may badly or not so well express the qualities which one claims to attribute to the manufactured article.

"When no other expression can be more usefully employed, each has the right to use it."

This is the text of a judgment of Orleans, dated 19th January, 1887,—*In the matter of Passè*, D.P. 88. 2. 302.

But say the appellants, the word *asbestic*, though known when we adopted it, and although found at that time in the dictionaries, was in little use, and it is we who have given it all its publicity.

It is true that the word *asbestic* was then in little use, but for the good reason that asbestos or amianth was little employed, and it has since been much in use, and the adjective *asbestic* qualifying the products having the quality of amianth, has come, as a consequence, into general use, and will be so much the more in use as the substance itself will become more distributed.

Another objection is that the appellants do not use the word *asbestic* as an adjective, but that they use it as a noun.

I do not know if grammar permits this exchange; but if the appellants mean to use the word as a noun, they cannot object because the respondents use it as an adjective, and that is what they have done.

For these reasons we believe that the appeal should be dismissed and the judgment confirmed with costs.

## Notes:

## QUALITATIVE AND DESCRIPTIVE WORDS.

A word which is a mere advertisement or description of the goods concerned, or of some quality which they possess, cannot be a trade mark. In the *Leather Cloth Co. v. The American Leather Cloth Co.* (1865), 11 H.L.C. 523, Lord Westbury based his judgment on this ground.

So a fancy name, so-called, that describes the origin, qualities or uses of the goods cannot be a trade mark: *Reddaway v. Banham*, [1895] 1 Q.B. 286; *Waterman v. Ayres* (1888), 39 Ch. D. 29; *Van Duzer's Trade Mark* and *Leaf & Son's Trade Mark* (1887), 34 Ch. D. 623; *Re Trade Mark Bovril*, [1896] 2 Ch. 600; *Davis v. Stribolt* (1888), 59 L.T. 854. Even a word in a foreign language, meaningless to the ordinary Englishman, was held to be descriptive, and so not a fancy name: *Vignier's Tm.* (1889), 61 L.T. 495; *Jackson & Co.'s Tm.* (1888), 6 R.P.C. 80; *Meaby & Co. v. Triticine Ld.* (1893), 15 R.P.C. 1. But Gwynne, J., in *Parlo v. Todd* (*ante*, p. 202), thought that a word in a foreign or dead language, though expressive only of quality, might be a good trade mark.

In this last case the well established rule was stated that property cannot be acquired in marks known to a particular trade as designating quality only and not "distinction." This rule is now so well settled by numberless cases that it is only necessary to state it. Reference may be had, if necessary, to: *Braham v. Bustard* (1863), 1 H. & M. 447; *Raggett v. Findlater* (1873), L.R. 17 Eq. 29; *In re Barrows* (1877), 5 Ch. D. 353. But where the "quality" mark is combined with letters, words or symbols serving to indicate the particular manufacturer or firm, the combination may be a good trade mark: *Hirst v. Denham* (1872), L.R. 14 Eq. 542; *Ransome v. Graham* (1863), 51 L.J. Ch. 897; *In re Brook* (1878), 26 W.R. 791; *Mitchell v. Henry* (1880), 15 Ch. D. 181. Moreover, a word or symbol that is indicative of quality only in a particular trade may be used as a trade mark in a different trade: *In re English* (1870), U.S. Pat. Comm. Dec. 142; *In re Dick & Co.* (1876), 9 U.S. Pat. Gaz. 538.

One of the objects of trade mark legislation being to give the public a guarantee of quality, it follows that where a word is purely descriptive, that is to say, when it expresses accurately and appropriately the material or mode of composition of the goods to which it is affixed, the vendor of such goods is in duty bound to describe them in such a manner as will convey the most correct idea. Therefore, the original maker can claim no exclusive right in the properly descriptive name: *Canal Co. v. Clark* (1871), 80 U.S. 311; *Young v. Macrae* (1862), 9 Jur. N.S. 322; *Powell v. Birmingham*, [1896] 2 Ch. 54; [1897] A.C. 710; *Daniel v. Whitehouse*, [1898] 1 Ch. 685. Moreover, a word or fancy name which at first was applied to or invented for the purpose of distinguishing a particular manufacture may, in course of time, become purely descriptive of the article to which it is attached and so *publici juris*: as "Worcestershire Sauce"—*Lea v. Perrin* (1871), Seb. Dig. 513; *Ford v. Foster* (1872), L.R. 7 Ch. 611; *Liebig v. Hanbury* (1867), 17 L.T.N.S. 298; *Lazenby v. White* (1870), 41 L.J. Ch. 354; *Re Hyde & Co.* (1878), 7 Ch. D. 724; *In re Wills*, [1893] 2 Ch. 262; *Singer Manufacturing Co. v. Loog* (1882), 8 App. Cas. p. 27; *Singer, etc., Co. v. Wilson* (1874), 2 Ch. D. p. 456; *National Starch Mfg. Co. v. Munn's Patent, etc., Co.*, [1894] A.C. 275. On the other hand, a descriptive name may become so attached by user and custom to a particular trader's goods that the name indicates only such trader's goods and nothing else; in such a case the name will be protected, for to do otherwise would be likely to lead to the deception of the public; *Reddaway v. Banham*, [1896] A.C. 199; *Gillett v. Lumsden, infra*, p. 409.

The general principle is that a name merely descriptive cannot be protected. "Where a name used by way of a trade mark either was originally, or has since come to be, merely descriptive of the article to which it is attached, so that while serving to indicate what the article is, it does not serve to connect it with any particular manufacturer or establishment, that name cannot be protected as a trade mark": Sebastian, 4th ed., p. 58, and see the cases there collected.

[IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

GEGG V. BASSETT.

(3 O.L.R. 263.)

*Trade Mark—Assignable only in connection with Goodwill—Not Exigible under Execution.*

The right to a registered trade mark is not exigible under execution. Such a right can be assigned only in connection with the goodwill of the business, general or specific, in which the trade mark has been used.

Motion by the plaintiff to continue until the trial an injunction granted *ex parte* by LOUNT, J.

A short statement of the facts sufficient for the purpose of this report is given.

On the 8th of February, 1900, the defendant Bassett, who was the registered owner under the Trade Mark and Design Act of two specific trade marks, "Dr. Arnold's English Pills" and "Perspirine," used in connection with the sale of two patent medicines, assigned these trade marks to the Arnold Chemical Company, Limited, its successors and assigns, with the sole right to use them in Canada, covenanting with the company, its successors and assigns, that he would not use the trade marks or interfere with the use thereof by the company, its successors or assigns. This assignment was duly registered by the company, who, under the assignment and a previous agreement, continued for some time to make and sell the two medicines and to use the trade marks. In November, 1901, the sheriff seized, under an execution against the company, its stock-in-trade, consisting in part of medicines of the two kinds named, also a quantity of wrappers, labels, and circulars used in connection with the sale thereof, and also the certificates of the two trade marks, and all these were sold by the sheriff to the plaintiff, and assigned to him, as was alleged, by a bill of sale, duly registered, as to the trade marks, in the proper department. The defendant subsequently



began to use the two trade marks and to make and sell medicines under the names in question, and this action was brought to restrain him from so doing.

The motion to continue the injunction was argued before LOUNT, J., on the 13th of February, 1902.

*L. V. McBrady*, for the plaintiff.

*Laidlaw*, K.C., for the defendant.

For the motion, it was argued that, as sec. 16 of the Trade Mark and Design Act permitted assignments of trade marks, an adverse assignment by means of a sale under execution should be given effect to; that a patent right being seizable, the right to a trade mark, which is of an analogous character, should also be exorable. *Contra*, it was maintained that there could be no assignment in gross but only one in connection with the goodwill of the business in which the trade mark has been used: Sebastian on Trade Marks, 4th ed., p. 98.

LOUNT, J.:—I think there is no doubt that a case of infringement has been made out, and were it not for the difficulty as to the plaintiff's title I should certainly continue the injunction till the trial. That difficulty was not present to my mind when I granted the *ex parte* injunction, but now that the point has been fully discussed, I have come to the conclusion that the objection taken by Mr. Laidlaw is fatal, and that I must dismiss the motion. I am clearly of opinion that a right to a trade mark is not exorable under execution, and therefore that no title passed to the plaintiff. The sheriff could seize and sell only goods and chattels or an interest therein, and the right to a trade mark is something quite different. The right is assignable it is true, but only, I think, in connection with the goodwill of the business, general or specific, in which the trade mark has been used. The seizing, selling, and handing over to the plaintiff of the certificates, which were useful only as evidences of title, did not vest any right in him, and he has not, I think, obtained any title to the trade marks

by what has taken place. It is open to question, too, whether the bill of sale does in terms assign the rights contended for, but it is not necessary to discuss that question, and I decide the case on the broader ground. I dismiss the motion with costs .

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**Notes:**

See *Notes on Interpretation of the Trade Marks and Design Act, infra*, p. 442.

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[IN THE SUPREME COURT OF CANADA.]

THE BOSTON RUBBER SHOE COMPANY

v.

THE BOSTON RUBBER COMPANY OF MONTREAL.

(1 C.L.R. 217 and 317.)

*Trade Mark—Infringement—Use of Corporate Name—Deception of Public.*

"The Boston Rubber Shoe Company," registered its name as a trade mark in Canada about a year after "The Boston Rubber Company of Montreal, Ltd.," had obtained incorporation as such. An action was brought by the former company for an injunction to restrain the latter from using what was, in effect, its corporate name upon its goods (which were of the same nature as those manufactured and sold by the plaintiff company) upon the ground that such use was an infringement of the latter's registered trade mark.

*Held*, reversing the decision of the Exchequer Court, that the use made by defendant company of its corporate name was an infringement of plaintiff company's registered trade mark, and was such as would lead purchasers of defendant's goods to believe that they were buying those made by plaintiffs, and that plaintiff company was therefore entitled to the injunction demanded.

The original judgment herein and that of the Supreme Court reversing the decision of the Court below will be found reported in Volume I. of Commercial Law Reports at pp. 217 and 317 respectively.—Ed.

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[IN THE HIGH COURT OF JUSTICE FOR ONTARIO.]

GILLETT V. LUMSDEN BROTHERS.

(4 O.L.R. 300.)

*Trade Mark—"Cream Yeast"—Protection—Acquisition of Right by User—Abandonment—Injunction.*

The words "cream yeast" are not the proper subject of a trade mark, being common words of description.

*Partlo v. Todd* (1887), *ante*, p. 167, and *Provident Chemical Works v. Canada Chemical Co.* (1901), *infra*, p. 414, followed.

Therefore, in the absence of evidence to shew that the user by the plaintiff has been so long and so exclusive as to make such a descriptive term in any sense distinctive, no protection will be given it as against an honest user of a similar term.

ACTION to restrain the defendants from infringing a trade mark, tried before STREET, J., at the Toronto non-jury sittings on the 18th March, 1902.

*C. A. Masten* and *J. H. Spence*, for the plaintiff.

*F. C. Cook*, for the defendants.

The facts are stated in the judgment.

July 9, 1902. STREET, J.:—The plaintiff complains that the defendants have infringed a registered trade mark of his, and have sold their goods under a name calculated to deceive purchasers of their goods and to lead them to believe that they were purchasing goods made by the plaintiff.

The plaintiff, on the 27th July, 1877, registered his trade mark as "Gillett's Cream Dry Hop Yeast," stating that what he especially wished to secure were the word "Gillett's," as manufacturer or as a brand for "Dry Hop Yeast," and the word "Cream" as applied to yeast.

The plaintiff sold large quantities of goods with this label down to the year 1885, when he began selling the same goods marked "Royal Yeast," and gradually gave up the sale of those marked "Cream Yeast," although he still kept the original labels in stock and affixed them to the packages upon the rare occasions when "Cream Yeast" was asked for.

In 1894 the plaintiff registered another trade mark with the same essential features as that of the year 1877, and in the year 1894 sold about 200 boxes of it. From the end of 1894 down to the end of 1900, there seems to have been few sales of it, but during the year 1891 many sales were made, as appears by the actual orders for it, which were given in evidence.

In January, 1901, the defendants began to sell yeast cakes under the name of "Jersey Cream Yeast," put up in packages marked with their own name as manufacturers. There was no attempt at an imitation of the plaintiff's packages in shape or otherwise, but they have evidently copied verbatim portions of the printed directions for use marked upon the plaintiff's packages, so that it is clear that in preparing their label they had the plaintiff's labels before them. The defendants swore that when they adopted the name of "Jersey Cream Yeast" they did not know that any other article called "Cream Yeast" was on the market; that they had asked at several grocers for it and could not hear of it.

In May, 1901, the plaintiff wrote to the defendants warning them against continuing the sale of their "Jersey Cream Yeast" under that name as it was an infringement of his trade mark, and threatening proceedings. The defendants replied refusing to withdraw their article from sale.

The defendants, since the year 1892, have owned a trade mark for baking powder, being the words "Jersey Cream Baking Powder," with a picture of two Jersey cows and a milkmaid, but until January, 1901, they had never applied the words "Jersey Cream" to yeast cakes.

There was evidence that the plaintiff's goods were usually known in the trade and among their customers as "Cream

Yeast," and the orders put in evidence were orders for "Cream Yeast."

It was stated in evidence on the part of the plaintiff that the word "Cream" did not mean that cream was used in the preparation of the yeast cakes, but that it was intended to describe the appearance given to the flour after being mixed with the yeast. The defendants on the other hand said that Jersey cream was actually used in the preparation of their yeast.,

I am of opinion that the words "Cream Yeast" are not the proper subject of a trade mark, being common words of description: *Partlo v. Todd* (1887), 14 A.R. 444, 452; *Provident Chemical Works v. Canada Chemical Company* (1901), 2 O.L.R. 182, 185.

The plaintiff must therefore fail upon the branch of his case which depends upon his ownership of the registered trade mark. I think, however, that he is entitled to succeed upon the ground that his yeast had long ago acquired a reputation in the market under the name of "Cream Yeast," and that name is his property as against other persons seeking to use it for the purpose of selling other goods of the same character: *Kerly on Trade Marks*, 2nd ed., p. 475. The evidence that he had not for some years before 1901 sold many boxes of the article does not shew an abandonment of the right to use the name in connection with the goods, for he has always been prepared to furnish it upon the few cases between the end of 1894 and the beginning of 1901 when it was asked for: *Kerly on Trade Marks*, 2nd ed., p. 346.

There should, therefore, be a declaration that the defendants, by using the word "cream" as applied to their yeast, have infringed the plaintiff's rights, and a judgment for a perpetual injunction restraining them from doing so, and the defendants must pay the costs of the action.

From this judgment the defendants appealed to the Divisional Court. The appeal was heard by BOYD, C., FERGUSON, J., MACLAREN, J.A.

*G. F. Shepley*, K.C., and *Cooke*, for the defendants.

*C. A. Masten*, and *Spence*, for the plaintiffs.

June 5, 1903. *BOYD, C.*—The plaintiff puts his case on this, that he is entitled to the exclusive use of the word "cream" in connection with yeast. It is not contended that there is any similarity by the make-up of the goods in the packages of defendants with those of plaintiff—the appeal to the eye would inform any one of the difference—but in ordering cream yeast, which the plaintiff's is called, there would be "awkwardness" in confounding defendants' Jersey cream yeast with it. There is no proof of actual deception—but all rests on the opinion of the manager of plaintiff.

There was no proof of advertising plaintiff's goods as "cream yeast" prior to defendants' use of the name complained of. The evidence at most puts it thus, that an order for "cream yeast" might cause confusion between plaintiff's and defendants' products; but the same witness says that defendants' output is known in the trade as "Jersey Cream Yeast." The defence shows that the name of "Jersey Cream" was honestly come by, being used by defendants in baking powder since 1890—and repels any idea of fraudulent appropriation, though that this is not essential in passing-off cases. It makes in the same direction of honest dealing, that the article made by plaintiff was not in the market advertised and openly vended when defendants began to use "Jersey Cream" in yeast cakes—the sale had been for years in abeyance—though that is not fatal to plaintiff's right to recover, if otherwise entitled. There is no copying of any part of plaintiff's label as to directions by defendants, as Mr. Justice Street appears erroneously to have thought.

Assume that the plaintiff has a trade mark or label in which the words "cream yeast" are used, yet there is no invasion of this on defendants' part—there is no colourable imitation of the whole thing which is the trade mark.

Then I think this case is covered by . . . *Raggett v. Findlater*, L.R. 17 Eq. 29. "Cream" is used by plaintiff merely as a

descriptive word to suggest the frothing appearance of the yeast as it works (yeast froths like cream), and, as a word in common use to indicate a creamy, frothy look, it is not to be monopolized by plaintiff: *In re Smokeless Powder Co.'s Trade Mark*, [1892] 1 Ch. at pp. 194-6. To adapt the language of Malins, V.-C., in the case cited, "the word 'Jersey' completely distinguishes it from plaintiff's, as does also the character and form of the label": L.R. 17 Eq. at p. 43. There is no evidence going to shew that the user of the words by plaintiff has been so long and so exclusive as to make the descriptive term in any sense distinctive. Besides, Jersey cream is actually used in defendants' preparation, and a man may state that fact on his label without being exposed to injunction: see *Turton v. Turton*, 42 Ch. D. at p. 147.

Here there is no obvious imitation by defendants of plaintiff's label or of the words he uses in it, judged by ocular inspection, and, according to the latest decision, "the eyesight of the Judge is the ultimate test": per Farwell, J., in *Bourne v. Swan*, [1903] 1 Ch. 229. . . .

The action fails and should be dismissed with costs, and the appeal allowed with costs.

FERGUSON, J., gave written reasons for the same conclusion.

MACLAREN, J.A., also concurred.

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**Notes:**

See *Notes to Asbestos v. Sclater*, ante, p. 403.



## [IN THE COURT OF APPEAL FOR ONTARIO.]

PROVIDENT CHEMICAL WORKS  
v.  
CANADA CHEMICAL MANUFACTURING CO.

(4 O.L.R. 545.)

*Trade-mark—Fancy Name—Descriptive Letters—Secondary Meaning—  
Acquisition of—Fraud—Forum—Exchequer Court.*

The plaintiffs claimed that the defendants had infringed their trade-mark, which was in the form "C. A. P." meaning "Cream Acid Phosphates," being a fancy name for acid phosphates manufactured by the plaintiffs. The defendants used the same letters, "C.A.P.," but claimed they stood for "Calcium Acid Phosphates.

*Held*, the letters "C.A.P." were a valid trade-mark, and an injunction was granted restraining the use thereof by the defendants.  
Judgment of Meredith, C.J.C.P., reversed.

The Exchequer Court Act, as amended by 54-55 Vict. ch. 26, sec. 4, and 54-55 Vict. ch. 35, sec. 1, has extended the jurisdiction of the Exchequer Court, but not so as to exclude the jurisdiction of the High Court of Justice for Ontario as to the validity of a registered trade-mark in which Court the questions of the validity of and the title to the plaintiffs' trade-mark may be raised by the defendant.

THIS was an appeal from the judgment of Meredith, C.J.C.P., in an action to restrain the defendant from infringing the plaintiffs' trade-mark "C.A.P." as applied to acid phosphates sold by them.

The action was tried before MEREDITH, C.J.C.P., at London, on 3rd June, 1901, and his judgment will be found reported in 1 C.L.R., at p. 63 *et seq.*

The plaintiffs appealed, and the argument was heard before ARMOUR, C.J.O., OSLER, MOSS and LISTER, J.J.A., on the 24th, 27th, 28th and 29th of January, 1902.

*F. P. Betts and Hume Crownyn*, for the appellants.  
*Shepley, K.C.*, and *E. M. Flock*, for the respondents.

Among the cases cited and commented on were *Smith v. Fair* (1887), 14 O.R. 729; *Radam v. Shaw* (1897), 28 O.R. 612; *McCall v. Theal* (1880), 28 Gr. 48; *Partlo v. Todd* (1887), 14 A.R. 444; 17 S.C.R. 196; *Davis v. Reid* (1870), 17 Gr. 69; *Montgomery v. Thompson*, [1891] A.C. 217; *Wotherspoon v. Currie* (1872), L.R. 5 H.L. 508; *Reddaway v. Banham*, [1896] A.C. 169; *Saxlehner v. Appollinaris*, [1897] 1 Ch. 893; *Edwards v. Dennis* (1885), 30 Ch. D. 454; *Field v. Wagel Syndicate*, [1900] 1 Ch. 651; *Parsons v. Gillespie*, [1898] A.C. 239; *Cellular Clothing Company v. Maxton*, [1899] A.C. 326; *Cash v. Cash* (1901), 84 L.T.N.S. 349; *Grand Hotel Co. v. Wilson* (1901), 2 O.L.R. 322; *London General Omnibus Co. v. Lavell*, [1901] 1 Ch. 135; *Kinahan v. Kinahan* (1890), 45 Ch. D. 78; *Seiro v. Provezende* (1865), L.R. 1 Ch. 192; *Massam v. Thorley's Cattle Food Co.* (1880), 14 Ch. D. 748; *Payton v. Snelling*, [1901] A.C. 308; *Eastman v. Comptroller-General of Patents*, [1898] A.C. 571 at p. 583; *Shaver v. Heller & Merz Co.* (1901), 48 C.C. Ap. 48.

September 19, 1902. The judgment of the Court was delivered by Moss, J.A.:—This action was brought to restrain the defendants from violating the rights which the plaintiffs claim to be entitled to as the registered proprietors of a certain specific trademark, consisting of the letters or characters "C.A.P.," used in connection with the manufacture and sale by the plaintiffs of powdered acid phosphate of lime for use as an ingredient in the production of baking powder. It came on for trial before Meredith, C.J., who dismissed it. The plaintiffs thereupon appealed to this Court.

Their first contention is that the learned Chief Justice erroneously held that it was open to the defendants to impeach in this action the plaintiffs' title as registered proprietors of the trade-mark upon which they rely. It is contended on the plaintiffs' behalf that *Partlo v. Todd* (1886), 12 O.R. 175, (1887), 14 A.R. 444, and (1888), 17 S.C.R. 196, no longer governs, owing to subsequent legislation; and that the defen-

dants are not now entitled to attack, by way of defence, the plaintiffs' right to register or put forward as a trade-mark the letters or characters in question. It is argued that the effect of 54 & 55 Vict. ch. 26, sec. 4, and 54 & 55 Vict. ch. 35, sec. 1, amending R.S.C. ch. 63, is to vest in the Exchequer Court of Canada the sole jurisdiction to adjudicate upon the validity of a trade-mark, and so the Provincial Courts have no longer jurisdiction to entertain, in an action for infringement of a registered trade-mark, a defence to the effect that the plaintiff is not the proprietor of the trade-mark, or that it is not one capable of registration. *Partlo v. Todd* was decided under 42 Vict. ch. 22 (D.), now R.S.C. ch. 63. It was held that there was nothing in that Act to prevent a defendant in an action complaining of an infringement of a registered trade-mark, from impeaching the validity of the trade-mark or the plaintiff's title thereto. It was there contended for the plaintiff that under the Canadian Act a defendant was not even in as advantageous a position as a defendant in England, who, under the Imperial Act, might question the alleged trade-mark provided five years or more had not elapsed since the registration. But it was pointed out that it was open to question whether a defendant in England might not impeach a registered mark by way of defence even after the lapse of five years from registration. And it was clearly determined upon the construction of the Canadian Act, that the only action which it authorized to be brought as for an infringement of a trade-mark was an action by the proprietor of the trade-mark who had registered under the provisions of the Act; that the certificate of registration was only *primâ facie* evidence of these facts, and that it was open to the defendant to shew that the plaintiff was not the proprietor of a trade-mark when he registered, and that what he had registered was not capable of registration as a trade-mark for the exclusive use of the party registering. In other words that mere registration did not create a trade-mark, but that before registration the party seeking to register must have

acquired the proprietorship of the mark, name, brand, label, package or other business device which he procured to be registered for his exclusive use; and that the register or certificate of registration was not conclusive, and did not preclude a defendant from impeaching a plaintiff's right or title. The first amendment of the law, after *Partlo v. Todd*, was by 53 Vict. ch. 14 (D.), which substituted a new section for sec. 11 of R.S.C. ch. 63. The effect of it was to refer to the Exchequer Court of Canada the decision of any question arising where a person made application to register as his own any trade-mark which had been already registered, and the Minister of Agriculture was not satisfied that such person was undoubtedly entitled to the exclusive use of such a trade-mark. This section only extended the jurisdiction of the Exchequer Court to that particular class of cases, and it saved the jurisdiction "as to any question arising thereunder" which any other Court possessed.

By 54 & 55 Vict. ch. 35, this Act was repealed and new sections were substituted for secs. 11, 12 and 33 of R.S.C., ch. 63. By sec. 11 the Minister of Agriculture is empowered to refuse to register in certain cases. He may, however, "if he thinks fit," refer the matter to the Exchequer Court, and in that event such Court is to have jurisdiction to hear and determine the matter, and to make an order determining whether, and subject to what conditions, if any, registration is to be permitted. This is a limited jurisdiction and only to be exercised in case the Minister of Agriculture, instead of determining the question for himself, thinks fit to refer it. By sec. 12 the Exchequer Court is empowered on the information of the Attorney-General, or at the suit of any person aggrieved by any omission without sufficient cause to make any entry on the register of trade marks, or by an entry made therein without sufficient cause, to make such order for making, expunging or varying the entry as it thinks fit, and to "decide any question that may be necessary or expedient to decide for the rectification of such register." The Court may also entertain an application by the registered proprietor of any registered trade mark to add to or alter such

mark in any non-essential particular. And the register is to be rectified or altered in conformity with any order of the Court pronounced under these powers. Nothing is added to the provisions of the Revised Statutes bearing on the effect of the register as rectified or altered.

By 54 & 55 Vict., ch. 26 (D.), intituled an Act further to amend the Exchequer Court Act, it is enacted (sec. 4) that the Exchequer Court shall have jurisdiction as well between subject and subject as otherwise, (a) in all cases of conflicting applications for any patent of invention or for the registration of any copyright trade mark or industrial design, (b) in all cases in which it is sought to have any entry in any register of copyright trade marks or industrial designs made, expunged, varied, or rectified, (c) in all other cases in which a remedy is sought respecting the infringement of any patent of invention, copyright, trade mark or industrial design.

The provisions of these two Acts, while extending the jurisdiction of the Exchequer Court so as to enable it to deal with doubtful or conflicting applications for registration, and with suits or applications to make, expunge, vary, or rectify entries on the register, and even to entertain actions for injunctions or damages for infringement, do not extend or enlarge, or assume to extend or enlarge, the effect of registration or the certificate thereof. The certificate is still only *primâ facie* evidence of the facts stated therein, and there is nothing in the legislation depriving a defendant of the right to show that the facts were not truly stated, and that in truth there were no good or valid grounds for registering the alleged trade mark. This may lead to the somewhat anomalous result that a Provincial Court, in an action for infringement, may decide as to the validity of a trade mark in one way, while the Exchequer Court, on an application to expunge or rectify the register, may decide the contrary. But if the proprietor chooses to invoke the aid of the Provincial Court, instead of resorting, as he may do, in the first instance to the Exchequer Court, the defendant is entitled to the judgment of the tribunal upon the question of the

plaintiff's title if he desires to raise it. The Exchequer Court is not expressly given exclusive original jurisdiction in regard to the classes of cases enumerated in section 4, but by section 5 it is given exclusive jurisdiction in cases of claims to public lands. I think that it was open to the defendants in this case to impeach the plaintiffs' right to the trademark which they put forward as the foundation of the action.

But, with much deference, I am unable to agree with the learned Chief Justice's conclusion against the trademark. I agree that under our law, as under the English law, a merely descriptive word or name, that is, a word or name which merely denotes the goods or articles, or some quality attributed to them, is not capable of acquisition or proprietorship as a trademark, but I fail to see how the three letters claimed by the plaintiffs fall within this category. By themselves they do not describe any kind or quality of goods or articles. And they could only acquire any significance in the trade or upon the market by being so applied or attached to goods for sale in the market, as to distinguish them from similar goods, and to identify them with a particular manufacturer or trader, as made, produced, or sold by him: Kerly on Trademarks, 2nd ed., p. 24. And if these letters have been shewn to fall within the definition, they were capable of registration as a trademark under sec. 2 of R.S.C. ch. 63. The words of this section are much more general than the definition of trademark under the Imperial Acts; and the decisions of the English Courts since 1875, except in respect of cases falling within the provisions of section 64 (3) (11) of the Imperial Act, 46 & 47 Vict. ch. 57, as amended by 51 & 52 Vict. ch. 50, are not to be too readily accepted as authorities.

I think it is shewn that the letters in question were applied by the plaintiffs to a special kind of acid phosphate produced by them as early as the year 1884 or 1885; that they have ever since been used by the plaintiffs in connection with the same kind of acid phosphate; that acid phosphate has been ordered of and supplied by them under the designation "C.A.P.," and has become known by reference to these letters as the plaintiffs' pro-

duct; and that the letters "C.A.P." have become identified with the plaintiffs' acid phosphate. As early as 1886 they were deemed entitled to be registered as a trademark in the United States; and since 1890 or 1891, at least, the plaintiffs' acid phosphate has been ordered and sold extensively in Canada by reference to these letters; and the plaintiffs' product has been distinguished from others by reference to these letters among traders and others dealing in acid phosphate as an ingredient for use in making baking powder.

Upon the evidence I see nothing to hinder the registration by the plaintiffs of the letters "C.A.P." as a trademark falling within the definition contained in section 2 of the Revised Statutes. It is said that these letters are but the initials of the words "cream acid phosphates," and that these words are merely descriptive of the goods or articles. Granting this to be so, I do not think it can make any difference in the plaintiffs' right to the trademark which they have registered. It is undisputed that in the first instance the plaintiffs gave the name "cream acid phosphate" to their production. But this was soon condensed to the letters "C.A.P.," and it is these which have been so applied to and associated with the product as to distinguish it from others, and identify it with the plaintiffs as the manufacturers or producers of it. The majority of dealers know nothing of the origin of the letters, except as they have since been told; and it appears to me that their origin is unimportant. But if it is to be considered, I am by no means convinced that the three words, "cream acid phosphate," would be deemed so exclusively descriptive, and so devoid of any quality of distinctiveness, as not to be capable of being treated as a trademark. If the word "cream" be eliminated, the remaining words are merely descriptive of the goods or article: see *Rumford Chemical Works v. Muth* (1888), 35 Fed. Rep. 524. But "cream" is an important and governing word. By itself it is not at all descriptive of the particular kind of goods or article, or any part of them. It is not an ingredient of the composition, or of any part of it. I see no special reason why the word "cream" applied to the words "acid phos-

phate," or used in connection with them, should not be capable of acquiring, along with them, a meaning designatory of the particular goods or product; and so, under proper conditions, becoming a valid trademark. There appears to be no more objection to cream acid phosphate than to "Medicated Mexican Balsam" [*Perry v. Truefitt* (1842), 6 Beav. 66]; "Ethiopian Black Cotton Stockings" [*Hine v. Lart* (1846), 10 Jur. 106]; "Excelsior White Soft Soap" [*Braham v. Bustard* (1863), 1 H. & M. 447]; "Cocaine Hair Oil" [*Burnett v. Phalon* (1867), 3 Keyes 594]; or, "Imperial Soap" [*Crawford v. Shuttock* (1867), 13 Gr. 149].

But the plaintiffs are not claiming that these words are a trademark, or their trademark. Their trademark consists of the three letters "C.A.P.," and I fail to see how their rights in that mark are affected by its appearing that A. and P. are the initial letters of "acid" and "phosphates" respectively; or why these three letters, when used in connection with acid phosphates, should be deemed merely descriptive of acid phosphates generally, and not of acid phosphates of a particular kind produced by a particular manufacturer. In my opinion, therefore, the plaintiffs had a good trademark which they validly registered on the 24th of July, 1900.

The defendants have used, and are using, the letters "C.A. P." in connection with the sale of acid phosphates made by them. Before the year 1897 they had made and sold acid phosphate, but had designated it acid phosphate of calcium, or calcium acid phosphate. But in 1897 they began to use the letters "C.A.P.," and to connect them in such a way with the sale of acid phosphates as to be, in fact, a copy of the plaintiffs' trademark. They say that they were unaware of the plaintiffs' mark, and did not know of it until their attention was called to it in April, 1900, by a letter from the plaintiffs. On the other hand, it is shewn in evidence, that during all the years in which the defendants have been making and selling acid phosphates, the plaintiffs have been selling their acid phosphate as "C.A.P." to dealers in Canada, some of whom were, at the same time, dealing



with the defendants as well. The defendants say they adopted the letters "C.A.P." as an abbreviation for calcium acid phosphates, merely intending to use the initial letters of these three words. They do not appear, however, to have always adhered to that course. In their advertising cards and letters and bill heads they print "Acid Phosphate C. A. P.," thus giving the letters a most pointed significance in connection with acid phosphate. The stencil mark upon their barrel heads is an actual copy of the three letters from the plaintiffs' trademark. A more distinct copying of the plaintiffs' trademark could hardly be shewn in any case. The defendants deny intention to copy or imitate the plaintiffs' mark, and argue that no person has been deceived. But where the plaintiffs shew an actual copying of their registered trademark, they are not required to go further. The Act gives them the exclusive right to use the trademark to designate the article manufactured or sold by them; and the defendants cannot, either knowingly or innocently, infringe upon that right. Under the English Act the same rule prevails: *Edwards v. Dennis* (1885), 30 Ch. D. 454, at p. 471; *Lambert v. Goodbody* (1902), 18 Times L.R. 394.

It was objected that the plaintiffs were guilty of delay, or that they had acquiesced in the defendants' use of the letters. But it is shewn that they only became aware of the defendants' user of them in the early part of 1900, when they immediately wrote protesting and requesting a discontinuance. This was followed by interviews between the solicitors and parties, and further correspondence, during which the defendants asked the plaintiffs for delay. On the 5th of October, 1900, the defendants' solicitors wrote that their clients declined to abandon the use of the letters "C.A.P.," and claimed that they had a right to use them, notwithstanding the plaintiffs' registration of their trademark, and on the 25th of October, 1900, this action was commenced.

The plaintiffs seem to have actively asserted their rights from the time they became aware that they were being infringed. It could not be pretended that there was such delay or acquiescence as to deprive the plaintiffs of their rights. In any case it

could only bear on the question of the nature and extent of the relief to be given. But I think there is nothing in this case to deprive the plaintiffs of their right to the usual judgment for an injunction. Ordinarily they would also be entitled to an enquiry as to damages or profits, at their election. But, inasmuch as it does appear from the evidence that no purchaser had been misled into buying the defendants' product instead of the plaintiffs' I think we may adopt the course taken by Romer, J., in *Hodgson v. Kynoch* (1898), 15 R.P.C. 465, and restrict the plaintiffs to an enquiry as to damages, if they insist upon more than nominal damages, reserving the costs of the enquiry.

The appeal should be allowed, with costs.

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Notes:

LETTERS.

Other Canadian decisions as to the validity of a trade mark composed of one or more letters, whether used simply or in the form of a monogram, may be found in *Smith v. Fair*, *ante*, p. 152; *Robin v. Hart*, *ante*, p. 232. In the first the letters "A.F.S." formed a monogram; in the second the letters "C.R.C." were surrounded by a border. *Cf. Davis v. Reid*, *ante*, p. 24.

There are a number of English cases in which letters, generally in the form of initials, have been treated as trade marks: *Motley v. Downman* (1837), 3 My. & Cr. 1 ("M.C."); *Millington v. Fox*, *ib.* 338 ("J.H."); *Ransome v. Bentall* (1834), 3 L.J. Ch. 161 ("H.H. 6"); *Craushay v. Thompson* (1842), 4 M. & G. 357 ("W.C." in an oval not infringed by "W.O." in a similar oval); *Cf.*, however, *Davis v. Reid*, *ante*; *Kinahan v. Bolton* (1863), 15 Ir. Ch. 75 ("L.L." standing for Lord Lieutenant, with a ducal coronet). In this case it was contended for the defendants that the letters "L.L.", like the letters "X.X." on porter and ale, were a mere description of quality. The Lord Chancellor of Ireland said (p. 79): "A most competent witness on the subject (an alderman, by the way), says that this whisky,

under the name of "L. L." is a well known article of commerce; that it has no other name than "L. L."; that under this name it has acquired an especial reputation, and that for the long period of forty years this name has been applied to it. What is a trade mark more than that? It is proved that these two letters designate this whisky. The letters of themselves mean nothing; no one *a priori* could know the meaning of such a trade mark; it is merely like a diamond, an anchor, or a crown stamped on any article—the mark by which the vendor enables the public to recognize his wares." "There can be no doubt, and indeed it was not disputed, that two letters may constitute a trade mark"; *Hopkins v. Hitchcock* (1863), 14 C.B.N.S. 65 ("S. and H." with a crown; *Hall v. Barrows* (1863), 4 DeG. J. & S. 150 ("B.B.H." with a crown); *Cartier v. Carlile* (1862), 31 Beav. 292 ("C. B." with a cross); *Ransome v. Graham* (1863), 51 L.J. Ch. 897 ("R. N."); *Bondier v. Dépatie* (1883), 3 Dorion 233 ("G.B.D.")).

But a letter or symbol which is understood generally, or in the trade, to indicate quality and not a special manufacturer, will not be protected: As "A. No. 1," "A. X. No. 1," "Best six cord—200 yds": *Candee, Swan & Co. v. Deere & Co.* (1870), 54 Ill. 439; *Rogers v. Rogers* (1885), 53 Conn. 121; *Coats v. Merrick Thread Co.* (1893), 149 U.S. 562. In *Parillo v. Todd, ante*, p. 203, Gwynne, J., said: "No property can be acquired in the letters X, XX, or XXX."

## [IN THE EXCHEQUER COURT OF CANADA.]

## SPILLING BROTHERS V. C. A. RYALL.

(8 Ex. C.R. 195.)

*Trade-mark—Infringement—Representations of the King and the Royal Arms—Validity—User before Registration—R. S. C. ch. 63, sec. 8—Declaration Signed by Agent.*

- A label, as applied to boxes containing cigars, bearing upon it "in an oval form, a vignette of King Edward VII., with a coat of arms on one side, and a marine view on the other, surmounted by the words 'Our King,' and with the words 'Edward VII.' underneath," constitutes a good trade-mark in Canada, and may be infringed by the impression, upon boxes containing cigars, of a fac-simile of the Royal Arms surmounted by the words "King Edward."
2. The English rule prohibiting the use of the Royal Arms, representations of His Majesty, or any member of the Royal family, of the Royal Crown, or of the national Arms or Flags of Great Britain, as the subjects of trade-marks, is not in force in Canada.
  3. It is not essential to the validity of a trade-mark registered in Canada that the person registering the same should have used it before obtaining registration. The registration must, however, in such a case be followed by use, if the proprietor wishes to retain his right to the trade-mark. In this respect there is no difference between the law of Canada and the law of England.
  4. The declaration required from the proprietor of a trade-mark by section 8 of the Trade-Mark and Design Act, R.S.C. ch. 63, may be signed by his duly authorized attorney or agent.

THIS was an action to restrain the infringement of a trade-mark.

The facts are stated in the reasons for judgment.

January 12, 1903.

The case was heard at Toronto.

*E.G. Code*, for the plaintiffs, contended that the defence must be confined to the issue of infringement: *Partlo v. Todd* (1888), 17 S.C.R. 196. The question of prior user is not in controversy. The two trade-marks resemble each other so closely as to deceive

the public; the word "King" is the essential feature of both marks: Kerly on Trade-marks, 2nd ed., pp. 240, 242, 360; Sebastian on Trade-marks, 4th ed., p. 131; *Orr, Ewing & Co. v. Johnston & Co.* (1882), 29 W.R. 330; *Smith v. Fair* (1888), 14 Ont. R. 729; *Thompson v. Montgomery* (1889), 41 Ch. D. 35.

The "Royal Arms" may be used in Canada as a part of a trade mark. The prohibition of the use of these arms, or of representations of the Sovereign, is a local English rule, and does not extend to the colonies unless the legislature enacts it. The Canadian Act does not do so, nor do the regulations made thereunder.

The damages sustained by the plaintiffs do not warrant an application for an order of reference.

A. H. Clarke, K.C., for the defendant, contended that the English rule prohibiting representations of the Royal Arms, or of the person of the Sovereign to be used as trade-marks, prevailed in Canada. This is conformable to the American practice, also. The plaintiffs' trade mark is therefore invalid: *Browne on Trade-marks*, 2nd ed., sec. 29.

Again, the plaintiffs had not used their mark prior to registration; this is fatal to its validity: *Browne on Trade-marks*, 2nd ed., sec. 840; *Hogg v. Maxwell* (1875), L.R. 2 Ch. 307.

The declaration required by sec. 8 of The Trade-mark and Design Act was not made by the proprietor. The statute does not contemplate the making of this declaration by an agent.

R. G. Code replied.

THE JUDGE OF THE EXCHEQUER COURT now (February 14th, 1903) delivered judgment.

The action is brought to restrain the infringement by the defendant of two specific trade-marks that the plaintiffs have registered under The Trade-mark and Design Act, R.S.C. ch. 63, to be used in connection with the sale of cigars, and for damages for such infringement.

The plaintiffs carry on the business of manufacturing and selling cigars, and have their chief place of business at the city of Toronto, in the Province of Ontario. The defendant carries on the business of a cigar manufacturer at Leamington in the said province.

One of the two specific trade-marks mentioned consists, according to the description used in the certificate of registration, of a label bearing in an "oval form a vignette of King Edward VII. with a coat of arms on one side, and a marine view on the other surmounted by the words 'Our King' and with the words 'Edward VII.' underneath." On some of the boxes used by the defendant and in which he sells cigars there is impressed a fac-simile of the Royal Arms surmounted by the words "King Edward," and one of the questions that arises in the case is whether or not that constitutes an infringement of the plaintiffs' registered trade-mark. That question should, I think, be answered in the affirmative.

There is evidence to justify the conclusion that cigars sold in or from boxes bearing the plaintiffs' registered trade-mark came to be known as "Our King" or "The King" or "King" cigars, and are purchased by that description. That is what one would expect, and that being the case, the use on cigar boxes of a mark consisting of a fac-simile of the Royal Arms surmounted by the words "King Edward" would, I think, constitute an infringement. In both cases the cigars sold from such boxes would come to be known as "The King" or "King," and many persons might, I think, be deceived or misled into purchasing the one for the other.

It is contended for the defendant, however, that the plaintiffs' registered trade-mark is not good because it contains a representation of His Majesty, and also of the Royal Arms. That contention is based upon the English practice in such matters. By the thirtieth paragraph of the instructions to persons who wish to register trade-marks under the Act of Parliament of the United Kingdom, it is provided that where the mark had not been used before the 13th of August, 1875, no trade-mark will be regis-

tered if it, or a prominent part of it, consists of "The Royal Arms, or Arms so nearly resembling them as to be calculated to deceive; representations of Her Majesty the Queen, or of any member of the Royal Family; representations of the Royal Crown or the National Arms or flags of Great Britain": Sebastian's Law of Trade-marks, 4th ed., 335, 468. But that rule or prohibition is not in force in Canada. It is not one of the grounds on which under the Canadian statute, R.S.C. ch. 63, sec. 11, as amended by 54-55 Vict. ch. 35, the Minister of Agriculture may refuse to register a trade-mark; and even if it were thought that such a regulation could be made without an amendment of the Act, R.S.C. ch. 63, sec. 6, no regulation has been made. In the absence of any such provision as that referred to the objection fails.

Then it is said that the plaintiffs' action ought not to be maintained because they are not entitled to the exclusive use of the trade-mark in question; that the allegation in the declaration by which registration was procured that they believed it to be theirs because they had first made use of it was not true. With respect to this ground of defence, the facts appear to be that in June, 1890, the plaintiffs commenced to sell cigars of their own manufacture in boxes on the covers of which were impressed the words "Our King Cigar." On the under side of the cover were the words in large letters "Royal Crown" surmounting a Crown and other representations below which appeared the words "The King of 10c. cigars." These marks were used until the end of the year 1902, but were never registered. In 1897, anticipating that Her late Majesty's reign was drawing to a close, and that she would be succeeded by His Majesty, the plaintiffs caused to be prepared certain designs to be registered as specific trade-marks to be used in connection with the sale of cigars, one of which, omitting the words "Edward VII." was that which has been described. The words "Edward VII." were added when it was known what title His Majesty would take, and this design, with the addition mentioned, was registered on the 5th of February, 1901, the Queen having died on the 22nd of January of that year. It also appears

that sometime in the year 1899, or early in 1900, Gustav A. Moebs & Company, of the city of Detroit, commenced to put up cigars manufactured by them in boxes with labels having on them a representation of His Majesty surmounted by the words "King Edward VII." They also had a brand of cigars that they sold as "King Albert" cigars. These facts appear from the evidence of the witness John A. Campbell, who resides at the city of Windsor, in Ontario, and is engaged in the business of manufacturing cigar boxes. Of cigars put up by Moebs & Company with the "King Edward VII." label, Campbell brought two boxes to Canada and sold them to cigar dealers here. One of these boxes he sold on the 22nd of January, 1901, to George McKee, of Windsor, who put them in his show-case and sold them, Campbell himself buying some of them. The other box he sold in May, 1902, to one Frank Giradot, a cigar dealer; but where the latter did business does not, I think, appear. Apart from these two instances there has been, so far as appears, no sales in Canada of Moebs & Company's "King Edward VII." cigars. In addition to what has been stated, Campbell, in March, 1900, registered in the Canadian Cigar and Tobacco Journal Trade-Marks Registration Bureau a specific trade-mark to be "applied to the sale of cigars," consisting of "the words or title King Edward." This he did under an arrangement with Moebs & Company, and with an intention, never carried into execution, of manufacturing cigars to be sold in Canada under that name. The plaintiffs, when they applied to the Minister of Agriculture to register the trade mark in question here knew of Campbell's registration of the words "King Edward" in the Registration Bureau mentioned. It does not appear that they knew of the use by Moebs & Company of the "King Edward VII." label. The plaintiffs, since registering the trade-mark in the Register of Trade-Marks kept at the Department of Agriculture, have made use of it in their business of manufacturing and selling cigars. Campbell has not been in the business of manufacturing or selling cigars, and has not made any use of the mark that he registered in the Canadian Cigar and Tobacco Journal Trade-Marks Registration



Bureau. The defendant first used the label or impression complained of in March, 1902. Now it may be that the plaintiffs' position would have been stronger than it is and less open to attack if, when they came to register their trade-mark, they had registered one more closely resembling that which they used from 1890 to 1902. It is only in respect of the matters in which they departed from that mark that their trade-mark is now open to attack. It seems to me, however, that the important thing about all these marks is that cigars sold from boxes bearing any of such marks come naturally to be known as "Our King," or "The King," or "King" cigars. The words "Our King Cigar" were first used no doubt in some such way as a manufacturer might use the words "Our Star Cigar," and without reference to, or any suggestion of, any king. But the result it seems to me is the same, and, whatever the reference or suggestion may be, the cigar comes to be known as a "King" cigar. So far, then, as respects the use in connection with the sale of cigars of a mark that would result in that word being used to briefly designate the cigar that the purchaser wished to buy, the plaintiffs were the first to use such a mark. Moeb's & Company are not before the Court, and I refrain as far as possible from saying anything that would appear like passing on any question that might arise between them and the plaintiffs. But we may, I think, put aside as not being material to the decision of the case the things that Campbell did. The plaintiffs knew nothing of the sale in Canada of the two boxes of Moeb's & Company's cigars of which he spoke; and the matter is in itself of too little importance to be taken into account here against any rights that the plaintiffs have. It would be trifling with the subject to hold that the selling in Canada of two boxes of cigars bearing certain marks constituted or proved, a use in Canada of such marks. Then with reference to his registration of the words "King Edward," in the Canadian Cigar and Tobacco Journal Trade-Marks Registration Bureau, the registration was neither preceded nor followed by any use of the mark. At best it only shewed an intention to use it, and gave notice of that intention. But there was no use of the mark, and

the plaintiffs' registered trade-mark is not defeated because of anything done in that matter.

That leaves only the questions arising upon the use by Moebis & Company in the United States of their "King Edward VII." label. As to that the plaintiffs were, as has been seen, the first to use in connection with the sale of cigars a mark of which the most important feature or characteristic is the word "King." Then with respect to the later design in which the words "Our King Edward VII." occur, the plaintiffs formed the intention of adopting it before Moebis & Company used their mark, but they waited to see what title His Majesty, on succeeding to the throne, would take. Moebis & Company did not wait for the death of Her late Majesty, but taking their chances with the two marks "King Edward VII." and "King Albert" were happy enough to hit upon that which His Majesty adopted. But Moebis & Company do not, so far as appears, sell their cigars in Canada, and on the other hand the plaintiffs' cigars are not sold in the United States. So there is no conflict, and no one is liable to be deceived or misled. The mark is not public property, and it is not open to anyone to use it. As against the defendant and the general public the plaintiffs are, in Canada, entitled to the exclusive use of the trade mark. If Moebis & Company should attempt to put their "King Edward VII." cigars on the Canadian market, or if they should attack the plaintiffs' registration of the marks used by them it may be that some questions would arise that need not now be considered. So long as matters stand as they are, I do not see any difficulty, or anything to affect the plaintiffs' right to the exclusive use in Canada of the trade-mark in question.

Another objection urged against the plaintiffs' trade-mark is that the use of it did not precede the registration; but that, I think, is not necessary. The Act provides that a mark adopted for use by any person in his trade for the purpose of distinguishing his goods may be registered for his exclusive use: R.S.C. ch. 63, sec. 3; and it is clear that one may adopt a mark without first using it. The registration must, of course, in such a case be followed by use, if the proprietor wishes to retain his right to the

trade-mark. In that respect there is, I think, no difference between the law of Canada and the law of England: see Kerly on Trade-Marks, 2nd ed., pp. 118-120.

It is also objected that the registration of the plaintiffs' trade-mark in question here was not good because the application or declaration on which it was obtained was not signed by the plaintiffs personally, but by their attorneys or agents. The eighth section of The Trade-Mark and Design Act, R.S.C. ch. 63, provides that the proprietor of a trade-mark may have it registered on forwarding to the Minister of Agriculture, among other things, a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof; and the question is whether the application in which that declaration occurs may be signed for the applicant by his agent. I see nothing in the statute to lead one to suppose that the legislature intended anything special as to the signature to be attached to such a declaration or statement, and if that be the correct view of the statute the signature by the agent or attorney would be sufficient. The agent or attorney pledges, no doubt, the applicant's knowledge and belief as to the facts stated, but I do not see why if he is duly authorized he may not do that. In *Jackson v. Napper* (1887), 35 Ch. D. at p. 172, Mr. Justice Stirling, discussing a question similar to that raised here, said:—"I take it that, subject to certain well-known exceptions every person who is *sui juris* has a right to appoint an agent for any purpose whatever, and that he can do so when he is exercising a statutory right no less than when he is exercising any other right." In support of that view he relied upon *In re Whitely* (1886), 32 Ch. D. 337, in which a question as to the validity of the signature by an agent of a subscriber to a memorandum of association under The Companies Act, 1862, arose, and in which it was held that the ordinary rule applied that signature by an agent is sufficient.

The defendant did not in any way seek to put off his goods for those manufactured by the plaintiffs, or in any way to gain

any trade advantage at the expense of the plaintiffs, and the latter abandon their claim to damages. They are entitled to the injunction that they ask for and to their costs, to be taxed, and there will be judgment accordingly.

*Judgment accordingly.*

*Code & Burrill*, solicitors for plaintiffs.

*Clarke, Cowan, Bartlet & Bartlet*, solicitors for defendant.

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**Notes:**

1. See note "Devices," *ante*, p. 39.
  2. The English rule prohibiting the use of the Royal Arms as trade marks or parts thereof is statutory: See Trade Marks Rules, 1898, 30, at p. 468, Sebastian, 4th ed.
  3. Prior user—see *infra*, p. 443.
  4. Declaration of agent—see *infra*, p. 444.
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[BEFORE THE JUDICIAL COMMITTEE OF THE PRIVY  
COUNCIL.]

THE GRAND HOTEL COMPANY OF CALEDONIA SPRINGS (LIMITED)

v.

WILSON.

THE SAME COMPANY

v.

TUNE.

(1 C.L.R. 434.)

*Trade Mark—Infringement of—"Caledonia Water"—"Water from Caledonia Springs"—"Water from New Springs at Caledonia."*

The plaintiffs had been for many years the owners of certain mineral springs, the waters from which had been on the market for years, and, owing entirely to the enterprise and expenditure by the plaintiffs, had become widely used, medicinally and as a beverage. They had registered a trade mark containing, among other things, the words "Caledonia Water" and "Caledonia Mineral Water." The springs were situated on lot number 20 in the first concession of the township of Caledonia, and, long ago, and before the plaintiffs acquired them, were known by the name of Caledonia Springs; about the springs a village known as "Caledonia Springs" had grown up. In 1876 the plaintiff company was incorporated, acquired the land on which the springs and a hotel known as the Caledonia Springs Hotel are situated, and has since been carrying on the hotel business and that of selling the mineral water. In 1898 L. & Co., who had acquired a property adjacent to the plaintiffs' land, discovered thereon two springs of mineral water, having medicinal qualities and composed of many of the ingredients found in the water produced by the plaintiffs' springs. This water L. & Co. supplied to their agents, Wilson and Tune & Co., who bottled and sold it, using bottles similar in size and shape to those used by the plaintiffs, and designating the water as "Caledonia Water," "Water from the New Springs at Caledonia."

*Held*, affirming the judgment of the Court of Appeal for Ontario, that the respondents (defendants) were entitled to indicate the local source of the waters sold by them by the word "Caledonia" and, therefore, the burden cast upon them of distinguishing their goods from those of the appellants (plaintiffs) had been discharged.

THIS was an appeal from a judgment of the Court of Appeal for Ontario, reversing a judgment of Boyd, C. (1 C.L.R. 434).

The facts sufficiently appear in the judgment of the Court.

The arguments were heard in July, 1903, before a Board composed of LORD DAVEY, LORD ROBERTSON and SIR ARTHUR WILSON.

*Arnoldi*, K.C., for the appellants.

*Scrutton*, K.C., and *Smith*, K.C., for the respondents.

November 5th, 1903. The judgment of the Court was delivered by LORD DAVEY:—

The appellants are the proprietors of certain lands in the Township of Caledonia, Ontario. There are on this land three natural springs of mineral waters containing chemical properties which render them serviceable as table waters and for medicinal purposes. The springs are in close proximity to each other, but differ widely in their character. One of these springs is known as "the Gas Spring" from the quantity of carburetted hydrogen gas which it evolves, another is called "the Saline Spring," and the third "the White Sulphur Spring." Owing to the presence of these springs, the site has for many years past acquired a great reputation as a summer resort. The appellants own a large hotel called the "Caledonia Springs Hotel," and, in the course of time, other buildings have been erected, which the learned Chancellor of Ontario, in his judgment, described as "the Caledonia Springs village attached to the hotel," and there are a Caledonia Springs postoffice and a Caledonia Springs railway station. The springs are called the Caledonia Springs, and the locality itself has also acquired the name of Caledonia Springs, very much like Tunbridge Wells, although in this case there is nothing which could properly be described as a town, and no incorporated village. There is a fourth spring situate about two miles from the other springs, called the "Intermittent" or "Duncan" spring, belonging, not to the appellants, but to a gentleman named King Arnoldi. The appellants on December 27th, 1899, acquired from Mr. Arnoldi the right to take water from the Duncan Spring, and to use his registered trade marks for a period of two years, and also forever to use in connection with the water of the Duncan Spring the words "Magi Caledonia Springs," registered by

them. The appellants thus include this spring also in the expression "Caledonia Springs." The appellants use the water from their springs for the purpose of supplying the visitors at their hotel, and also supply it in barrels to their agents and others in Ontario and Quebec, who bottle it for the purpose of sale to the public. And they have registered as trade marks certain labels for use on the bottles. The appellants' waters and (it may be assumed) Mr. Arnoldi's waters have also acquired in the market the name of Caledonia water. The respondent McDougall was also until recently the proprietor of a hotel at Caledonia Springs known as the Queen's Hotel. The respondent McDonell was the owner of land immediately adjoining the land of the appellants. McDougall, having some difficulty with the appellants as to the supply of their water for the visitors at his hotel, in 1898 commenced boring on the land of McDonell, who was his brother-in-law, and at the depth of 85 feet, a spring of saline water was tapped, and a further boring made a short distance from the first struck a spring of sulphur water at a depth of 165 feet. Both springs have a continuous natural flow, which rises up the pipes laid in the borings. These borings are situated about a quarter of a mile from the appellants' three springs, and the analysis of the water obtained from them shows a general resemblance to the waters from the appellants' springs. On August 1st, 1898, McDonell entered into a partnership agreement with the respondents Lyall and Trenholme for placing on the market the waters from the borings thus made on his land. Arrangements were then made for selling the water at Toronto, and with the respondents Messrs. J. Tune & Son for the sale of the waters at London Ontario. In February, 1901, the appellants commenced two actions against the respondents. They claimed an exclusive right to the use of the word "Caledonia" in the phrases (among others) "Caledonia Water," "Caledonia Seltzer," "Mineral Water from Caledonia Springs," and "From New Springs at Caledonia," and the words "Natural Saline Water," and "Natural Seltzer," and prayed an injunction to restrain the defendants from infringing their trade marks and

also from selling the water as "Caledonia Water," or under any name, trade mark or designation using the word "Caledonia" as descriptive of the same, or to indicate the source of the water. The Chancellor, who heard the consolidated actions, held that the respondents J. Tune & Son had infringed the appellants' trade mark, and the Court of Appeal agreed in that finding, and continued the injunction granted against those respondents. There was no appeal as to that matter, and it seemed to their Lordships clearly right. It was fair, however, to the principal respondents to say that the obnoxious labels were adopted without any direction from them, and when they were made aware of the use of the labels they expressed their disapproval and said they could not undertake to defend it. As regarded the labels used by the respondents Wilson, who were agents for the sale in Toronto, the Chancellor held that the defendants had not infringed the appellants' trade marks, but as to the trade names "Caledonia Water" and "Water from Caledonia Springs," the case of the plaintiffs was established, and he granted an injunction accordingly. The respondents appealed, and their appeal was heard ultimately before Chief Justice Moss and Justices Maclellan and Osler. The Chief Justice agreed with the Chancellor, but thought that the terms of the injunction should be varied in one respect. The other Judges dissented (except as to the injunction against J. Tune & Son), and the reasons for their judgment were given by Mr. Justice Maclellan. The appeal was accordingly allowed, and by an order of the 4th of December, 1902, the actions, save in respect of the injunction against the respondents J. Tune & Son, were dismissed with costs. Hence this appeal. The learned counsel for the appellants did not lay much stress upon the alleged infringement of the trade marks except as regards the use of the word "Caledonia," and in their Lordships' opinion quite rightly. On that point, which was one of fact, their Lordships agreed with the concurrent findings of the two Courts below. Nor did their Lordships think there was anything in the make-up of the respondents' goods to which the appellants could reasonably object. A more difficult question was



as to the use of the word "Caledonia" as a trade name or as part of the description of the respondents' waters. It must be conceded that the respondents could not use the word in such a manner as to pass off their goods for those of the appellants. But if they had not done so, they ought not to be restrained by injunction from the use of the word. The first fact to be noted was that the goods in question were not a manufactured article, or (in other words) the name which it was sought to protect was not the name for the appellants' make of goods, but, to put it most favourably for the appellants, designated water from particular springs belonging to them. The waters derived their virtues from the strata from which they sprung or through which they passed before they reached the surface—that was to say, from the inherent properties of the soil itself in that particular locality. Another material fact was that the words "Caledonia Springs" and "Caledonia Water" were said to designate the Duncan Spring and its waters equally with the appellants' three springs, although the former was distant two miles from the latter and had no apparent connection with them, except that of being situated in the same township. It was quite true that the same trade name might designate the goods of more than one person, but it was less easy to infer that a geographical description had acquired a secondary meaning when you found that it was used to designate the goods of two or more persons connected only by identity of geographical origin, and whatever force there was in that observation did not appear to their Lordships to be materially weakened by the fact of there being other springs in the township which, like the "Duncan" spring, were called by different names. Lastly it must be observed that in the present case the name of the locality necessarily entered into and formed part of any real description of the respondents' waters, and that the words "Caledonia Springs" had acquired a secondary, or, perhaps, tertiary meaning as the name and the only name of the locality. Their Lordships agreed with Mr. Justice MacLennan that if the respondents' water was likely to be more sought after and more marketable, and if the business of the selling it was

likely to be more profitable by reason of the situation of the springs and their nearness to the famous old springs, the respondents were entitled to the benefit of that circumstance. Indeed, it was impossible to see how the respondents could adequately describe a natural product of the soil which derived its excellence from the inherent properties of the soil in that particular locality without some reference to the place, and using for that purpose in some form the only place by which it was known. Their Lordships were therefore of opinion that the appellants had not a right to the exclusive use which they claimed of the word "Caledonia" in connection with their waters. The *Stone Ale Case*, *Montgomery v. Thompson* (1891), A.C. 217, did not appear to them to have any bearing on the present case. That was a case of a manufactured article and was decided on the special circumstances of the case, as clearly appeared from the judgments of Lord Watson and Lord Macnaghten. The *Glenfield Starch Case*, *Wotherspoon v. Currie*, L.R. 5 E. & I.A. 508, differed materially from the present case in the facts on which it was decided, for the term "Glenfield" was not a necessary part of the description of the manufactured article there in question, and there was evidence that the defendants' works were set up at Glenfield for the purpose of passing off their goods as those of the plaintiff. But had the respondents used the word "Caledonia" in such a manner as to pass off their water as coming from the springs of the appellants, or had they taken adequate care to distinguish their goods from those of the appellants? In considering that question their Lordships did not forget the answer given by the respondent Lyall in his evidence when he accepted the suggestion of the plaintiffs' counsel that his object in taking hold of this water from these wells was to sell it as Caledonia Water. They did not, however, attach so much importance to that piece of evidence as the Chancellor. From the way in which the suggestion was made and accepted, they thought that Lyall might not have meant more than that he desired to sell it as water from Caledonia in competition with the plaintiffs. The respondents were not proved to have ever themselves sold their water under

the description of "Caledonia Water" or "Water from Caledonia Springs," but what was said was that the use by them of the word "Caledonia" in any form enabled the water to be sold by the retailer as "Caledonia Water," and was therefore calculated to deceive the ultimate purchaser. Their Lordships agreed with what had been frequently said in those cases, that even a description of goods which was literally true might be so framed as to mislead, and they bore in mind the cases of which *Johnston v. Orr-Ewing*, 7 App. Ca. 219, was an example, where a trade name or mark which would not mislead the dealer had been held an infringement because it was calculated to mislead the retail purchaser. The respondents (other than J. Tune & Son) sold their goods under the description of "Natural Saline Water from the New" or "from New Springs at Caledonia," and as "Beaver Brand," and they had a picture of a beaver on their labels as a trade mark. It appeared to their Lordships that the expressions "the new springs" or "new springs" at once distinguished their water from the water coming from what the appellants called on one of their labels "the original springs," and no person reading the label could possibly believe he was buying water from the original springs. It was not like the case of manufactured goods where the trade name attached to the make of a particular manufacturer, and the purchaser might then suppose he was buying a new make of the same manufacturer. In the present case the name was not personal, but local, and attached only to the particular springs. The Chancellor criticized the use of the word "springs" as descriptive of the source from which the respondents derived their water, but that seemed hypercritical. The source was none the less a spring because it found its way to the surface by an artificial cavity instead of a natural fissure in the soil. The Chancellor also criticized the use of the words "at Caledonia." He said there was no place called Caledonia simply. It was true that "Caledonia Springs" would have been more accurate, but also, probably, in the view of the plaintiffs, more objectionable. But whether the words were to be taken as referring to the township or the particular place, their Lordships

agreed with Mr. Justice MacLennan that the words "at Caledonia" were not inaccurate, and it was pointed out that the expression was used in the sheet called "Life at the Springs," which was described as published every Saturday "at Caledonia." It was possible that the common use of the word "Caledonia" in any form might lead to some dishonesty on the part of the retail seller. But their Lordships thought that, in the peculiar circumstances of the case, the respondents could not be made responsible for such a consequence. The plaintiffs sold their water as "Caledonia Water" at a time when they had no competitors in the sale of natural mineral waters from the place called Caledonia Springs, but in giving it that name they ran the risk of other persons discovering other springs in the same locality and being entitled to sell other water as water coming from springs in that locality. Their Lordships held that the respondents were entitled to indicate the local source of the waters sold by them, and, so holding, they thought that the burden cast upon the respondents of distinguishing their goods from those of the appellants had been discharged. "New Springs" seemed at least as distinctive as "Crystal Springs," which the respondents originally thought of, or "Beaver Spring," which was suggested by the counsel for the appellants. They would therefore humbly advise his Majesty that the appeal should be dismissed, and the appellants would pay the costs of it.

## Notes:

## INTERPRETATION OF THE TRADE MARK AND DESIGNS ACT.

The following notes are not intended as an annotation of the Act, but are simply a collection of the decisions and remarks of the Canadian courts on various sections. They are inserted here rather than in the Appendix with the Act itself, for the sake of convenience of reference.

## SECTION 1.

*Object of Act:* The object of the Act is not to create new rights, but to facilitate the vindication of existing ones: *per* Hagarty, C.J.O., in *Partlo v. Todd*, *ante*, p. 167. "Our legislation is based upon the fact of proprietor and ownership, and registration does not create or confer that status on an unqualified person, and his right thereto can be challenged.": *ib.*, p. 181.

## SECTION 3.

The *scope of the Dominion Act* is wider than that of the Imperial Act, and some care must be used in considering decisions in the English courts: Proudfoot, J., in *Smith v. Fair*, *ante*, p. 152.

*What may be registered:* It is only a mark or symbol in which property can be acquired, and which will designate the article on which it is placed as the manufacture of the person claiming an exclusive right to its use, that can properly be registered as a trade mark: *Partlo v. Todd*, *ante*, p. 167.

*"Exclusive right," when acquired:* The "exclusive right" granted upon registration is conferred only where the registration is by the true owner and the mark is one which could in law be recognized as a trade mark: *Partlo v. Todd*, *ante*, p. 167. The registration does not operate to take the mark out of common use and make it the special property of the person registering: *ib.*, *per* Gwynne, J., at p. 204.

*Proprietor, who is:* In *Clendinning v. Euard*, *ante*, p. 135, Torrance, J., held that a trader who had adopted and registered as his own, a trade mark previously used in the United States, was not the proprietor intended to be protected by the Act and had no right to complain of a rival who had infringed his mark.

The accuracy of this decision is open to question. See Notes on Foreign Prior User, *ante*, p. 387.

*User:* It is not essential that the person registering should have used the mark *before* registration. But the registration must be *followed* by use if the proprietor wishes to retain his right: *Spilling v. Ryall*, *ante*, p. 425.

*Not exigible:* The right to a registered trade mark is not exigible under execution: *Gegg v. Bassett*, *ante*, p. 405.

*Color:* A trade mark may be registered in any color, and the registration confers on the registered owner the exclusive right to the same in that or any other color: Proudfoot, J., in *Smith v. Fair*, *ante*, p. 152. *Cf. Kerry v. Les Sœurs, etc.*, *ante*, p. 42, to the same effect.

#### SECTION 6.

*Rules and regulations:* "Our Act is singularly bald in its provisions. We have nothing before us to indicate that any rules and regulations referred to in section 6 have ever been promulgated:" Hagarty, C.J.O., in *Partlo v. Todd*, *ante*, p. 167. Certain rules and forms "singularly bald in their provisions" are to be found in the Appendix.

#### SECTION 8.

*Prior user:* Means user before adoption by the registrant, not user before registration: Proudfoot, J., in *Smith v. Fair*, *ante*, p. 152. The prior user relied on in this case to defeat the registered owner's rights was foreign prior user. This was not considered a bar to effective registration in Canada. See Note on Foreign Prior User, *ante*, p. 387.

In *Templeton v. Wallace*, ante, p. 376, it was *quæred* whether prior user outside of Canada of a trade mark would disentitle a person to an exclusive use thereof in Canada.

*Prior user, when not fatal*: Burton, J.A., in his dissenting judgment in the Ontario Court of Appeal in *Partlo v. Todd*, ante, p. 167, thought prior user, not shown to have been continued down to the time of the adoption of the mark in question, would be insufficient to defeat the registered owner's right under the Act. That is to say, that the learned Judge meant that an old mark, when disused and abandoned, may be adopted and validly registered by another trader. *Quære*, how long, in such a case, would the abandonment have to have continued?

*Drawing AND Declaration*: In order to comply with this section it is necessary to send both a drawing of the trade mark and also a description thereof. Failure to send a description, which must be verbal, may constitute an objection of substance: *De Kuyper v. Van Dulken*, ante, p. 246.

The declaration may be made by a duly authorized attorney or agent: *Spilling v. Ryall*, ante, p. 425. This was *quæred* in *Davis v. Kennedy*, ante, p. 8.

*Duty of Minister*: The Minister's duties are to examine the trade mark, and if he finds that it is not identical with, and does not closely resemble, any other, he is bound to register it. No provision is made for his altering or modifying it in any way: *Per Taschereau, J.*, in *De Kuyper v. Van Dulken*, ante, p. 246.

#### SECTION 11.

*Object of section*: The object of this section as enacted in 54 & 55 Vict. ch. 35, is to prevent the registration of a trade mark bearing such a resemblance to one already registered as to mislead the public, and to render it possible that goods bearing the trade mark proposed to be registered may be sold as the goods of

the owner of the registered trade mark: *In re Melchers*, ante p. 301.

*Degree of resemblance*: The resemblance between two marks, justifying the Minister of Agriculture in refusing to register the second, or the Court in declining to order its registration, need not be so close as to entitle the owner of the registered mark to an injunction in an action for infringement: *Ibid*.

*Refusal to register when proper*: It is the duty of the Minister to refuse to register a trade mark when it is not clear that deception may not result from such registration: *ibid*.

#### SECTION 12.

*Concurrent jurisdiction*: The statutes giving jurisdiction to the Exchequer Court of Canada over all matters pertaining to trade marks—*i.e.*, 54 & 55 Vict. ch. 26, sec. 4, and 54 & 55 Vict. ch. 35—are not to be taken as depriving the High Court of Justice for Ontario of jurisdiction respecting the question of the validity of a registered trade mark: *Provident Chemical Works v. Canada Chemical Mfg. Co.*, ante, p. 414.

This may lead to the somewhat anomalous result that a Provincial Court, in an action for infringement, may decide as to the validity of a trade mark in one way, while the Exchequer Court, on an application to expunge or rectify, may decide the contrary.

*Power of Court under section*: Under this section, as amended by 54 & 55 Vict. ch. 35, the Court may make an order respecting any entry in the register of trade marks made without sufficient cause, whether the same was made before or after the coming in force of the amending Act: *De Kuyper v. Van Dulken*, ante, p. 239.

#### SECTION 16.

*Assignment and good will*: The Imperial Act provides for assignment only in connection with the good will. No such pro-



vision is found in our Act. See, however, Notes on *Smith v. Fair, ante*, p. 152, on Assignment and Transmission.

In *Gegg v. Bassett, ante*, p. 405, it was held that a trade mark could be assigned only in connection with the good will of the business.

*Assignment of trade mark need not be registered*: Although this section of the Act enacts that an assignment of a trade mark may be made, and such assignment *may be* registered, it does not enact that registration *shall be necessary* to perfect such assignment: *Carey v. Goss, ante*, p. 136. See also *Robin v. Hart, ante*, p. 232.

#### SECTION 18.

*Account of profits*: In such an action an account of profits may be ordered. This should not be limited to the time subsequent to registration, and especially so where the infringement prior to the registration has been fraudulent: *Smith v. Fair, ante*, p. 152.

*Defence*: As a defence, it may be shown that the registered mark was in common use before such registration, and, therefore, the registration was improper: *McCall v. Theal, ante*, p. 56; *Partlo v. Todd, ante*, p. 167. Where the statute prescribes no means for rectification of the register, the courts may afford relief by way of defence to an action for infringement: *ib.* By the amending Act of 1891, 54 & 55 Vict. ch. 35 (See Appendix), provision has now been made for rectification of the register at the suit of any person aggrieved.

*Quære*, whether since the amending Act a defendant would be afforded relief similar to that given in *McCall v. Theal* and *Partlo v. Todd*?

*Hypothetical defences*: It was *quæred* in *Smith v. Fair, ante*, p. 152, whether, in an infringement action, hypothetical defences could be pleaded.

*Pleading*: In an action for infringement, it is a sufficient allegation that the mark used by the defendant is the registered mark of the plaintiff, to plead that the registered mark of the plaintiff and the mark used by the defendant are in their essential features the same: *Boston Rubber Shoe Co. v. Boston Rubber Co.*, ante, p. 364.

It is unnecessary to plead that the imitation is fraudulent: *ibid.*

Nor to charge intention to deceive: *ibid.*

The defendant may, without taking steps to have the plaintiff's registered mark annulled, plead prior user, or that the mark was improperly registered: *Asbestos, etc., Co. v. Sclater*, ante, p. 341.

*Particulars*: In an action under this section, particulars were ordered of the date of the first user of the mark in question, and the names of the places other than England, where it had been used, together with the dates of user in such places: *Wright Crossley v. Royal Baking Powder Co.*, ante, p. 334.

*Security for costs*: On an application by the plaintiffs to expunge the defendant's trade mark from the register, the defendants, resident out of the jurisdiction, applied for and obtained an order for security against the plaintiffs, also out of the jurisdiction; plaintiffs thereupon applied for a similar order on the ground that the defendants were resident out of the jurisdiction, but the order was refused: *Wright Crossley & Co. v. Royal Baking Powder Co.*, ante, p. 334.

#### SECTION 19.

*Common law action*: Despite this provision, a trader may maintain an action for damages for the fraudulent imitation of his mark: *Vive Camera Co. v. Hogg*, ante, p. 344; *Davis v. Kennedy*, ante, p. 8; *Davis v. Reid*, ante, p. 24; *Rose v. McLean*, ante, p. 271; *Pabst v. Ekers*, ante, p. 391; and cf. Notes to *Vive Camera Co. v. Hogg*, ante, p. 357.

*Abortive action not bar to second action:* An action brought before registration, and so abortive, is no bar to a fresh action after registration. But this applies only where the mark has been innocently used, and actions may be instituted for a fraudulent marking of goods, even in the absence of registration: *Per Proudford, J., in Smith v. Fair, ante, p. 152.*

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[BEFORE THE DEPUTY MINISTER OF AGRICULTURE  
FOR CANADA.]

THE J. P. BUSH MANUFACTURING COMPANY,

AND

ARTHUR N. HANSON AND HARRY S. McLAUGHLIN.

(2 Ex. C.R. 559.)

*Trade-mark—Essential elements of—Limited assignment of—Cancellation of registration in favour of prior assignee under unlimited assignment—R.S.C. ch. 63, sec. 11.*

The essential elements of a legal trade-mark are (1) the universality of right to its use, i.e., the right to use it the world over as a representation of, or substitute for, the owner's signature; (2) exclusiveness of the right to use it.

Where respondents had obtained the exclusive right to use a certain trade-mark in the Dominion of Canada only, and had registered the same, and claimants subsequently applied to register it as assignees under an unlimited assignment thereof made before the date of the instrument under which respondents claimed title, the prior registration was cancelled.

APPLICATION to cancel registration of a trade mark under R. S.C. ch. 63, sec. 11,\* on the ground that the respondents were not entitled to the exclusive use of the trade mark as registered by them.

The case arose upon the following facts:—

\* 11. If any person makes application to register, as his own, any trade-mark which has been already registered and the Minister of Agriculture is not satisfied that such person is undoubtedly entitled to the exclusive use of such trade-mark, the Minister shall cause all persons interested in the matter to be notified to appear, in person or by attorney, before him, with their witnesses, for the purpose of establishing which is the rightful owner of such trade-mark; and after having heard the said persons and their witnesses, the Minister shall order such entry or cancellation or both, to be made as he deems just; and in the absence of the Minister, the deputy of the Minister of Agriculture may hear and determine the case and make such entry or cancellation or both, as he deems just.

2. Errors in registering trade-marks and oversights in respect of conflicting registrations of trade-marks may be corrected in a similar manner.—42 Vict. ch. 22, sec. 15.

On the 21st August, 1886, a trade mark, consisting of the words, "Bush's Fluid Food Bovinine," was registered in the Department of Agriculture in the name of Messrs. Arthur N. Hanson and Harry S. McLaughlin, both of the City of Portland, Province of New Brunswick.

On the 18th day of June last an application was received in the Department from Albert Ingard, of the City of New York, U.S.A., Secretary and Treasurer of the J. P. Bush Manufacturing Company, for the registration of a specific trade mark consisting of the word symbol "Bovinine," as applied to the sale of beef juice in a concentrated form, used as a medicinal nourishment in all cases of debility, and especially adapted to consumptive and dyspeptic patients.

August 1st and 2nd, 1888.

The matter was heard before the Deputy Minister of Agriculture.

*Pugsley, Q.C.*, for claimants.

*Skinner, Q.C.*, for respondents.

LOWE, D.M.A., now (October 24th, 1888) rendered his decision.

The investigation in this matter has taken a somewhat wide scope, and the several statements put in evidence are conflicting and complicated; but I find the following facts:—

In the first place, Messrs. Arthur N. Hanson and Harry S. McLaughlin registered in this Department on August 1st, 1886, a trade mark consisting of the words "Bush's Fluid Food Bovinine," in their own names. This registration was made simply and without any limitation.

It appears, from a document put in evidence, that the parties named were not the original proprietors, but held the trade mark in question by an assignment from Henry T. Champney, such assignment being dated June 1st, 1886, and limiting by its terms the trade mark to the Dominion of Canada.

It further appears, from a document put in evidence, that the said Champney and I. Giles Lewis had assigned to the J. P. Bush Manufacturing Company, simply and without limitation, the same trade mark, about one year previously, on June 25th, 1885.

Upon this statement of facts it is important to define that a trade mark is a simple and absolute property, the same as a signature, or the name and style of a firm, without any limitation as to country, and runs everywhere throughout the domain of commerce.

In other words, the essential characteristics of a legal trade mark are: (a) Universality of right to its use, that is, it is good as a representation of, or substitute for, the owner's signature all the world over; and (b) exclusiveness of the right to use it.

If the same trade mark were to be used by different persons for the same species of merchandise, it would lead to inextricable confusion, its true and only legitimate purpose would be neutralized and destroyed, and it would lack the essential element of origin or ownership.

Tried by the test of these definitions, the limitation in the transfer by which Hanson & McLaughlin hold their claim to the title of the trade mark in question renders the registration invalid.

I find, further, from the above statement of facts, in relation to the transfers affecting the trade mark in question, that Champney, after his transfer to the J. P. Bush Manufacturing Company, in 1885, had no property whatever in such trade mark to convey to Hanson & McLaughlin in 1886, and, therefore, he could not, by his act of transfer, vest any title in his assignees, the respondents in this case. This is apart from any question of his inability to divide the trade mark in order to limit its use to territory outside of the United States.

Mr. Skinner has contended that the assignment by the J. P. Bush Company, in 1884, to Champney, did not give any right to the trade mark, but only the right to manufacture, for the reason that this company was never the assignee of the James P. Bush trade mark, which was registered at Washington, in 1877. The

evidence taken did not go into this point, but it is to be observed that the assignment above referred to from the company did transfer the trade mark, whether with due authority or not; and it is further to be said that if the contention of Mr. Skinner were held to be valid, it would invalidate Hanson & McLaughlin's registration above referred to, and be at the same time a bar to the requested registration of the claimants, the J. P. Bush Manufacturing Company, for the reason that while both hold from Champney, he could not assign a title which belonged to another.

There is a further point to be noticed with respect to the limitation in the assignment of Champney to Hanson & McLaughlin, namely, that if they had represented at the time of applying for the registration that the priority of use or property in the trade mark was vested in a company in the United States, the assignment only giving them the right to use it in Canada, the registration would have been declined by this Department, for the reason that the right to use a trade mark must be absolute.

As regards the evidence put in by Mr. Skinner to prove sanction by the claimants of the assignment by Champney to Hanson & McLaughlin, I find much to make me believe that these men might have honestly thought that they were dealing with the company through its president, without knowing that they were the victims of an unauthorized and clandestine transfer by Champney, the president, as Mr. Pugsley in effect contended, and the claimants in effect set forth. I do not wish by the conclusion which I have arrived at, as regards the right of the parties to the simple fact of registration, to prejudice any of the rights which any of these parties may have under these somewhat complicated and mixed transactions.

And I think it well still further to point out that nothing in connection with this registration affects the rights of Hanson & McLaughlin to the use of any formula, or to the manufacture of any medicinal or nourishing fluid or extract from beef, or anything else. It is only that in the circumstances stated they cannot use the particular trade-mark registered.

I, therefore, decide that the trade-mark registered in this Department, in Register 12, Folio 2733, on the 21st August, 1886, consisting of the words "Bush's Fluid Food Bovinine" must be cancelled.

And I further decide that, from the evidence so far adduced, whatever property the said Champney had in the trade-mark in question was transferred by him to the J. P. Bush Manufacturing Company, and that the claimants acquired title from him. Priority is, therefore, awarded to the J. P. Bush Manufacturing Company, and their claim of right to registration of the trade-mark consisting of the word-symbol "Bovinine" is admitted.

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[BEFORE THE DEPUTY MINISTER OF AGRICULTURE  
FOR CANADA.]

CHARLES R. GROFF

AND

THE SNOW DRIFT BAKING COMPANY OF BRANTFORD, ONTARIO.

(2 Ex. C.R. 568.)

*Trade-mark—First use—Cancellation of registration in favour of prior transferee—The Trade Mark and Design Act (R.S.C. ch. 63), sec. 11.*

First use is the prime essential of a trade-mark, and a transferee must, at his peril, be sure of his title.

2. In the year 1885, the respondents, by their corporate title, registered a trade-mark, consisting of a label with the name "Snow Flake Baking Powder" printed thereon, in the Department of Agriculture. Some four years after such registration by respondents, the claimant applied to register the word-symbol "Snow Flake" as a trade-mark for the same class of merchandise—stating that he knew of the respondents' registration, and alleging that it was invalid by reason of prior use by him and his predecessors in title. The evidence sustained the claimant's allegations.

*Held*, that the word-symbol in question had become the specific trade-mark of the claimant by virtue of first use, and that the registration by respondents must be cancelled.

THIS was an application to cancel the registration of a trade-mark on the ground that the persons who had made such registration were not the first to use the same in Canada, and were not entitled to its use. The application was made under The Trade-Mark and Design Act (R.S.C. ch. 63), sec. 11.

March 22nd, 1889.

The matter was heard before the Deputy Minister of Agriculture.

*Woodward* (St. Paul, Minn.), for the claimant.  
*Boulbee*, for the respondents.

The facts of the case are recited in the decision.

LOWE, D.M.A., now (October 3rd, 1889) rendered his decision.

The case arose out of the facts that on the 21st of August, 1885, a trade-mark consisting of a label with the name "Snow Flake Baking Powder" printed thereon, was registered in Folio 2533, in Register No. 11, in the name of the Snow Drift Baking Powder Company, of the City of Brantford, Province of Ontario; and that, on the 7th of September last, an application was made by Mr. Charles R. Groff, of St. Paul, Minnesota, U.S.A., for the registration of the word-symbol "Snow Flake" for the same class of merchandise, stating at the same time that he understood there was already registered a trade-mark under that name, he claiming that such registration was illegal, because of prior use by him and his predecessors, and asking that the matter be adjusted in virtue of the provisions of sec. 11 of The Trade-Mark and Design Act.

In obedience to the law, all the parties were duly notified of the issue, and to appear at two o'clock on the 22nd March, 1889, with their evidence.

The hearing took place on the day named before me. Oral evidence was adduced, which was supplemented by documents subsequently received from the claimant, copies of which were communicated to Mr. Boulton, counsel, on behalf of the respondents.

In support of the fact of prior use, Mr. Woodward has put in the original certificate granted by the United States Patent Office, at Washington, of a trade-mark in favour of C. C. Warren & Co., of Toledo, Ohio, through Charles C. Warren, a member of the said firm, under date May 1st, 1877, No. 4598, such certificate defining that the trade-mark consists of the word-symbol "Snow Flake," applied to baking powder, and that such firm had used the said trade-mark for a period of nearly, or about, ten years previously. We have here undoubted evidence of use before the date of the declaration of the Snow Drift Baking Powder Company, of Brantford, Ont., on the 19th of August, 1885, in which that company, in accordance with sees. 8 and 10

of the Trade-Mark and Design Act, stated that they "verily believed the said word-symbol "Snow Flake" was theirs on account of having been the first to make use of the same; and it was in virtue of this declaration that the company obtained registration, in the absence of information to the contrary.

I find from documents submitted, that:—

On May 10th, 1882, the firm of C. C. Warren & Co. sold to James B. Baldy the trade-mark in question.

On July 25th, 1882, James B. Baldy gave power of attorney to Charles C. Warren to sell and convey all effects and interests of the late firm of C. C. Warren & Co.

On August 1st, 1882, James B. Baldy, by Charles C. Warren, *ès qualité* as attorney, transferred it to Alvine M. Woolson, except as respects Minnesota and Dakota.

On September 16th, 1882, Alvine M. Woolson transferred it to the Woolson Spice Company, except as respects Minnesota and Dakota.

On October 6th, 1883, the Woolson Spice Company transferred it to Charles R. Groff, with warranty, except as to Minnesota and Dakota.

On January 21st, 1885, James B. Baldy transferred to Charles R. Groff, the right in such trade-mark in Minnesota and Dakota.

Several affidavits, made at Winnipeg, were submitted and read by Mr. Woodward, as to the prior use of the trade-mark in question in Winnipeg, by Mr. Groff, before its registration at Ottawa by the Brantford Snow Drift Baking Powder Company in 1885; but exception was taken to these documents by Mr. Boulton on the ground that the signatures had been affixed under oath, instead of under declaration, in accordance with ch. 141, Revised Statutes of Canada, respecting Extra Judicial Oaths. I, therefore, do not think it well to make any further reference to these documents as a ground of my decision.

There were also submitted and read three depositions made at St. Paul, Minnesota, sworn to and subscribed before Thomas E. Leedington, Notary Public, under his notarial seal.

In one, Charles R. Groff, the claimant in this case, deposed that he began making baking powder in St. Paul in 1874, under the trade-mark "Snow Flake," in his capacity of secretary and general manager of the Chemical Manufacturing Company; that the firm of Groff & Berkey sold baking powder in Winnipeg, Manitoba, under the trade-mark "Snow Flake," in 1877; and that it had been sold there every year since, until October, 1888, when he received a notice from the Snow Drift Baking Powder Company of Brantford, Ontario, to stop such sales, as they claimed to be the owners of this trade-mark as applied to baking powder in Canada.

Another of these depositions, that of William R. Spangler, clerk and bookkeeper to Charles R. Groff, recites that he has been familiar with the details of the business of Mr. Groff; that to his personal knowledge Mr. Groff had been selling baking powder under the trade mark "Snow Flake" since 1880; that it was his duty to keep track of shipments; that there were sales to parties in Winnipeg on the dates of the copies adduced of several invoices in February, 1882, the correctness of such copies being sworn to by him.

Another, and the third of these depositions, by Richard Forde, residing at St. Paul, Minnesota, recites that from about September, 1880, until June, 1884, he resided at Brantford, Province of Ontario; that between the dates mentioned he was employed by Jackson Forde, grocer and manufacturer of baking powder; that on or about the 1st of February, 1884, the "Snow Drift Baking Powder and Grocers' Company" was incorporated; that such company was the successor of the said Jackson Forde; that he (Richard Forde) was a member of such corporation from its organization until June, 1884, and held the office of manager therein; that as such he was cognizant of all the details of the business of Jackson Forde and of the said corporation; that to his certain knowledge the said Jackson Forde, or the corporation, did not, prior to June, 1884, manufacture or sell baking powder under the name of "Snow Flake"; and that to his certain knowl-

edge it was a matter of common report among the members of the said corporation that prior to June, 1884, baking powder was being sold in Winnipeg under the name of "Snow Flake." If this statement is accepted, it shows that the manager of the said company at least had knowledge of the prior use of the word-symbol in question by another.

The registration of the trade mark in 1885 was asked for by the "Snow Drift Baking Powder Company," of Brantford. The deposition of Richard Forde, put in by Mr. Woodward, describes the company as the "Snow Drift Baking Powder and Grocers' Company," of Brantford, which is the designation of a "limited" corporation in the Secretary of State's Department, of which Jackson Forde and Richard Forde were corporate members and provisional directors in 1884.

I find from the preceding recital, and particularly from the several transfers referred to, that the title of Charles R. Groff to the trade mark "Snow Flake," as applied to baking powder, is sufficient to give him a right to ask the office for registration.

An objection by Mr. Boulton, to which I think it well to refer, was to the effect that he had seen a case reported by which it was decided that the words "Snow Flake" cannot be a trade mark. He referred to a decision in the United States, in which the words in question were disposed of, namely, in the case of *Lawrence v. Lewis*, in which it was decided that the words "Snow Flake," in their common, ordinary sense, cannot be a trade mark. Mr. Boulton did not furnish me with a report of the case, and I have been unable to find the book in the library from the reference he gave. I do not, however, find any difficulty in this point. It is admitted at once that the words "Snow Flake" belong to the public domain. It happens that the words used as symbols in nearly all trade marks belong also to the public domain. But it does not follow that the word-symbol "Snow Flake" as specifically applicable to baking powder, is not a fanciful designation; and, therefore, proper for registration as a specific trade mark. I have no doubt whatever on this point, and it is simply as to the

sufficiency of the words for registration, in the sense stated, that I have the responsibility of dealing. The office does not in the most remote degree entertain the idea of a right of property in the symbols constituting a trade mark, apart from the use or application of them to a vendible commodity. The words in question were registered as a trade mark by the United States Government at Washington in 1877, and in this office in 1885. It may be pointed out that if this objection of Mr. Boulton were tenable it would invalidate the claim of his clients, as well as that of Mr. Groff.

The evidence accepted for deciding this case of registration was documentary, with the exception that Mr. Woodward declared, at the hearing, that he had purchased "Snow Flake" in 1880. Previous consent was given by the office, on account of the great expense of bringing witnesses from St. Paul and Winnipeg, to accept documentary evidence, unless it should be subsequently found that it was necessary to call witnesses, in which event an opportunity for oral evidence would be afforded.

Mr. Boulton objected to such permission, and claimed that he should have the right to cross-examine witnesses, under oath. To this, reply was made that I had no power to administer an oath in this investigation; that it was the custom of the Department to accept documentary evidence in such cases; and further, that the reliance of the Department simply was that those who had substantial interest in the issue would adduce the necessary evidence to sustain it. The Act simply imposes on me the duty of satisfying myself, by any means in my power, without reference to any form of procedure, as to the fact of a prior use of a trade mark for the purpose of registration. A trade mark is an equivalent of a commercial signature, and its imitation is held to be forgery. First use is the prime essential. A transferee, therefore, must, at his peril, be sure of his title. It follows from this position that the Department accepts as a ground for registration the declaration of an applicant, and in the case of a transfer *prima facie* evidence of the fact.

Mr. Boulton did not adduce any evidence on behalf of his clients, nor even allege that they used the trade mark in question before the date of the United States Government registration, the production of which, simply and absolutely, renders invalid the registration by his clients in 1885. I called his attention to this material point at the hearing, and asked him specifically if he could tell me when his clients first began to use the word-symbol in question as a trade mark. He answered me that he did not know.

In view, therefore, of the facts established to my satisfaction:—

1st. I decide that the registration in favour of the "Snow Drift Baking Powder Company," of Brantford, in Folio 2533, in Register No. 11, on the 21st of August, 1885, of the trade mark consisting of a label, with the name "Snow Flake Baking Powder" printed thereon, must be cancelled; and

2ndly. I decide that the application of Charles R. Groff for registration of the said word-symbol as a trade mark, applicable to baking powder, must be granted.

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## APPENDIX.

### I. SUMMARY OF TRADE MARK LEGISLATION IN CANADA.

I. The first Act respecting Trade Marks was the Act of the Province of Canada passed in 1860.

Sec. (1). This section made a misdemeanour the use of the known and accustomed trade mark, name, package, or device of any manufacturer with intent to deceive so as to induce the belief that the goods marked were manufactured by the owner of the mark.

Sec. (2). This section contained definition of "fraudulent use" of such trade mark, name, package or device, as being a use identical with, or so closely resembling another's trade mark, as to be calculated to be taken for the true trade mark by ordinary purchasers.

Sec. (3). This section provided for actions, by the owner of an infringed mark, etc., for damages special or nominal.

II. Act of 1861 of Province of Canada. "An Act to amend the Act respecting Trade Marks and to provide for the Registration of Trade Marks."

*Preamble*: Whereas it is expedient to make provision for the better ascertaining and determining the right of manufacturers or others, to enjoy the exclusive use within this Province (Canada) of trade marks, claimed by them. Therefore Her Majesty, etc.

Sec. (1) Repealed Act of 1860.

Sec. (2) Defined trade marks as follows.

All marks, names, brands, labels, packages or other business devices, adopted for the purpose of distinguishing any manufacture, etc., no matter how applied, shall be deemed trade marks, and may be registered for the exclusive use of the party regis-



tering the same, and thereafter he shall have the exclusive right to use the same.

Sec. (3) Provided for Trade Mark Register to be kept by the Secretary of the Board of Registration and Statistics, for cases when the registration should be made, and for particulars of entry to be made.

Sec. (4) Provided for the cancellation of improper registration.

Sec. (5) Provided a penalty for using another person's trade mark; similar to sec. 1 of the Act of 1860.

Sec. (6) Provided a penalty for the registration of trade mark of another person not resident in the Province and for cancellation in such a case.

Sec. (7) Provided a penalty for using trade marks of persons not resident in this Province.

Sec. (8) Provided for the recovery of penalties provided for in secs. 6 and 7.

Sec. (9) Improper use of the trade mark defined; similar to sec. 2 of the Act of 1860.

Sec. (10) The common law action for damages preserved.

Secs. (11 to 24) Dealt with industrial designs.

Sec. (25) Copies of registered trade marks, and the Register to be open to the public at the Board of Arts and Manufactures for Upper and Lower Canada.

III. 30 Vict. ch. 31 (N.B.). "An Act relating to Trade Marks."

This Act was repealed by the Trade Mark and Design Act of 1868, 31 Vict. ch. 54 (Dom.). It was the only Provincial Act respecting Trade Marks outside of the Province of Canada.

Sec. (1) Provided for grants of the exclusive right to appropriate and use any trade mark by the Governor under the Great Seal of the Province of New Brunswick.

Sec. (2) Provided for the manner of application, description, and drawing of declaration.

Sec. (3) Provided for place of filing petition and diagrams, Provincial Secretary's Office.

Sec. (4) Grants of trade marks to be published in the Royal Gazette.

Sec. (5) Defined trade marks. Identical with sec. 4 of Dom. Act of 1868 (*vide infra*), except as to last clause in Dom. Act regarding timber, which is omitted in N.B. Act.

Sec. (6) Conflicting claims to trade marks—how to be dealt with. Identical with sec. 6 of Dom. Act, 1868, excluding the clause commencing "and similarly."

Sec. (7) Penalty for *using* another's trade mark. Identical with sec. 7 of the Dom. Act of 1868.

Sec. (8) Penalty of *registering* another's trade mark as your own. Identical with sec. 8 of the Act of 1868, necessary changes being made.

Sec. (9) Recovery of penalties. Identical with sec. 10, Dom. Act of 1868.

Sec. (10) Definition of fraudulent user of a trade mark. Identical with sec. 11 of the Dom. Act, 1868.

Sec. (11) Fees.

Sec. (12) Common law action of damages reserved. Identical with sec. 12 of the Act of 1868.

IV. The Dom. Act of 1868, 31 Viet. ch. 55. "The Trade Mark and Design Act of 1868."

This was the first Dominion Act after Confederation.

Sec. (1) Minister of Agriculture to keep a Trade Mark Register and to enter trade mark therein under certain conditions.

Sec. (2) Minister may adopt forms and make rules and regulations.

Sec. (3) Defines Trade Mark as follows:—All marks, names, brands, labels, packages or other business devices, which may be adapted for use by any person in his trade, business, occupation or calling for the purpose of distinguishing any manufacture, product or article, of any description by him manufactured,

produced, compounded, packed, or offered for sale, no matter how applied whether to such manufacture, product or article, or to any package, parcel, case, box or other vessel or receptacle of any description whatever containing the same, shall be considered and known as trade marks, and may be registered for the exclusive use of the party registering the same in the manner hereinafter provided; and thereafter he shall have the exclusive right to use the same, to designate articles manufactured or sold by him; and for the purpose of this Act, timber and lumber of any kind upon which labour has been expended by any person in his trade, business, occupation, or calling, shall be deemed a manufacture, product, or article.

Sec. (4). Trade marks may be cancelled at the instance of party registering same.

Sec. (5). Registered trade mark assignable and assignment may be registered.

Sec. (6). In case of conflict between claims to a trade mark, procedure to be adopted before the Minister.

Sec. (7). Penalty for *using* another person's trade mark which use is made a misdemeanour.

Sec. (8). Penalty for *registering* another's trade mark as your own.

Sec. (9). Penalty for *counterfeiting* or *using* trade marks of any person not resident in Canada.

Sec. (10). Recovery of penalties.

Sec. (11). Use of a trade mark defined.

Sec. (12). Action of damages reserved.

Sees. (13-23). Industrial designs.

Sec. (24). Inspection of register.

Sec. (27). Clerical errors in any instrument not to invalidate.

Sec. (28). Table of fees.

Sec. (29). Acts repealed: 24 Vict. ch. 21 (C.); 30 Vict. ch. 31 (N.B.).

Sec. (30). Deputy Minister substituted for Secretary of Registration and Statistics under 24 Vict. ch. 21 (C.).

V. Act of 1879—An Act respecting Trade Mark and Industrial Designs.

This Act is almost verbatim the Act R.S.C. 1886, ch. 63, "An Act respecting Trade Marks and Industrial Designs," the only difference being slight immaterial changes in phraseology. Sec. 38 is omitted from the consolidated statute as obsolete, that section having detailed certain Acts, that were repealed, *i.e.*, 31 Viet. ch. 35 (D.), and 39 Viet. ch. 55 (D.).

VI. The present Act and amendments, see *infra*.

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## II. STATUTES.

### R.S.C. (1886), CHAPTER 63.

An Act respecting Trade Marks and Industrial Designs.

HER MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

#### SHORT TITLE.

1. *Short title.*—This Act may be cited as "*The Trade Mark and Design Act.*" 42 V., c 22, s. 40.

#### APPLICATION OF ACT.

2. *Application of Act.*—Sections three to twenty-one of this Act, both inclusive, apply only to trade marks, and sections twenty-two to thirty-eight, both inclusive, apply only to industrial designs. 42 V., c. 22, s. 37.

#### TRADE MARKS.

3. *What shall be deemed to be trade marks.*—All marks, names, brands, labels, packages or other business devices, which are adopted for use by any person in his trade, business, occupation or calling, for the purpose of distinguishing any manufacture, product or article of any description manufactured, produced, compounded, packed or offered for sale by him—applied

in any manner whatever either to such manufacture, product or article, or to any package, parcel, case, box or other vessel or receptacle of any description whatsoever containing the same, shall, for the purposes of this Act, be considered and known as trade marks, and may be registered for the exclusive use of the person registering the same in the manner herein provided; and thereafter such person shall have the exclusive right to use the same to designate articles manufactured or sold by him:

(2). *As to timber or lumber.*—Timber or lumber of any kind upon which labor has been expended by any person in his trade, business, occupation or calling, shall, for the purposes of this Act, be deemed a manufacture, product or article. 42 V., c. 22, s. 8.

4. *Classification.*—A trade mark may be general or specific, according to the use to which it is applied or intended to be applied by the proprietor thereof:

(a.) *General trade mark.*—A general trade mark is one used in connection with the sale of various articles in which the proprietor deals in his trade, business, occupation or calling generally:

(b.) *Specific trade mark.*—A specific trade mark is one used in connection with the sale of a class of merchandise of a particular description. 42 V., c. 22, s. 9.

5. *Register to be kept.*—A register of trade marks shall be kept at the Department of Agriculture, in which any proprietor of a trade mark may have the same registered, on complying with the provisions of this Act. 42 V., c. 22, s. 1.

6. *Minister may make rules and adopt forms.*—The Minister of Agriculture may, from time to time, subject to the approval of the Governor in Council, make rules and regulations and adopt forms for the purposes of this Act, as respects trade marks; and such rules, regulations and forms circulated in print for the use of the public, shall be deemed to be correct for the purposes of this Act; and all documents executed according to the same and accepted by the minister, shall be deemed to be valid so far as relates to official proceedings under this Act. 42 V., c. 22, s. 2.

7. *Seal and its use.*—The Minister of Agriculture may cause a seal to be made for the purposes of this Act, and may use to be sealed therewith trade marks and other instruments, and copies of such trade marks and other instruments, proceeding from his office in relation to trade marks. 42 V., c. 22, s. 3.

8. *How registration may be effected.*—The proprietor of a trade mark may have it registered on forwarding to the Minister of Agriculture, together with the fee hereinafter mentioned, a drawing and description in duplicate of such trade mark, and a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof. 42 V., c. 22, s. 6.

9. *Nature of trade mark to be specified.*—Every proprietor of a trade mark who applies for its registration shall state in his application whether the said trade mark is intended to be used as a general trade mark or as a specific trade mark. 42 V., c. 22, s. 11.

10. *Tariff of fees.*—Before any action is taken in relation to an application for registering a trade mark, the following fees shall be paid to the Minister of Agriculture, that is to say:—

On every application to register a general trade mark, including certificate. . . . .	\$30 00
On every application to register a specific trade mark, including certificate. . . . .	25 00
On every application for the renewal of the registration of a specific trade mark, including certificate. . . . .	20 00
For copy of each certificate of registration, separate from the return of the duplicate. . . . .	1 00
For the recording of an assignment. . . . .	2 00
For office copies of documents, not above mentioned, for every hundred words or for a fraction thereof. . . . .	0 50
For each copy of any drawing or emblematic trade mark, the reasonable expenses of preparing the same,—	

*Application.*—And such fees shall be paid over by the Minister of Agriculture to the Minister of Finance and Receiver General:

(2). *Return of fee if application is refused.*—If the Minister of Agriculture refuses to register the trade mark for which application is made, the fee shall be returned to the applicant or his agent, less the sum of five dollars, which shall be retained as compensation for office expenses. 42 V., c. 22, s. 12.

11. *Decision of doubtful cases.*—If any person makes application to register, as his own, any trade mark which has been already registered, and the Minister of Agriculture is not satisfied that such person is undoubtedly entitled to the exclusive use of such trade mark, the Minister shall cause all persons interested in the matter to be notified to appear, in person or by attorney, before him, with their witnesses, for the purpose of establishing which is the rightful owner of such trademark; and after having heard the said persons and their witnesses, the Minister shall order such entry or cancellation, or both, to be made as he deems just; and in the absence of the Minister, the deputy of the Minister of Agriculture may hear and determine the case and make such entry or cancellation or both, as he deems just:

(2). *Correction of errors.*—Errors in registering trade marks and oversights in respect of conflicting registrations of trade marks may be corrected in a similar manner. 42 V., c. 22, s. 15.

12. *When Minister may object to register a trade mark.*—The Minister of Agriculture may object to register any trade mark in the following cases:—

(a.) If the trade mark proposed for registration is identical with or resembles a trade mark already registered;

(b.) If it appears that the trade mark is calculated to deceive or mislead the public;

(c.) If the trade mark contains any immorality or scandalous figure;

(d.) If the so-called trade mark does not contain the essentials necessary to constitute a trade mark, properly speaking. 42 V., c. 22, s. 5.

13. *Mode of registration and certificate thereof.*—On compliance with the requirements of this Act and of the rules hereinbefore provided for, the Minister of Agriculture shall register the trade mark of the proprietor so applying, and shall return to the said proprietor one copy of the drawing and description with a certificate signed by the Minister or the deputy of the Minister of Agriculture to the effect that the said trade mark has been duly registered in accordance with the provisions of this Act; and the day, month and year of the entry of the trade mark in the register shall also be set forth in such certificate; and every such certificate, purporting to be so signed, shall be received in all courts in Canada, as *prima facie* evidence of the facts therein alleged without proof of the signature. 42 V., c. 22, s. 7.

14. *Duration of general trade mark.*—A general trade mark once registered and destined to be the sign in trade of the proprietor thereof shall endure without limitation:

(2). *And of specific trade mark.*—A specific trade mark, when registered, shall endure for the term of twenty-five years, but may be renewed before the expiration of the said term by the proprietor thereof, or by his legal representative, for another term of twenty-five years, and so on from time to time; but every such renewal shall be registered before the expiration of the current term of twenty-five years. 42 V., c. 22, s. 10.

15. *Cancellation of trade marks.*—Any person who has registered a trade mark may petition for the cancellation of the same, and the Minister of Agriculture may, on receiving such petition, cause the said trade mark to be so cancelled; and the same shall, after such cancellation, be considered as if it had never been registered under the name of the said person. 42 V., c. 22, s. 13.

16. *Trade marks may be assigned.*—Every trade mark registered in the office of the Minister of Agriculture, shall be assignable in law; and on the assignment being produced, and the fee hereinbefore prescribed being paid, the Minister shall cause the name of the assignee, with the date of the assignment and such other details as he sees fit, to be entered on the margin of the



register of trade marks on the folio where such trade mark is registered. 42 V., c. 22, s. 14.

17. *Penalty for unlawful use of trade mark.*—Every person, other than the person who has registered the trade mark, who marks any goods or any article of any description whatsoever, with any trade mark registered under the provisions of this Act, or with any part of such trade mark, whether by applying such trade mark or any part thereof to the article itself, or to any package or thing containing such article, or by using any package or thing so marked which has been used by the proprietors of such trade mark, or who knowingly sells or offers for sale any article marked with such trade mark, or with any part thereof, with intent to deceive and to induce any person to believe that such article was manufactured, produced, compounded, packed or sold by the proprietor of such trade mark, is guilty of a misdemeanor, and liable, for each offence, to a fine not exceeding one hundred dollars and not less than twenty dollars,—which fine shall be paid to the proprietor of such trade mark, together with the costs incurred in enforcing and recovering the same :

(2). *Complaint to be made by the proprietor.*—Every complaint under this section shall be made by the proprietor of such trade mark, or by some one acting on his behalf and thereunto duly authorized. 42 V., c. 22, s. 16.

18. *Suit may be maintained by proprietor.*—An action or suit may be maintained by any proprietor of a trade mark against any person who uses his registered trade mark, or any fraudulent imitation thereof, who sells any article bearing such trade mark, or any such imitation thereof, or contained in any package being or purporting to be his, contrary to the provisions of this Act. 42 V., c. 22, s. 17.

19. *No suit unless trade mark is registered.*—No person shall institute any proceeding to prevent the infringement of any trade mark, unless such trade mark is registered in pursuance of this Act. 42 V., c. 22, s. 4, *part*.

20. *Register may be inspected.*—Any person may be allowed

to inspect the register of trade marks; and the Minister of Agriculture may cause copies or representations of trade marks to be delivered, on the applicant for the same paying the fee or fees hereinbefore prescribed. 42 V., c. 22, s. 18.

21. *Clerical errors not to invalidate.*—Clerical errors which occur in the drawing up or copying of any instrument, under the preceding sections of this Act, shall not be construed as invalidating the same, and when discovered they may be corrected under the authority of the Minister of Agriculture. 42 V., c. 22, s. 19.

#### INDUSTRIAL DESIGNS.

22. *Register of industrial designs to be kept.*—The Minister of Agriculture shall cause to be kept a book to be called "The Register of Industrial Designs," in which any proprietor of a design may have the same registered on depositing with the Minister a drawing and description in duplicate of such design, together with a declaration that the same was not in use to his knowledge by any other person than himself at the time of his adoption thereof; and the Minister, on receipt of the fee hereinafter provided, shall cause such design to be examined to ascertain whether it resembles any other design already registered; and if he finds that such design is not identical with, or does not so closely resemble any other design already registered as to be confounded therewith, he shall register the same, and shall return to the proprietor thereof one copy of the drawing and description, with a certificate signed by the Minister or the deputy of the Minister of Agriculture, to the effect that such design has been duly registered in accordance with the provisions of this Act; and such certificate shall also set forth the day, month and year of the entry thereof in the proper register; and every such certificate purporting to be so signed, shall, without proof of the signature, be received in all courts in Canada, as *prima facie* evidence of the facts therein alleged. 42 V., c. 22, s. 20.

23. *Minister may make rules and adopt forms.*—The Minister of Agriculture may, from time to time, subject to the approval of the Governor in Council, make rules and regulations and adopt

forms for the purposes of this Act, as respects industrial designs, and such rules, regulations and forms circulated in print for the use of the public, shall be deemed to be correct for the purposes of this Act; and all documents executed according to the same, and accepted by the Minister, shall be deemed to be valid so far as relates to official proceedings under this Act. 42 V., c. 22, s. 21.

24. *Conditions of registration.*—Every design, in order to be protected, shall be registered before publication; and after registration, the name of the proprietor, who shall be a resident of Canada, shall appear upon the article to which his design applies, if the manufacture is a woven fabric, by being marked upon one end thereof, together with the letters "Rd.;" and if the manufacture is any other substance, the letters "Rd.," with the year of the registration, shall be marked at the edge or upon any convenient part thereof:

(2). *How mark shall be applied.*—The mark may be put upon the manufacture by making it on the material itself, or by attaching thereto a label containing the proper marks. 42 V., c. 22, s. 23.

25. *Who shall be deemed the proprietor.*—The author of the design shall be considered the proprietor thereof, unless he has executed the design for another person, for a good or valuable consideration—in which case, such other person shall be considered the proprietor, and shall alone be entitled to register it; but his right to the property shall only be co-extensive with the right which he has acquired. 42 V., c. 22, s. 24.

26. *Tariff of fees.*—Before any action is taken in relation to an application for registering an industrial design, the following fees shall be paid to the Minister of Agriculture, that is to say:—

On every application to register a design, including certificate. . . . .	\$5 00
On every application for an extension of time, including certificate, for each year of such extension. . . . .	2 00
For a copy of each certificate of registration, separate from the return of the duplicate. . . . .	1 00

For the recording of an assignment.....	\$2 00
For office copies of documents, not above mentioned, for every one hundred words or for fraction thereof.....	0 50
For each copy of any drawn copy of an in- dustrial design, the reasonable expense of preparing the same:	

*Application.*—And such fees shall be paid over by the Minister of Agriculture to the Minister of Finance and Receiver General:

(2). *Return of fee if application is refused.*—If the Minister of Agriculture refuses to register the industrial design in respect of which application is made, the fee shall be returned to the applicant or his agent, less the sum of two dollars, which shall be retained as compensation for office expenses. 42 V., c. 22, s. 36.

27. *When Minister may refuse to register.*—The Minister of Agriculture may refuse to register such designs as do not appear to him to be within the provisions of this Act, or any design which is contrary to public morality or order—subject to appeal to the Governor in Council. 42 V., c. 22, s. 34.

28. *Certificate to be given and its effect.*—On the copy returned to the person registering, a certificate shall be given, signed by the Minister of Agriculture or the deputy of the Minister of Agriculture, showing that the design has been registered, the date of registration, the name of the registered proprietor, his address, the number of such design, and the number or letter employed to denote or correspond to the registration—which said certificate, in the absence of proof to the contrary, shall be sufficient proof of the design, of the name of the proprietor, of the registration, of the commencement and term of registry, of the person named as proprietor being proprietor, of the originality of the design, and of compliance with the provisions of this Act; and generally the writing purporting to be so signed shall be received as *primâ facie* evidence of the facts therein stated, without proof of the signature. 42 V., c. 22, s. 32.

29. *Duration of right.*—The exclusive right acquired for an industrial design by the registration of the same as aforesaid shall be valid for the term of five years, but may be renewed at or before the expiration of the said term of five years, for a further period of five years or less, on payment of the fee hereinbefore prescribed, so as that the whole duration of the exclusive right shall not exceed ten years in all. 42 V., c. 22, s. 22.

30. *Design to be assignable.*—Every design shall be assignable in law, either as to the whole interest or any undivided part thereof, by an instrument in writing, which shall be recorded in the office of the Minister of Agriculture, on payment of the fees hereinbefore provided; and every proprietor of a design may grant and convey an exclusive right, under any copyright, to make, use and vend, and to grant to others the right to make, use and vend such design, within and throughout Canada, or any part thereof, for the unexpired term of its duration, or any part thereof,—which exclusive grant and conveyance shall be called a license, and shall be recorded in the same manner and within the same delay as assignments. 42 V., c. 22, s. 25.

31. *Exclusive right to use design.*—During the existence of the exclusive right (whether it is of the entire or partial use of such design), no person shall, without the license in writing of the registered proprietor, or of his assignee, as the case may be, apply such design, or a fraudulent imitation thereof, to the ornamenting of any article of manufacture, or other article to which an industrial design may be applied or attached, for the purposes of sale, or shall publish, sell or expose for sale or use any such article as aforesaid, to which such design or fraudulent imitation thereof has been applied; and every one who violates the provisions of this section shall forfeit a sum not exceeding one hundred and twenty dollars, and not less than twenty dollars, to the proprietor of the design, which shall be recoverable, with costs, on summary conviction, by the registered proprietor or his assignee. 42 V., c. 22, s. 26.

32. *Penalty for falsely representing article as bearing regis-*

*tered design.*—Every person who places the word “registered,” or the letters “Rd.,” upon any article for which no design has been registered, or upon any article for the design of which the copyright has expired, or who advertises the same for sale as a registered article, or unlawfully sells, publishes or exposes for sale such article, knowing the same to have been fraudulently marked, or that the copyright therefor has expired, shall, for each offence, on summary conviction, be liable to a penalty not exceeding thirty dollars and not less than four dollars, which shall be recoverable, with costs, by any person who sues for the same; and a moiety of such penalty shall belong to the prosecutor, and the other moiety to Her Majesty, for the public uses of Canada. 42 V., c. 22, s. 27.

33. *Proceedings in case of wrongful registration.*—If any person, who is not the lawful proprietor of a design, is registered as proprietor thereof, the rightful owner may institute an action in any superior court in any Province of Canada, or before a judge of the Supreme Court in the North-West Territories, as the case may be; and the court or judge having cognizance of such suit may, if it appears that the design has been registered in the name of a wrong person, either direct the registration to be cancelled or that the name of the lawful proprietor shall be substituted for the name in the register, with costs, in its or his discretion; and on application by the plaintiff, supported by affidavit, any such court or judge may, pending such action or proceedings, in its or his discretion, issue an order directed to the defendant, prohibiting the use of such design, pending such action or proceedings, under penalty of being held in contempt of such court or judge. 42 V., c. 22, s. 29;—49 V., c. 25, s. 30.

34. *Consequent alteration of register.*—The Minister of Agriculture shall, after due service of such order and payment of the fee hereinbefore provided, cause such alteration to be made in the register respecting industrial designs as is directed by the order made under the next preceding section. 42 V., c. 22, s. 30.

35. *Suit may be maintained by the proprietor.*—A suit may be maintained by the proprietor of any design for the damages

he has sustained by the application or imitation of the design, for the purpose of sale, against any person so offending,—if the offender was aware that the proprietor of the design had not given his consent to such application. 42 V., c. 22, s. 28.

36. *Time for suits limited.*—All proceedings under the preceding section of this Act, respecting industrial designs, shall be brought within twelve months from the commission of the offence, and not afterwards; and none of the provisions of the said sections shall apply to protect any design which does not belong to a person resident within Canada, and which is not applied to a subject matter manufactured in Canada. 42 V., c. 22, s. 31.

37. *Register may be examined and copies of designs obtained.*—Any person may be allowed to inspect the register of industrial designs; and the Minister of Agriculture may cause copies or representations of industrial designs to be delivered, on the applicant for the same paying the fee which is deemed sufficient for the purpose of having the same copied or represented. 42 V., c. 22, s. 33.

38. *Clerical errors may be corrected.*—Clerical errors which occur in the drawing up or copying of any instrument respecting an industrial design, shall not be construed as invalidating the same, but, when discovered, they may be corrected under the authority of the Minister of Agriculture. 42 V., c. 22, s. 35.

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53 VICTORIA.

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CHAP. 14.

AN Act to amend the Act respecting Trade Marks and Industrial Designs.

[Assented to 26th March, 1890.]

HER MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. *R.S.C., c. 63, s. 11, repealed; new section.*—Section eleven of “*An Act respecting Trade Marks and Industrial Designs*,” chapter sixty-three of the Revised Statutes, is hereby repealed, and the following substituted therefor:—

“11. *Decision of doubtful cases.*—If any person makes application to register, as his own, any trade mark which has already been registered, and the Minister of Agriculture is not satisfied that such person is undoubtedly entitled to the exclusive use of such trade mark, the Minister shall cause all persons interested in the matter to be notified that the question is one for decision by the Exchequer Court of Canada: no further proceedings shall be had or taken concerning such application until the rights of the parties have been declared and adjudged by the said court, or until the parties have agreed among themselves as to their respective rights.”

2. *Exchequer Court to have jurisdiction.*—Any question arising under the preceding section may be adjudicated upon by the Exchequer Court of Canada, and the said Court shall have jurisdiction, upon information in the name of the Attorney-General of Canada, and at the relation of any party interested as aforesaid, to declare the rights of the contesting claimants with respect to such trade mark, and may make rules and orders to regulate the practice and procedure in cases arising under this Act:

(2). *Action of Minister.*—The Minister shall be guided, in dealing with such trade mark, by the decree, order or judgment of the said Court:

(3). *Concurrent jurisdiction.*—This section shall not be held to take away or affect the jurisdiction as to any question arising thereunder which any court other than the Exchequer Court of Canada possesses.

3. *Correction of errors.*—Errors in registering trade marks and oversights in respect to conflicting registrations of trade marks may be corrected by the Exchequer Court of Canada, upon proceedings instituted therein in the manner provided in section one of this Act.



## 54-55 VICTORIA.

## CHAP. 35.

An Act further to amend the Act respecting Trade Marks and Industrial Designs.

[Assented to 10th July, 1891.]

HER MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. *R. S. C., ch. 63, secs. 11, 12, and 33 repealed.*—Sections eleven, twelve, and thirty-three of “*An Act respecting Trade Marks and Industrial Designs*,” chapter sixty-three of the Revised Statutes are hereby repealed, and the following enacted in lieu thereof:—

“11. *When Minister may refuse to register a trade mark.*—The Minister of Agriculture may refuse to register any trade mark in the following cases:—

“(a.) If he is not satisfied that the applicant is undoubtedly entitled to the exclusive use of such trade mark;

“(b.) If the trade mark proposed for registration is identical with or resembles a trade mark already registered;

“(c.) If it appears that the trade mark is calculated to deceive or mislead the public;

“(d.) If the trade mark contains any immorality or scandalous figure;

“(e.) If the so-called trade mark does not contain the essentials necessary to constitute a trade mark, properly speaking.

“(2). *Reference to Exchequer Court—Jurisdiction of Court.*—The Minister of Agriculture may, however, if he thinks fit, refer the matter to the Exchequer Court of Canada, and in that event such court shall have jurisdiction to hear and determine the matter, and to make an order determining whether and subject to what conditions, if any, registration is to be permitted.

“12. *Jurisdiction of Court as to entries in register—Costs.*—The Exchequer Court of Canada may, on the information of the Attorney-General, or at the suit of any person aggrieved by any omission, without sufficient cause, to make any entry in the register of trade marks, or by an entry made therein without sufficient cause, make such order for making, expunging, or varying the entry as the court thinks fit, or the court may refuse the application, and in either case may make such order with respect to the costs of the proceedings as the court thinks fit:

“(2). *Rectification of register.*—The said court may, in any proceeding, under this section, decide any question that may be necessary or expedient to decide for the rectification of such register:

“(3). *Alterations of trade marks.*—The registered proprietor of any registered trade mark may apply to the Exchequer Court of Canada for leave to add to or alter such mark in any particular not being an essential particular, and the court may refuse or grant leave on such terms as it may think fit:

“(4). *Notice to Minister.*—Notice of any intended application to the court under the last preceding sub-section of this section shall be given to the Minister of Agriculture, and he shall be entitled to be heard on the application:

“(5). *Procedure on orders of court.*—A certified copy of every order of the court for the making, expunging, or varying of any entry in the register of trade marks, or for adding to or altering any registered trade mark shall be transmitted to the Minister of Agriculture by the registrar of the court, and such register shall thereupon be rectified or altered in conformity with such order, or the purport thereof shall otherwise be duly entered in the register, as the case may be.

“13. *Jurisdiction of Court as to industrial designs.*—The Exchequer Court of Canada shall, in respect of the register of industrial designs, have jurisdiction in a like proceeding and manner as hereinbefore provided in respect of the register of trade marks, to make orders for the making, expunging, or varying any entry

in such register of industrial designs, or for adding to or altering any industrial design."

2. 53 *Vict.*, *ch.* 14, *repealed*.—The Act 53 Victoria, chapter 14, intituled "*An Act to amend the Act respecting Trade Marks and Industrial Designs*," is hereby repealed.

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### III. RULES AND FORMS.

The following rules and forms of the Department of Agriculture respecting the Trade Mark and Design Act were approved by the Governor in Council, on the 9th of May, 1887.

#### GENERAL RULES.

##### I.

There is no necessity for any personal appearance at the Department of Agriculture, unless specially called for by order of the Minister or the Deputy, every transaction being carried on by writing.

##### II.

In every case the applicant or depositor of any paper is responsible for the merits of his allegations and of the validity of the instruments furnished by him or his agent.

##### III.

The correspondence is carried on with the applicant, or with the agent who has remitted or transmitted the papers to the office, but with one person only.

##### IV.

All papers are to be clearly and neatly written on *foolscap* paper, and every word of them is to be distinctly legible, in order that no difficulty should be met with in the taking cognizance of and in the registering and copying them.

## V.

All communications to be addressed in the following words:  
—*To the Minister of Agriculture, (Trade Mark and Copyright Branch), Ottawa.*

## VI.

As regards proceedings not specially provided for in the following forms, any form being conformable to the letter and spirit of the law will be accepted, and if not so conformable will be returned for correction.

## VII.

A copy of the Act and the Rules with a particular section marked, sent to any person making an inquiry, is intended as a respectful answer by the office.

## TRADE MARKS.

## VIII.

An application for the registration of a *General Trade Mark* shall be made *in duplicate* after the following form:—

*To the Minister of Agriculture,*  
*(Trade Mark and Copyright Branch),*  
*Ottawa.*

I, (*name of person*) of the (*City, Town or other locality, as the case may be*), in (*name of County, Province or State, as the case may be*), hereby furnish a duplicate copy of a *General Trade Mark*, in accordance with sections 4 and 9 of "The *Trade Mark and Design Act*," which I verily believe is mine, on account of having been the first to make use of the same (*or on account of having acquired it from, naming the person, whom I verily believe to be the original proprietor thereof*).

The said *General Trade Mark* consists (*here must be inserted a description of the Trade Mark, recital of the Motto or Mottoes*,

*dec., dec., in order to explain the pattern furnished*), and I hereby request the said *General Trade Mark* to be registered in accordance with the law.

I forward herewith the fee of \$30, in accordance with section 10 of the said Act.

In testimony thereof, I have signed in the presence of the two undersigned witnesses, at the place and date hereunder mentioned.

(Place and date.)

(Signature of the Proprietor.)

Signature of the two witnesses.

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### IX.

An application for the registration of a *Specific Trade Mark* shall be made in *duplicate*, after the following form:—

To the Minister of Agriculture,

(Trade Mark and Copyright Branch),

Ottawa.

I, (name of person) of the (City, Town or other locality, as the case may be), in (name of County, Province or State, as the case may be), hereby furnish a duplicate copy of a *Specific Trade Mark*, to be applied to the sale of (*description of the class of Merchandise*), in accordance with sections 4 and 9 of "The Trade Mark and Design Act," which I verily believe is mine, on account of having been the first to make use of the same (or on account of having acquired it from, naming the person, whom I verily believe to be the original proprietor thereof).

The said *Specific Trade Mark* consists (*here must be inserted a description of the Trade Mark, recital of the Mottoes or Mottoes, &c., &c., in order to explain the pattern furnished*), and I hereby request the said *Specific Trade Mark* to be registered in accordance with the law.

I forward herewith the fee of \$25, in accordance with section 10 of the said Act.

In testimony thereof, I have signed, in the presence of the two undersigned witnesses, at the place and date hereunder mentioned.

(Place and date.)

(Signature of the Proprietor.)

Signature of the two witnesses.

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#### NOTICE.

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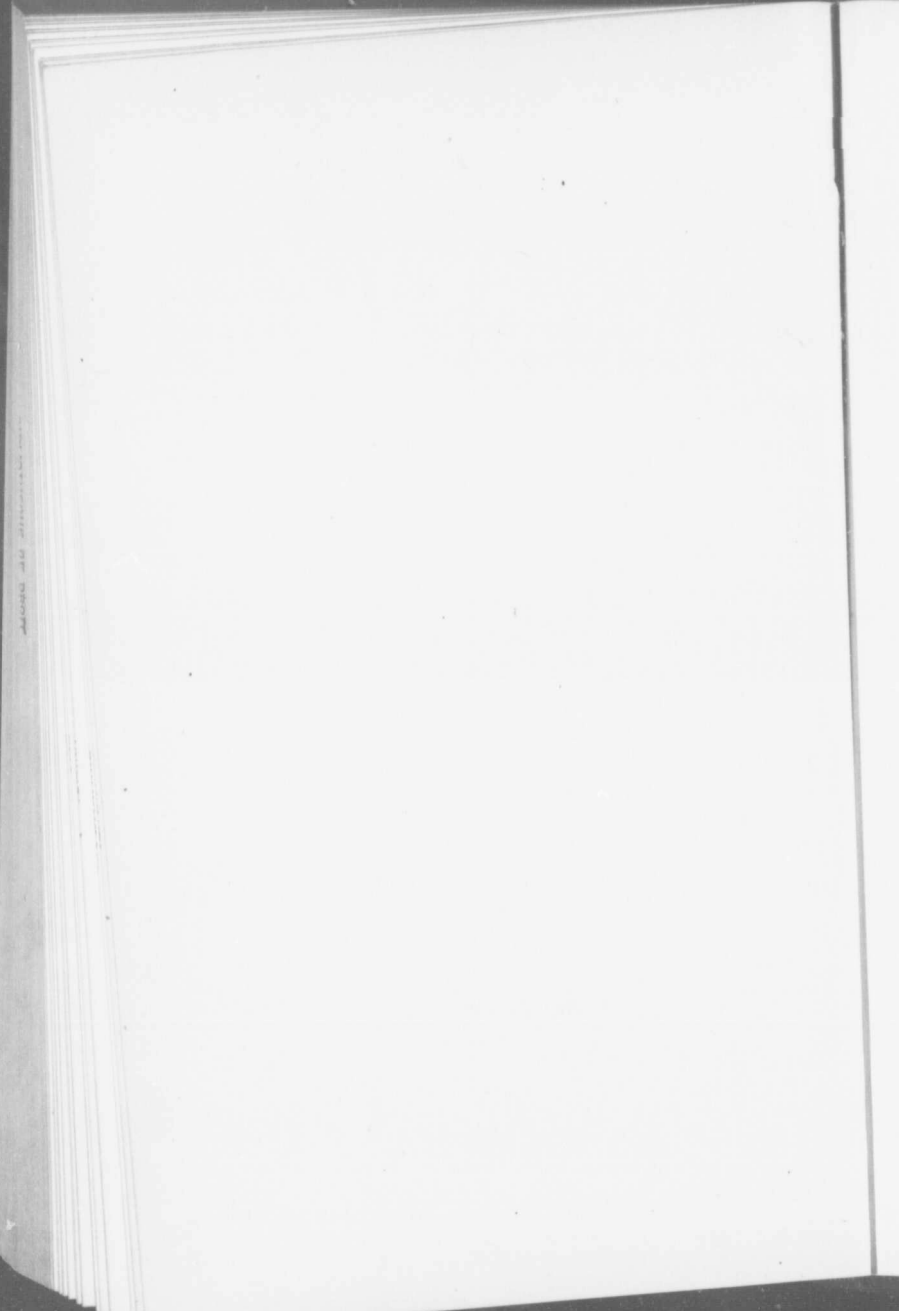
The correspondence with the Department is carried, through the Canadian Mail, free of postage.

The forwarding of any paper should always be accompanied by a letter, and a separate letter should be written in relation to each distinct subject.

It is particularly recommended that reference should be made to the law, before writing on any subject to the Department in order to avoid unnecessary explanations and useless loss of time and labour: *and it is also recommended, in every case, to have the papers and drawings prepared by a competent person, for the interest both of the applicant and of the public service.*

A sufficient margin should be left on every paper, and specially on specifications and assignments, for the insertion of references or certificates, and for the affixing of the seal thereto.

It must be remembered that the better the papers are executed, the sooner the work is despatched at the office, and the surer the regularity of the proceedings is guaranteed.



## DIGEST.

### ACCOUNT.

*Time Subsequent to Registration, not Limited to.*—152.

### ACTION.

1. *To Expunge Trade Mark—Plaintiffs out of Jurisdiction—Costs—Order for Security—Particulars, When Ordered.*—On an application by the plaintiffs to expunge the defendants' trade mark from the register, the defendants, resident out of the jurisdiction, applied for and obtained an order for security for costs against the plaintiffs, also out of the jurisdiction; plaintiffs thereupon applied for a similar order on the ground that the matter was within the jurisdiction of the Court.

*Held*, that security should not be ordered against the defendants.

*Wright, Crossley v. Royal Baking Powder Co.*, 334.

2. *Plea to Action for Infringement.*—*Held*, in an action for infringement of plaintiffs' trade mark for "asbestic wall plaster," that the defen-

dants were entitled to allege in their plea, without having taken steps to have the plaintiffs' mark annulled, that they had sold asbestic wall plaster long prior to and since the registration of plaintiffs' trade mark, and that by law they had the right to make use of the words "asbestic wall plaster," the word "asbestic" being merely an indication and description of the article sold by the defendants and referring to the character and quality of the article.

*Asbestos Co. v. Sclater*, 341.

3. *Trade Mark—Infringement—Trade Name—Statement of Claim—Sufficiency of—Demurrer.*—In an action for infringement of a trade mark, it is sufficient allegation that the trade mark used by the defendant is the registered trade mark of the plaintiff to charge in the statement of claim that the registered trade mark of the plaintiff and the mark used by the defendant are in their essential features the same.

2. It is not necessary in such statement of claim to allege that the imitation by the defendant



of the plaintiff's trade mark is a fraudulent imitation.

3. It is not necessary to allege that the defendant used the mark with intent to deceive, and to induce a belief that the goods on which their mark was used were made by the plaintiff.

*Boston Rubber Shoe Co. v. Boston Rubber Co.*, 364.

4. *Abortive, Before Registration, is no Bar to New Action After Registration.*]—152.

See REGISTRATION(1).

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#### AGENT.

See ATTORNEY.

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#### ALIEN FRIENDS.

*Right to Trade Marks.*]—8.

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#### ANNOTATIONS.

See *ante*, p. V.

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#### ASSIGNEE.

*Prior, Cancellation of Registration in Favor of.*]—449.

See REGISTRATION(9).

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#### ASSIGNMENT.

1. *Of Trade Mark—Words Sufficient to Pass—Costs of Un-*

*founded Charges of Fraud.*]—

An assignment was made, including, *inter alia*, all the concern or business carried on under the style and firm of R. & Co., and all merchandise, effects and premises, and all whatsoever may appertain or belong to the same or any part thereof. The good-will was also in terms included.

*Held*, that the words were sufficient to include a registered trade mark used in the business.

Where the statement of claim alleged the defendants had fraudulently used the trade mark, the costs of the issues of fraud found in favor of the defendants were allowed them.

Maedonald, C.J., dissenting.

*Robin v. Hart*, 232.

2. *Trade Mark—Assignable Only in Connection With Good-will—Not Exigible Under Execution.*]—The right to a registered trade mark is not exigible under execution. Such a right can be assigned only in connection with the good-will of the business, general or specific, in which the trade mark has been used.

*Gegg v. Bassett*, 405.

3. *Registration Not Necessary to Perfect.*]—136.

See INFRINGEMENT(4).

**BUSINESS.**

*Sale of—Right to Use Trade Name.*—373.

See TRADE NAME(4).

**CASES.**

*Davis v. Kennedy*, ante p. 8, followed.]—See FANCY NAME (2).

*McCull v. Theal*, ante p. 56, followed.]—See PROTECTION OF TRADE MARKS(1).

*Partlo v. Todd*, ante p. 167, followed.]—See REGISTRATION (2)—DESCRIPTIVE WORDS(5).

*Provident Chemical Works v. Canada Chemical Co.*, ante p. 414, followed.]—See FANCY NAME(3).

*Thompson v. Montgomery* (1889), 41 Ch. D. 35, distinguished.]—See DESCRIPTIVE WORDS(3).

**COLOR.**

*Trade Mark May be Registered in Any—Exclusive Right to All—English and Canadian Rules the Same.*—152.

See REGISTRATION(1).

**COMMON LAW RIGHTS.**

1. *Effect of Non-registration Upon.*—24.

See INFRINGEMENT(1).

2. *Extent of to Protect Against Competitor Using Similar Name.*—391.

See TRADE NAME(5).

**CORPORATE NAME.**

*Use of Constituting Infringement.*—408.

See INFRINGEMENT(11).

**CORPORATIONS.**

*Non-trading—Right to Trade Mark.*—42.

See DESCRIPTIVE WORDS(1).

**COSTS.**

1. See ACTION(1)

2. See ASSIGNMENT(1)

3. See DESCRIPTIVE WORDS(3).

**COURT.**

See JURISDICTION.

**CRIMINAL CODE.**

*Effect on Trade Marks.*—293.

See FORGERY.

**CURRENT NAME.**

*Not Subject of Trade Mark.*—144.

See NAME.

**DECEIT.**

*Goods Sold to Deceive Public.*]  
—See INFRINGEMENT, *passim*.

**DECEPTION.**

*Proof of, Material.*—391.  
See TRADE NAME(5).

**DEFENCES.**

1. *In Action For Infringement, Quare, Whether Hypothetical can be Pleaded.*—152.

See REGISTRATION(1).

2. *In Action for Infringement—What Can be Set Up As.*—167 and 341.

See REGISTRATION(2) — ACTION(2).

**DESCRIPTIVE WORDS AS TRADE MARKS.**

1. *Not Good Trade Mark—“Syrup of Red Spruce Gum”—“Compound Syrup of Spruce Gum”—Right of Non-trading Corporation.*—Held, that a trade mark consisting of a label with the seal of the corporation (defendant), composed of a virgin sitting on a throne, etc., with the words “Compound Syrup of Spruce Gum,” is not a colorable imitation of a trade mark consisting of the words “Syrup of Red Spruce Gum,” and that the appearance of the preparation

sold under the mark first mentioned was essentially different, and not calculated to deceive.

That the defendants, being a corporation without right to trade, could not maintain an action for damages to their trade as vendors of a syrup of spruce gum.

*Per Mackay, J.*, the words could not be a good trade mark, being descriptive.

*Kerry v. Les Sœurs de L’Asile*, 42.

2. See REGISTRATION(2).

3. *Cannot Have Exclusive Use—“Belleville Business College”—Non-appropriation of Name—User by Public.*—The plaintiffs had for about twenty years conducted a business college at Belleville; first, under the name of the “Ontario Commercial College, Belleville,” and, later, under the style of “Ontario Business College (Robinson & Johnson), Belleville,” which name was registered in 1884. The college had, however, become known to and was spoken of by many people as the “Belleville Business College.” Later, the defendant started a rival institution under the name of “Belleville Business College,” which was inscribed on his building. In an action to restrain the defendant from using the name “Belleville Business College:”—

*Held*, that, as the plaintiffs had never appropriated this name or used it to designate their college, public user of the name could not attach the designation to their business so as to be equivalent to the proprietor's personal use thereof.

*Held*, also, that as the name in question was merely descriptive of the nature of the business or the locality of its operations, no evidence being given of a particular user of the name by the plaintiffs, or of a secondary meaning being attributed to the name of the locality owing to its connection with their business, the defendants were not to be enjoined from using the designations.

*Thompson v. Montgomery* (1889), 41 Ch. D. 35, distinguished.

As, however, the defendant had sought to take an unfair advantage in his use of the name in question, no costs were awarded him.

*Robinson v. Bogle*, 217.

4. *Not Good Trade Mark*—“Asbestic.”]—*Held* (affirming the judgment of the Superior Court, Davidson, J., 18 C.S., p. 360):—Where a word is merely descriptive of a natural product, it cannot be appropriated and form part of a trade mark. Hence, the word “asbestic,” prefixed to “wall plaster,” being merely descriptive of a material,

or natural product, used in the plaster, the sale by other parties of wall plaster under that name is not an infringement of a registered trade mark consisting of the words “asbestic wall plaster,” surmounting a trowel on which was inscribed the letter “A,” and the continuance of such sale cannot be prevented by injunction.

*Asbestos Co. v. Sclater*, 392.

5. *Not Good Trade Mark*—“Cream Yeast”—*Protection—Acquisition of Right by User.*]—The words “cream yeast” are not the proper subject of a trade mark, being common words of description.

*Parlo v. Todd* (1887), *ante*, p. 167, and *Provident Chemical Works v. Canada Chemical Co.* (1901), *infra*, p. 414, followed.

Therefore, in the absence of evidence to shew that the user by the plaintiff has been so long and so exclusive as to make such a descriptive term in any sense distinctive, no protection will be given as against an honest user of a similar term.

*Gillett v. Lumsden*, 409.

## ELEMENTS.

*Essential, of Trade Mark.*]—449, 454.

See REGISTRATION (8), (9).

**ENGLISH DECISIONS.**

*Resort Should be had To.*]—  
293.

See FORGERY.

**EXCHEQUER COURT.**

*Jurisdiction of, as to Trade  
Marks.*]—414.

See FANCY NAME(3).

**EXECUTION.**

*Right to Registered Trade  
Mark, Not Exigible Under.*]—  
405.

See ASSIGNMENT(2).

**FALSE REPRESENTATIONS.**

See MISREPRESENTATION.

**FANCY NAME AS TRADE  
MARK.**

1. *As Trade Mark—Use of  
Protected—“Imperial Soap.”*—  
The plaintiff had duly regis-  
tered under the statute, as his  
trade mark in the manufacture  
of soap, the word “Imperial,”  
with a star following it. The  
defendant, in his manufacture of  
soap, put on his boxes the words  
“Imperial Bibasic Soap.” An  
injunction was granted restrain-  
ing him from using the word

“Imperial,” as being a portion  
of the trade mark of the plain-  
tiff.

*Crawford v. Shuttock*, 1.

2. *As Trade Mark—Validity  
of—Properties of—“Microbe  
Killer.”*]—The term “Microbe  
Killer” was registered by the  
plaintiffs as a trade mark in  
February, 1888, and had been  
used from that time continu-  
ously to designate the plaintiffs’  
mixture.

*Held*, the words, being regu-  
larly registered, and being with-  
in the class of fancy names, con-  
stituted a valid trade mark. In-  
junction restraining its use by  
defendant granted.

*Davis v. Kennedy* (1867),  
*ante*, p. 8, followed.

*Radam v. Shaw*, 298.

3. *Descriptive Letters as—  
Secondary Meaning—Acquisi-  
tion of—Fraud—Forum—Ex-  
chequer Court.*]—The plaintiffs  
claimed that the defendants had  
infringed their trade mark,  
which was in the form “C.A.P.,”  
meaning “Cream Acid Phos-  
phates,” being a fancy name for  
acid phosphates manufactured  
by the plaintiffs. The defen-  
dants used the same letters,  
“C.A.P.,” but claimed they  
stood for “Calcium Acid Phos-  
phates.”

*Held*, the letters “C.A.P.”  
were a valid trade mark, and an

injunction was granted restraining the use thereof by the defendants.

Judgment of Meredith, C.J. C.P., reversed.

The Exchequer Court Act, as amended by 54-55 Vict. ch. 26, sec. 4, and 54-55 Vict. ch. 35, sec. 1, has extended the jurisdiction of the Exchequer Court, but not so as to exclude the jurisdiction of the High Court of Justice for Ontario as to the validity of a registered trade mark in which court the questions of the validity of and title to the plaintiffs' trade mark may be raised by the defendant.

*Provident Chemical Co. v. Canada Chemical Co.*, 414.

#### FICTITIOUS NAME.

*Right to Adopt as Part of Trade Mark.*—376.

See MISREPRESENTATION (2).

#### FIRST USER.

*Prime Essential of Trade Mark.*—454.

See REGISTRATION (9).

#### FOREIGN COUNTRY.

1. *Design Long Used In, and Copied and Registered in Can-*

*ada as Trade Mark Not Valid.*—135.

See PRIOR USER (5).

2. *User in, as Justification for Infringement in Country Where Action Brought.*—152.

See REGISTRATION (1).

#### FORGERY.

*Trade Marks—Criminal Code—Section 448.*—A trade mark resembled a registered trade mark in a way that was calculated to mislead incautious or unwary purchasers, or to lead persons to believe that the goods marked with it were manufactured by some other person than the real manufacturer.

*Held*, this was sufficient to bring the person using such trade mark within the provisions of section 448 of the Criminal Code of Canada, which prohibits the sale of goods falsely marked.

*Held*, further, that in such a case it is not necessary that the resemblance should be such as to deceive persons who might see the two marks placed side by side, or who might examine them critically.

*Held*, also, the Canadian law respecting trade marks being founded on English law, reference should be had to English decisions in its interpretation,

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especially as it is the universal law of Canada.

*The Queen v. Authier*, 293.

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**FRAUD.**

*Unfounded Charges of, Costs of.*—232.

See ASSIGNMENT(1).

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**FRAUDULENT IMITATION.**

*Not Necessary to Allege in Action for Infringement.*—364.

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**GOOD WILL.**

1. *Sale of, With Business—Effect on Trade Name.*—104.

See TRADE NAME(1).

2. *Sale of, With Business—Right to Use Trade Name.*—373.

See TRADE NAME(4).

3. *Trade Mark Assignable Only With.*—405.

See ASSIGNMENT(2).

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**HIGH COURT OF JUSTICE.**

*Jurisdiction of as to Trade Marks.*—414.

See FANCY NAME(3).

**IMITATION.**

*Calculated to Deceive the Public.*—See INFRINGEMENT OF TRADE MARK, *passim*.

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**INFRINGEMENT OF TRADE MARK.**

1. *Imitation Calculated to Deceive—Devices—Common Law Right, Effect of Non-registration Upon.*—A cigar manufacturer, to distinguish his cigars from others, called them "Cable Cigars," and afterwards adopted a method of stamping on each cigar, in bronze, an elliptical figure, with the name "S DAVIS," and the word "CABLE" within the same. A rival firm, two years afterwards, adopted the same method, using for the purpose a trade mark identical with this, except that they substituted their initials, "CPRAC," for the other's name, and the word "CIGAR" for the word "CABLE." It was proved that persons had bought these cigars supposing them to be the cable stamped cigar.

*Held*, that the manufacturer of the cable cigars was entitled to an injunction to restrain the other parties from using the trade mark which they had so adopted.

*Davis v. Reid*, 24.

2. *Imitation Calculated to Deceive the Public—Injunction.*

—B., *et al.*, manufactured and sold cakes of soap, having stamped thereon a registered trade mark, described as follows:—A horse's head, above which were the words, "The Imperial"; the words "Trade Mark," one on each side thereof; and underneath it the words "Laundry Bar." "*J. Barsalou & Co., Montreal.*" was stamped on the reverse side. D. *et al.* manufactured cakes of soap similar in shape and general appearance to B. *et al.*, having stamped thereon an imperfect unicorn's head, being a horse's head with a stroke on the forehead to represent a horn. The words "Very Best" were stamped, one on each side of the head, and the words "*A. Bonin, 115 St. Dominique St.*," and "Laundry" over and under the head. At the trial the evidence was contradictory, but it was shewn that the appellants' soap was known, asked for and purchased by a great number of illiterate persons as the "horse's head soap."

*Held* (Henry, J., dissenting), reversing the judgment of the Queen's Bench (appeal side) and restoring the judgment of the Superior Court, that there was such an imitation of the B. *et al.*'s trade mark as to mislead the public, and that they were therefore entitled to damages, and to an injunction to restrain

D. *et al.* from using the device adopted by them.

*Barsalou v. Darling, 71.*

3. *Head-line Copy Book—Name "Beatty"—Right of Party to Use His Own Name—Goods Sold to Deceive Public.*

—G. carried on business in partnership with B., a part of the business being the sale of a series of copy books designed by B., to which was given the name "Beatty's Head-line Copy Book." The partnership was dissolved by B. retiring and receiving \$20,000 for his interest in the business.

After the dissolution B. made an agreement with the Canada Pub. Co. to prepare a copy book for them, which copy book was prepared and styled "Beatty's New and Improved Head-line Copy Book," which the said company sold in connection with their business.

G. brought a suit against B. and the company for an injunction and an account, claiming that the sale of the last-mentioned copy book was an infringement of his trade mark. He claimed an exclusive right to the use of the name "Beatty" in connection with his copy book, and alleged that he had paid a larger sum on the dissolution than we would have paid unless he was to have the exclusive sale of these copy books.



*Held*, affirming the judgment of the Court of Appeal, Henry and Taschereau, J.J., dissenting, that defendants had no right to sell "Beatty's New and Improved Head-line Copy Book" in any form, or with any cover, calculated to deceive purchasers into the belief that they were buying the books of the plaintiff.

*Canada Publishing Company v. Gage*, 119.

4. "*The Commercial Traveller*"—"*The Traveller*"—*Misleading the Public by Similarity of Name—Injunction.*]—The L.F.P.P. Co. published a journal called *The Commercial Traveller and Mercantile Journal*, which was known as *The Commercial Traveller*, and was registered under the Trade Marks and Design Act of 1879 as *The Commercial Travellers' Journal*. Subsequently the plaintiff acquired the journal and goodwill thereof. The defendant, who had been employed by the company as manager and editor of the journal, commenced to publish a new paper called *The Traveller*, and used the mail list of *The Commercial Traveller* in working up the circulation of his paper. It appeared that while editor of *The Commercial Traveller*, the defendant had been accustomed to refer to it as *The Traveller*. In an action to restrain the defendant from in-

fringing the plaintiff's trade mark:—

*Held*, the publication of a newspaper under the name of *The Traveller* was calculated to mislead the public, and to lead to the belief that the plaintiff's paper was referred to, and hence was an infringement of the plaintiff's trade mark.

*Held*, also, that though the 14th section of the Trade Marks and Design Act, 1879, enacts that registration of an assignment of a trade mark may be made and such assignment may be registered, it does not enact that registration shall be necessary to perfect such assignment.

*Carey v. Goss*, 136.

5. *Partlo v. Todd.*]—167.

See REGISTRATION(2).

6. *Quare, as to Whether the Court Has Jurisdiction to Give Relief For, When Cause of Action Arose Prior to Passing of 54-55 Vict. ch. 26 (D.).*]—*De Kuyper v. Van Dulken.*]—239.

See REGISTRATION(3).

7. *De Kuyper v. Van Dulken.*]—246.

See PRIOR USER(3).

8. *Asbestos Co. v. Sclater.*]—341.

See ACTION(2).

9. *Boston Rubber Shoe Co. v. Boston Rubber Co.*—364.

See ACTION (3).

10. *Templeton v. Wallace.*—376.

See MISREPRESENTATION (2).

11. *Use of Corporate Name As—Deception of Public.*—

"The Boston Rubber Shoe Company," registered its name as a trade mark in Canada about a year after "The Boston Rubber Company of Montreal, Ltd." had obtained incorporation as such. An action was brought by the former company for an injunction to restrain the latter from using what was, in effect, its corporate name upon its goods (which were of the same nature as those manufactured and sold by the plaintiff company) upon the ground that such use was an infringement of the latter's registered trade mark.

*Held*, reversing the decision of the Exchequer Court, that the use made by defendant company of its corporate name was an infringement of plaintiff company's registered trade mark, and was such as would lead purchasers of defendant's goods to believe that they were buying those made by plaintiffs, and that plaintiff company was therefore entitled to the injunction demanded.

*Boston Rubber Shoe Co. v. Boston Rubber Co.*, 408.

12. "*Caledonia Water*"—

"*Water from Caledonia Springs*"—"Water from New Springs at Caledonia."—

The plaintiffs had been for many years the owners of certain mineral springs, the waters from which had been on the market for years, and, owing entirely to the enterprise of and expenditure by the plaintiffs, had become widely used, medicinally and as a beverage. They had registered a trade mark containing, among other things, the words "Caledonia Water" and "Caledonia Mineral Water." The springs were situated on lot number 20 in the first concession of the township of Caledonia, and, long ago, and before the plaintiffs acquired them, were known by the name of Caledonia Springs; about the springs a village known as "Caledonia Springs" had grown up. In 1876 the plaintiff company was incorporated, acquired the land on which the springs and a hotel known as the Caledonia Springs Hotel are situated, and has since been carrying on the hotel business and that of selling the mineral water. In 1898, L. & Co., who had acquired a property adjacent to the plaintiffs' lands, discovered thereon two springs of mineral water, having medicinal qualities and composed of many of the ingredients found in the water produced by the plaintiffs' springs. This water

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L. & Co. supplied to their agents, Wilson and Tune & Co., who bottled and sold it, using bottles similar in size and shape to those used by the plaintiffs, and designating the water as "Caledonia Water," "Water from the New Springs at Caledonia."

*Held*, affirming the judgment of the Court of Appeal for Ontario, that the respondents (defendants) were entitled to indicate the local source of the waters sold by them by the word "Caledonia," and, therefore, the burden cast upon them of distinguishing their goods from those of the appellants (plaintiffs) had been discharged.

*Grand Hotel v. Wilson*, 434.

### INJUNCTION.

1. *Principle Upon Which the Court Acts in Granting to Protect Trade Marks.*—56.

See PROTECTION OF TRADE MARKS(1)—INFRINGEMENT OF TRADE MARKS, *passim*.

2. *When Granted Restraining Infringement Although No Trade Mark Registered.*—344.

See MISREPRESENTATION(1).

### INTENTION TO DECEIVE.

*Not Necessary to Allege in Action for Infringement.*—364.

See ACTION(3).

### JURISDICTION OF COURT.

1. *Under R.S.C. ch. 63, sec. 12—53 Vict. ch. 14 (D.).*—The questions which the Court has jurisdiction to determine under the Act 53 Vict. ch. 14(D.), are such as relate to rights of property in trade marks, and not questions as to whether or not a trade mark ought not to be registered, or continued on the registry, because it is calculated to deceive the public or for such other reasons as are mentioned in R.S.C. ch. 63, sec. 12.

*The Queen v. Van Dulken, Weiland & Co.*, 225.

2. *De Kuyper v. Van Dulken.*—246.

See PRIOR USER(3).

3. *Provident Chemical Works v. Canada Chemical Co.*—414.

See FANCY NAME(3).

### KING, THE.

*Representations of, as Subject of Trade Mark, Permissible in Canada—English Rule.*—425.

See REGISTRATION(7).

### LOCAL SOURCE.

*Of Product May be Indicated, Although it is a Name Similar to a Registered Trade Mark.*—434.

See INFRINGEMENT(12).

**MARK.**

*Definition of.*—167

*See* REGISTRATION (2).

**MINISTER OF AGRICULTURE.**

*Duty of in Regard to Refusing Registration.*—301.

*See* REGISTRATION (5).

**MISREPRESENTATION.**

*1. Passing Off Goods of One Manufacturer as Those of Another—Right to Restrain Sale Under False Representation.*—

The plaintiffs had for years manufactured and sold in Canada a certain camera and photographic supplies, using always the word "Vive" or "Vives" to distinguish their goods, and the public had come to know their goods by such name. The defendant sold similar goods under a similar designation, and endeavoured to take advantage of the wide advertising and established custom of the plaintiffs. In an action to restrain the defendants from selling their goods under such name and for damages, it was—

*Held*, an action for damages lay against a person who represents articles or goods manufactured by him as the manufacture of another, and an injunction will be granted to restrain the

sale of such goods under false representations, although the plaintiff has not registered any trade mark for his goods.

*Vive Camera v. Hogg*, 344.

*2. Use of Similar Name—“Simpson’s Kidney Pills”—Injunction.*—Two rival druggists were engaged in the business of selling kidney pills. The plaintiff was first in the business and sold his pills under the name of "Simpson’s Kidney Pills," which name he registered as his trade mark in the year 1898. In 1897, the defendant sold kidney pills under the designation of "Simpson’s Buchu Juniper Kidney Pills, the Original." Apart from the similarity of the name "Simpson," there was no likeness between the boxes of pills in size, shape or style of printing on the labels. It appeared that the word "Simpson" had been registered in connection with other pills prior to plaintiff’s registration, but not in connection with kidney pills.

*Held*, the plaintiff was not debarred from using the name "Simpson" upon his trade mark for kidney pills, nor from acquiring the exclusive right to use that name in connection therewith merely because the name had been used previously in connection with pills intended for other sicknesses, and that, therefore, the use of the name by the defendant in a manner evidently

intended to deceive the public and to lead it to believe that the defendant's pills were the plaintiff's, should be restrained.

A person may adopt a fictitious name as part of his trade mark so long as there is no intention to deceive, nor will his adoption of such a name disentitle him on the ground of misrepresentation to relief against a person infringing it.

It is only a misrepresentation contained in the trade mark itself which will disentitle the proprietor to maintain an action for its infringement and fraud or misrepresentation with respect to matters merely collateral will not be a bar to action.

*Held*, therefore, the use of fictitious testimonials, in advertising his manufacture, did not disentitle the plaintiff to relief.

*Quere*, whether prior user outside of Canada of a trade mark will disentitle a person to an exclusive use thereof in Canada.

*Templeton v. Wallace*, 376.

#### NAME.

1. *Right of Party to Use His Own.*—119.

*See* INFRINGEMENT(3).

2. *"Imperial Cough Drops"*—*"Imperial Cough Candy"*—*Well Known and Current Name Not Subject of Trade Mark.*—

The plaintiffs registered a trade mark which consisted of the words "Imperial Cough Drops," the essential feature of the mark being the word "Imperial." The defendant, later, adopted and used the words "Imperial Cough Candy" as a trade mark applied to his goods, the word "Imperial" being the most prominent feature of the mark. It appeared from the evidence that the word "Imperial" had been used as a designation or mark for candy, and was a common brand long before the plaintiffs' registration:—

*Held*, therefore, the plaintiff had no right to have protected his use of a well-known and current name in connection with his manufacture.

*Partlo v. Todd* (1886), *infra*, p. 167, followed.

*Watson v. Westlake*, 144.

3. *Similarity of—Use Restricted.*—136

*See* INFRINGEMENT(4).

4. *Non-appropriation of—Used by Public.*—217.

*See* DESCRIPTIVE WORDS(3).

5. *Descriptive—Cannot be Protected.*—217.

*See* DESCRIPTIVE WORDS(3).

6. *Common, Geographical—Protected When Used as Part of Title—Not When Descriptive.*—271.

*See* TRADE NAME(2).

7. *Use of Similar Name—“Singer” — Injunction.*] — The petitioners had registered a trade mark for their sewing machines, which trade mark included the word “Singer.” They complained that the respondent was also manufacturing sewing machines, and was putting the name “Singer” on her machines in the same place in which petitioners had been accustomed to mark the name “Singer” on the machines manufactured by them, and was also using the name on her bill-heads, etc.

*Held*, although the petitioners had not the right to prevent the respondent from using the word “Singer” in connection with sewing machines, they were entitled to an injunction against the use of the name in any way which would deceive the public and lead to the belief that the machines made by her were of petitioners’ manufacture.

*Singer v. Charlebois*, 336.

8. *Similar—Right at Common Law to Restrain Use Of.*]—391.

See TRADE NAME(5).

9. *Corporate.*

See CORPORATE NAME.

#### NATURAL PRODUCT.

*Words Descriptive of, Not Good Trade Mark.*]—392.

See DESCRIPTIVE WORDS(4).

#### NON-TRADING CORPORATIONS.

*Rights of.*]—42.

See DESCRIPTIVE WORDS(1).

#### PLEADINGS.

See DEFENCES — STATEMENT OF CLAIM.

#### PRACTICE AND PROCEDURE.

1. *Pleadings.*

See STATEMENT OF CLAIM—DEFENCES.

2. *Security for Costs.*

See ACTION(1).

3. *Under Trade Marks and Designs Act.*]—136, 152.

4. *Under 53Vict. ch. 14 (D.).*]—225.

5. See JURISDICTION OF COURT.

6. See ATTORNEY.

#### PRIOR USER.

1. *Meaning of.*]—152.

See REGISTRATION(1).

2. *Injunction — Account of Profits—Rights of Alien Friends—Patent Medicine.*]—Plaintiffs sold liquor medicine put up in bottles, labelled “Perry Davis’s Vegetable Painkiller.” Defen-

dant subsequently sold a similar kind of medicine put up in bottles, labelled "The Great Home Remedy, Kennedy's Painkiller." Plaintiffs claimed the word "Painkiller" alone as their trade mark. It was proved that the medicine of plaintiffs was known and sold in the market by the name of "Painkiller" before the defendant's was introduced, and that the trade would not be deceived by the defendant's labels, although the general public might be deceived. An injunction was granted restraining the use by the defendant of the word "Painkiller" as a trade mark, with account of profits and costs.

The right at common law of an alien friend in respect to trade marks stands on the same ground as that of a subject.

*Davis v. Kennedy*, 8.

3. *Jurisdiction of Court to Restrain Infringement—Effect of Rectification of Register.*—In the certificate of registration the plaintiffs' trade mark was described as consisting of "the representation of an anchor, with the words 'J.D.K. & Z.' or the words 'John De Kuyper & Son, Rotterdam, & Co.,' as per the annexed drawings and application." In the application the trade mark was claimed to consist of a device or representation of an anchor inclined from right

to left, with the letters "J.D.K. & Z." or the words "John De Kuyper, &c., Rotterdam," which, it was stated, might be branded or stamped upon barrels, kegs, cases, boxes, capsules, casks, labels and other packages containing Geneva sold by plaintiffs. It was also stated in the application that on bottles was to be affixed a printed label, a copy or *facsimile* of which was attached to the application, but there was no express claim of the label itself as a trade mark. This label was white and in the shape of a heart, with an ornamental border of the same shape, and on the label was printed the device or representation of the anchor with the letters "J.D.K. & Z." and the words "John De Kuyper & Son, Rotterdam," and also the words "Genuine Hollands Geneva," which it was admitted were common to the trade.

The defendants' trade mark was, in the certificate of registration, described as consisting of an eagle, having at the feet "V.D.W. & Co.," above the eagle being written the words "Finest Hollands Geneva;" on each side "Van Dulken, Weiland & Co.," and the word "Schiedam," and, lastly, at the bottom the two faces of a third medal, the whole on a label in the shape of a heart (le tout sur une étiquette en forme de cœur). The color of the label was white.

*Held*, affirming the judgment of the Exchequer Court, that the label did not form an essential feature of the plaintiffs' trade mark as registered, but that, in view of the plaintiffs' prior use of the white heart-shaped label in Canada, the defendants had no exclusive right to the use of the said label, and that the entry of registration of their trade mark should be so rectified as to make it clear that the heart-shaped label formed no part of such trade mark. *Taschereau and Gwynne, J.J.*, dissenting on the ground that the white heart-shaped label with the scroll and its constituents was the trade mark which was protected by registration, and that the defendants' trade mark was an infringement of such trade mark.

*De Kuyper v. Van Dulken*, 246.

4. *Templeton v. Wallace.*]—376.

See MISREPRESENTATION(2).

5. *Prior Design Adopted and Registered—Validity of Registration.*]—A person who copies the design of an article which has long been manufactured and in use in another country, and registers a trade mark for the same in Canada under the Trade Marks and Design Act of 1879, is not entitled to protection.

*Clendinneng v. Euard*, 135.

## PRODUCT.

*Local Source of, May be Indicated Though it is a Name Similar to a Registered Trade Mark.*]—434.

See INFRINGEMENT(12).

## PROPERTY.

*In Trade Mark.*]—225.

See JURISDICTION OF COURT(1).

## PROTECTION OF TRADE MARKS.

*Principles on Which the Court Acts—Names, Marks, or Indicia Calculated to Deceive Purchasers—“Bazaar Patterns”—Injunction.*]—The principle, on which the Court acts in protecting trade marks, is that it will not allow a man to sell his own goods under the pretence that they are the goods of another man, and so it will not allow the use of names, marks or other *indicia* by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person.

*McCall v. Theal*, 56.

## PUBLICI JURIS.

1. *Words, Cannot Have Exclusive Use.*]—325.

See TRADE NAME(3).



2. *Words, When Combined and Applied to Specific Manufacture, May be Protected.*—152.

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#### RECTIFICATION.

*Of Register, Jurisdiction to Order.*—239, 246.

See REGISTRATION (3).

See PRIOR USER (3).

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#### REGISTER.

*Entries in, Jurisdiction to Rectify When Made Either Before or After July 10th, 1891.*—239, 246.

See REGISTRATION (3).

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#### REGISTRATION.

1. *Words Publici Juris—Combination of and Application to Specific Manufacture—Monograms—Use of Colors—Prior User—Account of Profits—User in Foreign Country—Assignment—Good-will—Hypothetical Defence.*—There may be a good trade mark composed of a common seal of wax under the Trade Mark and Design Act, 1879 (D.), 42 Vict. ch. 22, which contains a more general definition of a trade mark than the Imperial Statute, 1883, 46-47 Vict. ch. 57, sec. 64(a), and care must be used in considering decisions in the English Courts.

Words which are admittedly *publici juris* when used alone, may, when combined and applied to a specific manufacture, cease to be so, and may well be protected as trade marks. Single or more letters may form a trade mark, and more especially when combined, woven or intertwined into a monogram.

Under the English Act a trade mark may be registered in any color, and the registration confers on the registered owner the exclusive right to the same in that or any other color, and the Canadian Act has as extensive an application.

The fact of an action being brought before registration and so proving abortive is no bar to a new action after registration. But this applies only where the mark has been innocently used, and actions may be instituted for a fraudulent marking of merchandise, even in the absence of registration.

The accounts of profits should not be limited to the time subsequent to registration, and especially so where the infringement prior to the registry has been fraudulent.

Prior user under the Trade Mark and Design Act, 1879, 42 Vict. ch. 22, sec. 6 (D.), means user before adoption by the registrant, not before registration.

User of a trade mark in a foreign country is no justification

for an infringement in the country where the action is brought.

There is no provision in the Trade Mark and Design Act, 1879, similar to that in the Imperial Statute that a trade mark when registered shall be assigned and transmitted only in connection with the good-will of the business concerned in the particular goods for which it has been registered.

*Quare*, whether hypothetical defences can be pleaded.

*Smith v. Fair*, 152.

2. *Effect of—Exclusive Right of User—Property in Descriptive Words—Rectification of Registry.*—It is only a mark or symbol in which property can be acquired, and which will designate the article on which it is placed as the manufacture of the person claiming an exclusive right to its use, that can properly be registered as a trade mark under the Trade Mark and Design Act, 1879 (42 Vict. ch. 22).

A person accused of infringing a registered trade mark may shew that it was in common use before such registration, and, therefore, could not properly be registered, despite the provision in section 8 of the Act that the person registering shall have the exclusive right to use the same to designate articles manufactured by him.

*McCall v. Theal*, ante, p. 56, followed.

Where the statute prescribes no means for rectification of a trade mark improperly registered, the Courts may afford relief by way of defence to an action for infringement.

Taschereau, dissenting.

*Per Gwynne, J.*:—Property cannot be acquired in marks, etc., known to a particular trade as designating quality only and not, in themselves, indicating that the goods to which they are affixed are the manufacture of a particular person. Nor can property be acquired in an ordinary English word expressive of quality merely, though it might be in a foreign word or word of a dead language.

*Partlo v. Todd*, 167.

3. *Rectification of Register—Relief for Infringement—Jurisdiction of Exchequer Court*, 54-55 Vict. ch. 35, and 54-55 Vict. ch. 26 (D.).—The Court has jurisdiction to rectify the register of a trade mark in respect of entries made therein without sufficient cause either before or subsequent to the 10th day of July, 1891, the date on which the Act 54-55 Vict. ch. 35 (D.), came into force.

*Quare*. Has the Court jurisdiction to give relief for the infringement of a trade mark where the cause of action arose out of acts done prior to the passage of 54-55 Vict. ch. 26 (D.)?

*De Kuyper and Van Dulken*, 239.

4. *De Kuyper v. Van Dulken.*]—246.

See PRIOR USER(3).

5. *Trade Marks—Resemblance Between—Refusal to Register Both—Grounds of.*]—The object of section 11 of the Act respecting Trade Marks and Industrial Designs (R.S.C. ch. 63), as enacted in 54-55 Viet. ch. 35, is to prevent the registration of a trade mark bearing such a resemblance to one already registered as to mislead the public, and to render it possible that goods bearing the trade mark proposed to be registered may be sold as the goods of the owner of the registered trade mark.

2. The resemblance between the two trade marks, justifying a refusal by the Minister of Agriculture in refusing to register the second trade mark, or the Court in declining to make an order for its registration, need not be so close as would be necessary to entitle the owner of the registered trade mark to obtain an injunction against the applicant in an action of infringement.

3. It is the duty of the Minister to refuse to register a trade mark when it is not clear that deception may not result from such registration.

*Melchers and De Kuyper*, 301.

6. *Wright v. Royal Baking Powder Co.*]—334.

See ACTION(1).

7. *User Before Registration—Representations of the King and the Royal Arms—Validity—R.S.C. ch. 63, sec. 8—Declaration Signed by Agent.*]—A label, as applied to boxes containing cigars, bearing upon it "in an oval form, a vignette of King Edward VII., with a coat of arms on one side, and a marine view on the other, surmounted by the words 'Our King,' and with the words 'Edward VII.' underneath," constitutes a good trade mark in Canada, and may be infringed by the impression, upon boxes containing cigars, of a *facsimile* of the Royal Arms surmounted by the words "King Edward."

2. The English rule prohibiting the use of the Royal Arms, representations of His Majesty, or any member of the Royal family, of the Royal Crown, or of the national arms or flags of Great Britain, as the subjects of trade marks, is not in force in Canada.

3. It is not essential to the validity of a trade mark registered in Canada that the person registering the same should have used it before obtaining registration. The registration must, however, in such a case, be followed by use, if the proprietor wishes to retain his right to the trade mark. In this respect there is no difference between the law

of Canada and the law of England.

4. The declaration required from the proprietor of a trade mark by section 8 of the Trade Mark and Design Act, R.S.C. ch. 63, may be signed by his duly authorized attorney or agent.

*Spilling v. Ryall*, 425.

8. *Trade Mark—Essential Elements of—Limited Assignment of—Cancellation of Registration in Favor of Prior Assignee Under Unlimited Assignment—R.S.C. ch. 63, sec. 11.*—The essential elements of a legal trade mark are: (1) the universality of right to its use, *i.e.*, the right to use it the world over as a representation of, or substitute for, the owner's signature; (2) exclusiveness of the right to use it.

Where respondents had obtained the exclusive right to use a certain trade mark in the Dominion of Canada only, and had registered the same, and claimants subsequently applied to register it as assignees under an unlimited assignment thereof made before the date of the instrument under which respondents claimed title, the prior registration was cancelled.

*Bush v. Hanson*, 449.

9. *Trade Mark—First Use—Cancellation of Registration in Favor of Prior Transferee—The*

*Trade Mark and Design Act (R.S.C. ch. 63), sec. 11.*—First use is the prime essential of a trade mark, and a transferee must, at his peril, be sure of his title.

2. In the year 1885, the respondents, by their corporate title, registered a trade mark, consisting of a label with the name "Snow Flake Baking Powder" printed thereon, in the Department of Agriculture. Some four years after such registration by respondents, the claimant applied to register the word-symbol "Snow Flake" as a trade mark for the same class of merchandise—stating that he knew of the respondent's registration, and alleging that it was invalid by reason of prior use by him and his predecessors in title. The evidence sustained the claimant's allegations.

*Held*, that the word-symbol in question had become the specific trade mark of the claimant by virtue of first use, and that the registration by respondents must be cancelled.

*Graff v. Snow Drift Baking Co.*, 454.

10. *Carey v. Goss.*]—136.

See INFRINGEMENT (4).

#### RESEMBLANCE.

*What Sufficient to Justify Refusal to Register Trade Marks—*

*Duty of Minister of Agriculture.*]—301.

See REGISTRATION(5).

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### ROYAL ARMS.

*Representations of as Subject of Trade Mark Permissible in Canada—English Rule.*]—425.

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### SALE OF BUSINESS.

*Effect on Trade Name.*]—373.

See TRADE NAME(4).

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### SECURITY FOR COSTS.

*In Action to Expunge Trade Mark.*]—334.

See ACTION(1).

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### SIMILARITY.

*Of Trade Marks.*]—See PRIOR USER AND INFRINGEMENT, *passim*.

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### SOURCE.

*Of Product May be Indicated.*]—434.

See LOCAL SOURCE.

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### STATEMENT OF CLAIM.

1. *Costs of Unfounded Charges of Fraud In.*]—232.

See ASSIGNMENT(1).

2. *Sufficiency of Allegations in Action for Infringement.*]—364.

See ACTION(3).

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### STATEMENT OF DEFENCE.

See DEFENCES.

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### STATUTES.

42 *Vict. ch. 22 (D.)—The Trade Mark and Design Act of 1879.*]—135, 136, 152, 425, 442.

*Exchequer Court Act.*]—414.

53 *Vict. ch. 14 (D.)*]—225.

54-55 *Vict. ch. 35 (D.)*]—239, 301.

55-56 *Vict. ch. 29 (D.)—The Criminal Code.*]—293.

*R.S.C. (1886), ch. 63—An Act Respecting Trade Marks and Industrial Designs.*]—225, 301, 425.

46-47 *Vict. ch. 57 (Imp.)*]—152.

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### SYMBOL.

*Definition of.*]—167.

See INFRINGEMENT(2).

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### TRADE MARK.

See INDEX—DIGEST, *passim*.

**TRADE MARK AND DESIGNS ACT.**

42 *Vict. ch. 22 (D.)*.—See STATUTES.

**TRADE NAME.**

1. *Sale of Business with Good-will, Effect of.*]—A sale by appellant, a biscuit manufacturer, of his stock in trade, with the good-will and all advantages pertaining to the name and business of the vendor, conveyed the exclusive right to use the name "Mackinnon's," as well as the device of a boar's head grasping in its jaws a bone (which had been in use by appellant prior to and at the time of the sale), on all labels used and generally in all matters connected with said business, and, consequently, that appellant had no right after such sale to use said name and device in the manufacture and sale of biscuits.

*Thompson v. Mackinnon*, 104.

2. *Common Geographical Name*—"The Canadian Bookseller and Library Journal"—"The Canada Bookseller and Stationer."—Where a name, though generic and geographical, does not indicate the composition or quality of the specific article to which it is applied, or the particular country or district where produced or manufactured, it is not necessary to shew

that it has acquired a secondary meaning to establish it as a valid trade mark.

Therefore, the use of a geographical name as part of the title of a journal, and not as merely descriptive of the place of publication, will be protected, and it is not necessary in such a case to seek a secondary meaning.

Judgment of a Divisional Court reversed, MacLennan, J.A., dissenting.

*Rose v. McLean*, 271.

3. "Fly Poison Pad"—*Infringement of Registered Mark—Trade Marks and Designs Act.*]—The plaintiffs sold thick felt paper pads, circular in form, impregnated with a compound designed to destroy flies and other insects. The name on the pad, which was registered as a trade mark, was "Wilson's Fly Poison Pad." The defendants put up fly poison in pads similar in appearance to those of plaintiffs, but octagonal in shape instead of circular, under the name "The Lyman Bros. & Co., Limited, Lightning Fly Paper Poison," and on the packages containing the pads the words, "6 pads in a package," or "3 pads in a package," with directions similar to those on the plaintiffs' envelopes. The evidence shewed that the word "pads" had grown to be used in common connection with various fly poisons so as to

be disassociated to some extent from plaintiffs' goods, and hence not calculated to create the impression in the mind of the public that the defendants' fly poison was the same as that of the plaintiffs.

*Held*, that the word "pads" had become in such a measure *publici juris* that the defendants were entitled to call their poison sheets "pads," especially as the general appearance was different, and the word "pads" on defendants' packages was not given any undue prominence likely to mislead purchasers.

Judgment of Rose, J., affirmed.

*Wilson v. Lyman*, 325.

4. *Sale of Business—Right to Use After Expiry of Fixed Period.*]—Where the proprietor of a trade name sells the business and good-will thereof, together with the right to use the trade name for a fixed period, and after that period the purchaser continues to use, the proprietor cannot restrain the use of such trade name by the purchaser after the expiry of the fixed period, when he neither carries on nor intends to carry on a business under that firm name.

*Love v. Latimer*, 373.

5. *Place of Manufacture—Common Law Right—Proof of Deception.*]—A manufacturer, whose goods are generally known to the public by a certain name,

has a common law right to protection against a competitor using the same or some similar name, only upon making proof either of fraud or deception as regards such use, and of prejudice resulting therefrom.

Where the alleged infringement has extended over a number of years, the fact that there is no proof of anyone having been deceived during that period is very material.

Judgment of Davidson, J., reversed.

*Pabst v. Ekers*, 391.

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#### USER.

1. *First, Prime Essential of Trade Mark.*]—454.

See REGISTRATION (9).

2. *Not Necessary by Party Before Registration; but Must Follow Registration.*]—425.

See REGISTRATION (7).

3. *What Required to Make Descriptive Words Valid Trade Mark.*]—409.

See DESCRIPTIVE WORDS (5).

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#### WELL-KNOWN NAME.

*Not Subject of Trade Mark.*]—144.

## WORDS AND PHRASES.

- "Asbestic."—392.  
 "Asbestic Wall Paper."—341.  
 "Bazaar Patterns."—56  
 "Beatty's Head-line Copy Book."—119.  
 "Beatty's New and Improved Head-line Copy Book."—119.  
 "Belleville Business College."—217.  
 "Bush's Fluid Food Bovine."—449.  
 "C.A.P."—414.  
 "C.P.R. & C."—24.  
 "Cable Cigars."—24.  
 "Caledonia Mineral Water."—434.  
 "Caledonia Water."—434.  
 "Canadian Bookseller and Library Journal."—271.  
 "Compound Syrup of Spruce Gum."—42.  
 "Cream Yeast."—409.  
 "Dr. Arnold's English Pills."—405.  
 "Finest Hollands Geneva."—246.  
 "Genuine Hollands Geneva."—246.  
 "Green Seal Case" (Smith v. Fair).—152.  
 "Gold Leaf."—169.  
 "Harper's Bazaar."—56.  
 "Imperial Bibasic Soap."—1.  
 "Imperial Cough Candy."—144.  
 "Imperial Cough Drops."—144.  
 "Imperial Soap."—1.  
 "Jersey Cream Yeast."—409.  
 "King Edward."—425.  
 "Mackinnon's."—104.  
 "Microbe Killer."—298.  
 "Our King."—425.  
 "Perry Davis's Vegetable Painkiller."—8.  
 "Perspirine."—405.  
 "Red Seal Case" (Smith v. Fair).—152.  
 "Simpson's Buchu Juniper Kidney Pills, the Original."—376.  
 "Simpson's Kidney Pills."—376.  
 "Singer."—336.  
 "Snow Flake Baking Powder."—454.  
 "Syrup of Red Spruce Gum."—42.  
 "The Commercial Travellers' Journal."—136.  
 "The Great Home Remedy, Kennedy's Painkiller."—8.  
 "The Imperial Laundry Bar."—71.  
 "The Lyman Bros. & Co., Limited, Lightning Fly Paper Poison."—325.  
 "The Traveller."—136.  
 "Very Best Laundry."—71.  
 "Vive."—344.  
 "Wilson's Fly Poison Pad."—325.