

prisoner, who asserted his own name to be Everett, sold blacking in bottles labelled "Everett's Premier," in a similar manner, with only trifling variations, to the bottles of a well-known manufacturer of that name. Erle, J., told the jury that "with respect to the difference between the labels, the jury should consider whether it was a small and colourable difference only, and intended to deceive. It was of little consequence whether the man's name was Everett, as he had stated, or not, for even if it were, and he went about the country and offered blacking for sale as 'Everett's Premier,' representing it to be the well-known article of that name, knowing that it was not so, and intending to cheat the prosecutor by passing upon him a spurious article as the true one, his conduct was equally fraudulent" (a). The prisoner was convicted. In *R. v. Smith* (b), the conviction for forgery being quashed, the prisoner afterwards pleaded guilty to an indictment for false pretences (c). In *R. v. Suter & Coulson* (d), it was held by the Court of Crown Cases Reserved that a representation that a mark of "18" on a watch was a genuine hallmark of the Goldsmiths' Company was clearly a false pretence within the statute (e).

The case of *R. v. Bryan* (f) gave rise to some differences of opinion in respect to the Law of False Pretences. The prisoner in that case was found by the jury to have obtained money from pawnbrokers on spoons which he had fraudulently represented to have as much silver on them as Elkington's "A" spoons. They also found that he had represented the foundations to be of the best material, knowing that to be untrue, and that in con-

*R. v. Bryan.*  
Question as to  
misrepresenta-  
tion of quality.

(a) It was also held that an offer to sell on sale or return was immaterial, the actual bargain being for cash.

(b) D. & B. 566; 8 Cox, 82.

(c) 8 Cox, 37; and 48 C. C. C. Sessions Papers, 8.

(d) 10 Cox, 577.

(e) And in *R. v. Gray & Gosling*, Dig. 183, the imitation of Messrs. Allsopp's labels was punished; and in *R. v. S. Jones*, Dig. 182, the imitation of Mr. Borwick's wrappers. See, too, *R. v. Closs*, D. & B. 460; 7 Cox, 494.

(f) D. & B. 265; 7 Cox, 312.

sequence of this he obtained the moneys mentioned in the indictment. The Recorder of London reserved the case for the consideration of the Court of Crown Cases Reserved. Twelve judges heard the case, and of these ten held that the conviction must be quashed, Willes, J., and Bramwell, B., dissenting. The language employed by some of the judges on that occasion, and in particular by Lord Campbell, C. J. (a), led to an impression that in the opinion of the judges it was impossible to convict under the Statute of False Pretences, when the misrepresentation had reference only to quality and not to substance; that is to say, that where, for instance, an infinitesimal quantity of gold was found in a ring represented to be of eighteen carat gold, the presence of that infinitesimal quantity of gold prevented the false representations from supporting a criminal charge (b). Where the jewellery contained no metal of the kind specified, the prisoner was convicted (c). Anticipating such a result, Bramwell, B., said (d) that the result of the decision would be that the prisoner would be indictable if Elkington's spoons had half an ounce of silver, and his none, but not if Elkington's had one ounce and his a quarter of an ounce.

The interpretation thus put upon the decision in *R. v. Bryan* was unfortunate, tending, as it did, to encourage an idea of fraud being possible with impunity; and some of the judges who had decided *R. v. Bryan* (e) took

(a) He said, for instance, that the conviction proceeded upon "a mere misrepresentation, during the bargaining for the purchase of a commodity, of the quality of that commodity." "If the seller were criminally liable for unduly exaggerating the value of the article, the buyer would be for unduly depreciating." He "found no case in which a mere misrepresentation at the time of sale of the quality of the goods had been held to be an indictable offence."

(b) *R. v. Suter & Coulson*, 10 Cox,

577; and see *R. v. Lee*, 8 Cox, 238; *R. v. Levine & Wood*, 10 Cox, 374. Previously to *R. v. Bryan*, D. & B. 265, 7 Cox, 312, in *R. v. Hall*, 45 C. C. O. Sessions Papers, 451, the prisoner was convicted, though there was a minute quantity of gold.

(c) *R. v. Rwebuck*, 7 Cox, 126; D. & B. 24; and see *R. v. Ball*, C. & M. 249; *R. v. Stevens*, 1 Cox, 83; and *R. v. Priestley*, 63 C. C. O. Sessions Papers, 541.

(d) *R. v. Bryan*, D. & B. 265; 7 Cox, 312.

(e) D. & B. 265; 7 Cox, 312.



opportunities of explaining what the real principle of the judgment was (a). It was also difficult to reconcile such a conclusion with such cases as those in which the prisoner sold a cheese, by means of the representation that a taster taken from a cheese of superior quality was in fact taken from the one in question (b). There was, indeed, in those cases, a certain misrepresentation as to substance, but the real grievance was that a cheese was sold as being of one quality, when it was in fact of another (c).

The whole question is now fully explained and set at rest by the judgment in *R. v. Ardley* (d). There the prisoner obtained money for a watch chain which he represented to be of fifteen carat gold, stamped on every link, but which representation was untrue. In giving judgment, Bovill, C. J., said: "The case which has been most pressed upon us is *R. v. Bryan* (e). The representation in that case was that certain plated spoons were 'equal to Elkington's A.' *Prima facie* that representation would seem to be a mere matter of opinion, and the Court held that it was not sufficient to support the conviction. But many of the judges expressed the opinion that there might well be cases in which misrepresentations, though as to quality, would be within the statute. Cockburn, C. J., says, 'If the prisoner had represented these articles as being of Elkington's manufacture, when in point of fact they were not, and he knew it, that would be an entirely different thing.' Pollock, C. B., says, 'I think if a tradesman or a merchant were to concoct an article of merchandise expressly for the purpose of deceit, and were to sell it as and for something very different even in quality from what

(a) See, for instance, per Erle, C. J., in *R. v. Goss*, Bell, 208; 8 Cox, 262; and per Willes, J., in *R. v. Suter & Coulson*, 10 Cox, 577.

(b) *R. v. Abbott*, 1 Den. 273; *R. v. Dark*, 1 Den. 276; *R. v. Garlick*, 1 Den. 276; *R. v. Goss*, Bell, 208; 8 Cox, 262.

(c) And on this ground Lord Campbell, C. J., in *R. v. Roebuck*, 7 Cox, 126, D. & B. 24, dissented from *R. v. Abbott*.

(d) L. R. 1 C. C. R. 301, 12 Cox, 23; *R. v. Foster*, 18 Cox, 393.

(e) D. & B. 265; 7 Cox, 312.

it was, the statute would apply.' It is plain that these learned judges considered that a specific representation of quality, if known to be false, would be within the statute. Coleridge, J., expressly concurs in the observations of Pollock, C. B. Erle, J., at the close of his judgment says: 'No doubt it is difficult to draw the line between the substance of the contract and the praise of an article in respect of a matter of opinion; still it must be done, and the present case appears to me not to support a conviction, upon the ground that there is no affirmation of a definite triable fact in saying the goods were equal to Elkington's "A," but the affirmation is of what is mere matter of opinion, and falls within the category of untrue praise in the course of a contract of sale, where the vendor has in substance the article contracted for, namely, plated spoons.' Crompton, J., also considered that the statute applies 'where the thing sold is of an entirely different description from what it is represented to be.' Willes, J., who dissented from the judgment of the Court, goes the whole length of saying that a representation as to quality, if known to be false, is enough to support a conviction. And Bramwell, B., leans to the same opinion.

"Applying these observations to the present case, the statement here made is not in form an expression of opinion or mere praise. It is a distinct statement, accompanied by other circumstances, that the chain was fifteen carat gold. That statement was untrue, was known to be untrue, and was made with intent to defraud. How does that differ from the case of a man who makes a chain of one material and fraudulently represents it to be of another? Therefore, whether we look at the whole of the evidence, or only at that which goes to the quality of the chain, the conviction is good. The case differs from *R. v. Bryan (a)*, because here there was a statement as to a

(a) D. & B. 265; 7 Cox, 312.



specific fact within the actual knowledge of the prisoner, namely, the proportion of pure gold in the chain."

From this case it follows that where a person has made a false statement in regard to a specific question of fact, knowing that statement to be false, with intent to defraud, and he does defraud by means of that statement, then, even though the statement have reference to the quality of the article, he will be liable to be convicted.

Intentional mis-statement as to fact punishable.

Placing a forged trade mark on goods not the make of the manufacturer whom the trade mark denotes will amount to such a statement, and it seems that the shifting a genuine label from goods of superior quality to goods of inferior quality, though of the same maker, will also come within the principle of *R. v. Ardley (a)*.

Wrongful user of trade marks.

In the sale of goods by weight, if money is obtained by representing the weight sold to be greater than it really is, an indictment for false pretences will be good, and it will make no difference that the goods were sold as a whole, for instance, by the load, if the price was calculated on the assumption that the load was of the weight represented by the prisoner (b).

False pretences as to weight.

By § 105 of the Patents Act, 1883, penalties are now imposed on persons untruly representing that a trade mark is registered (c).

False pretences as to registration of trade marks.

Words are not necessary to constitute the false representation. Thus, where hewers at a colliery placed in their tubs of coal tokens to represent a greater weight of coal than they had in fact worked, it was held that they were properly convicted (d).

False pretences without words.

(a) L. R. 1 C. C. R. 301; 12 Cox, 23.

Cox, 460.

(b) *R. v. Sherwood*, 7 Cox, 270; *R. v. Ridgway*, 3 F. & F. 838; *R. v. Ragg*, 8 Cox, 265; *R. v. Lee*, 9

(c) See § 9 of the Merchandise Marks Act.

(d) *R. v. Hunter*, 10 Cox, 642; *R. v. Carter*, *ib.*

## CHAPTER VI.

### THE CIVIL REMEDY. I.

**Common Law.** THE proper remedy at Common Law for a fraud committed by means of the infringement of a trade mark belonging to a rival trader is by an action on the case for deceit. The manner in which that form of action was made applicable to cases of trade mark and developed to meet the necessities of such cases, which in some respects differ from other cases of fraudulent misrepresentation, may be well stated in the language employed by Sir G. Mellish, L. J., who says (a), "In my opinion, all actions of this nature must be founded upon false representations. Originally, I apprehend, the right to bring an action in respect of the improper use of a trade mark arose out of the Common Law right to bring an action for a false representation, which, of course, must be a false representation made fraudulently. It differed from an ordinary action for false representation in this respect, that an action for false representation is generally brought by the person to whom the false representation is made; but in the case of the improper use of a trade mark, the Common Law Courts noticed that the false representation which is made by putting another man's trade mark, or the trade name of another manufacturer, on the goods which the wrongdoer sells, is calculated to do an injury, not only to the person to whom the false or fraudulent representation is made,

(a) *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434—53.



but to the manufacturer whose trade mark is imitated; and, therefore, the Common Law Courts held that such a manufacturer had a right of action for the improper use of his trade mark. Then the Common Law Courts extended that doctrine one step farther; first, if I recollect rightly, in the case of *Sykes v. Sykes* (a). There it was held that, although the representation was perfectly true as between the original vendor and the original purchaser, in this sense, that the original purchaser knew perfectly well who was the real manufacturer of the goods, and therefore was not deceived into believing that he had bought goods manufactured by another person; yet if the trade mark was put on the goods for the purpose of enabling that purchaser, when he came to resell the goods, to deceive any one of the public into thinking that he was purchasing the goods of the manufacturer to whom the trade mark properly belonged, then that was equally a deception, a selling of goods with a false representation, which would give the original user of the trade mark a right of action. That was the Common Law right."

An action on the case for deceit at Common Law may then be brought, not only by the person who has been induced to purchase goods manufactured by one maker in the faith that they have been manufactured by another, but also by the maker of whose manufacture the goods in question have falsely been represented to be. It seems at least probable that this principle was recognised as early as the reign of Queen Elizabeth. In *Southern v. How* (b) a case was quoted by Doderidge, J., in which, in that reign, a clothier of Gloucester, who manufactured better cloth than any other person in the trade, had invented and applied to his cloth a special mark to denote his manufacture. Another clothier then pirated this mark

Action may be brought by manufacturer defrauded.

(a) 3 B. & Cr. 541. And see per Lord Blackburn, in *Singer Manufacturing Co. v. Looy* (3), 8 App.

Cas. 15.

(b) 3 Cro. 47; Poph. 144; 2 Rolle, 28.

and applied it to his own inferior cloth, and it was held in the Court of Common Pleas that an action on the case for deceit would lie against the fraudulent clothier. Whether the action was brought by the buyer of the cloth or by the rival clothier cannot be determined, since the reporters differ on this point; but this much is clear, that Chief Justice Popham (a) reported the case as establishing the right of the defrauded clothier to compensation for the injury done him.

Right to redress.

Whatever the circumstances in that particular case may have been, the principle that a person who has suffered by reason of his trade mark being intentionally imitated by another has a right at Common Law to redress from the infringer has been repeatedly acted on, and is thus clearly stated by Coltman, J., in *Rodgers v. Nowill* (b), where, after expressing his agreement with the law laid down by Williams, J., that no man had a right to sell goods of his own manufacture upon a false and deceitful representation that they were of the manufacture of another, he says: "To this I would add that an action is clearly maintainable by the party whose name is so fraudulently used, if any damage results to him from the false representation."

At Common Law, fraudulent intention must be proved.

According to the strict principles of the Common Law, for an action in respect of a trade mark to be successful, it must be proved that the defendant acted with fraudulent intention. "Proof of fraud on the part of the defendant," says Lord Westbury, C., "is of the essence of the action" (c).

(a) The great weight to be given to any statement by Popham, C. J., appears from the terms applied to him in 6 Co. Rep. 75, where he is described as "the venerable and honourable Chief Justice of England, and Councillor of State to Queen Elizabeth and to our Lord the King that now is. . . . Who was a most reverent judge, of a ready apprehension, profound judgment, most excellent understanding in the true reason of the law, and of universal and admirable expe-

rience and knowledge of all business which concerned the commonwealth; accompanied with a rare memory, with perpetual industry and labour for the maintenance of the tranquillity and public good of the realm, and in all things behaving with great constancy, integrity, and patience." And Eyre, C. J. (1 B & P. 610), speaks of him as "a very able judge."

(b) 5 C. B. 109.

(c) *Edelsten v. Edelsten*, 1 De G. J. & S. 185.



The general law on the subject of false representations is summed up by Parke, B., in *Taylor v. Ashton* (a), as being that, independently of any contract between the parties, no one can be made responsible for a representation of such kind as there was in that case (*i.e.*, a false representation of the flourishing state of a bank, which had induced the plaintiff to take shares), unless it be fraudulently made. The law so enunciated was applied in a succession of trade mark cases at Common Law (b), the effect of which was stated by Lord Westbury as above.

It has been held that intentional fraud cannot be inferred from the fact alone that the plaintiff has informed the defendant that in his opinion the defendant was using a trade mark calculated to deceive, nor even from the fact being that the trade mark so used is really calculated to deceive; there must be evidence that the defendant believed such deception to be probable (c); in other words, that the defendant has sold his goods "as and for" the plaintiff's goods (d). "But," said Lord Blackburn, in *Singer Manufacturing Co. v. Loog* (3) (e), "it is to my mind obvious that, though the defendants might have committed no action-

Defendant must have expected deception.

(a) 11 M. & W. 415.

(b) See, among other cases, *Singleton v. Bolton*, 3 Dougl. 293; *Crawshay v. Thompson*, 4 Man. & G. 357; *Rodgers v. Nowill*, 5 C. B. 109; *Myers v. Baker*, 3 H. & N. 802. In *Crawshay v. Thompson*. Coltman, J. expressed himself thus: "It appears to me that an intention to deceive is a necessary ingredient in this case. The intention is for the jury; and fraud must be made out by proof of an intention existing in the mind of the party that the iron should pass as the iron of the plaintiff." And in *Hargreaves v. Smith*, Dig. 338, Lush, J., told the jury that an intention to divert customers from the plaintiffs to the defendant must be proved. See per Lord Blackburn in *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15, in the House of Lords.

(c) *Crawshay v. Thompson*, 4 Man. & G. 357.

(d) *Sykes v. Sykes*, 3 B. & Cr. 541; *Morison v. Salmon*, 2 Scott, N. R. 449, 2 Man. & G. 385; *Crawshay v. Thompson*, *ubi supra*. In Equity, it is not necessary to prove fraudulent intention, otherwise than by proving that the defendant has used a mark which is, in fact, calculated to deceive, and this was recognised by the Court of Queen's Bench in *Dixon v. Fawcus*, 3 Ell. & Ell. 537. Since by the Judicature Act of 1873, § 25, the rules of Equity are to prevail where they conflict with those of the Common Law, it appears that at least nominal damages should now be recoverable in the Queen's Bench Division on proof of such facts as would be satisfactory to a Court of Equity.

(e) 8 App. Cas. 15.

able wrong whilst using the plaintiff's trade mark innocently, yet, if they persevered with the use of it after they had knowledge of the facts, they would do wrong, and there would be evidence to support a claim at law for damages for knowingly selling the defendants' goods as and for the plaintiff's." And in a recent Canadian case at Law (a), it was held that the plaintiff was entitled to damages, though the defendant denied any fraudulent intention, since the mark had been registered for a year as the plaintiff's, and the defendant must be taken to have known it.

Deception of first purchaser not necessary.

It is not necessary, in order for the plaintiffs to recover, for them to show that the defendants made fraudulent representations directly to the persons to whom they sold the goods, "although they did not themselves sell them as goods of the plaintiffs' manufacture, yet if they sold them to retail dealers for the express purpose of being resold as goods of the plaintiffs' manufacture" (b), thus "scattering over the world the means of enabling parties to commit frauds upon the plaintiffs" (c), proof of that would be sufficient for the plaintiffs' case (d).

Merchandise Marks Act.

In proceedings under the Merchandise Marks Act, 1862, where it is necessary to allege or mention an intent to defraud, or to enable another to defraud, it is sufficient to allege or mention that the defendant acted with intent to defraud or to enable some other person to defraud, without alleging an intention hostile to any particular person (e).

Questions for jury.

The question of fraudulent intention is for the jury, with whom it rests to say whether or not such intention is proved by the evidence before them (f). And it was held under

(a) *Bondier v. Depatie*, Montreal Q. B., May 29, 1883.

(b) *Sykes v. Sykes*, 3 B. & Cr. 541.

(c) Per Sir W. P. Wood, V.-C., in *Farina v. Silverlock*, 1 K. & J. 509.

(d) Compare the language of the Court of King's Bench in *Polhill v. Walter*, 3 B. & Ad. 114; and see

*Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 484—42—51—53, and *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15.

(e) 25 & 26 Vict. c. 88, s. 12.

(f) *Crawshay v. Thompson*, 4 Man. & G. 357; *Rodgers v. Nowill*, 5 C. B. 109.



the old practice that the plaintiff's pleadings must allege with sufficient distinctness a false representation on the part of the defendant (a), when it was left to the jury to say whether the defendant had adopted the particular mode of deceit charged (b).

In order to entitle the plaintiff to recover, it must be shown that the defendant's conduct has injuriously affected the plaintiff, and the plaintiff's pleadings must be so framed as to disclose a sufficient cause of action, so that where a banking business was established in London under the same name as a previously existing bank, it was held that the proprietor of the earlier bank could not recover, since he had not averred that he was a banker or had ever carried on a banking business (c). This case was decided on the same principle on which it was held, in the Court of Chancery, that there was no infringement of trade mark unless there was actually in the market a vendible article to which the mark was in some way attached, and that no right to an injunction existed before the article had in fact been produced, even though it had been repeatedly advertised, and considerable outlay so incurred (d).

Plaintiff must be injured.

By § 22 of the Merchandise Marks Act, 1862, "every person aggrieved" by the forgery of a trade mark, or use of a forged trade mark, is entitled to maintain an action for damages for the injury done him by the wrongful act, and for an injunction to prevent the repetition or continuance of the same or a similar act.

Merchandise Marks Act.

Where A. ordered from B. a quantity of fire-bricks, marked with the name of C., who used it as his own trade

Costs incurred by defendant's fraud reco-

(a) *Morison v. Salmon*, 2 Scott, N. R. 449; 2 Man. & G. 385.

(b) *Rodgers v. Nowill*, 5 C. B. 109. In *Hargreaves v. Smith*, Dig. 338, Lush, J., left it to the jury to say (1) whether the plaintiffs' mark was a good one; (2) whether it had been imitated; (3) whether, if there was imitation, it was with intent to de-

ceive. And see *Gillespie & Co. v. Marshall*, Dig. 648.

(c) *Lawson v. Bank of London*, 18 C. B. 84. And see per Lord Blackburn in *Singer Manufacturing Co. v. Loog* (8), 8 App. Cas. 15.

(d) *McAndrew v. Bassett*, 4 De G. J. & S. 380; *Maxwell v. Hogg*, L. R. 2 Ch. 307.

vered from  
him.

mark, and the order was being executed by B. in ignorance of C.'s rights, C. filed a bill in Chancery to restrain B., who compromised the matter on paying a sum amounting in all, including costs, to over £200. On B. bringing an action against A. to recover the sum which he had so been compelled to pay, it was held by the Court of Queen's Bench that he was entitled to recover that sum, C. being entitled to an injunction in Equity on mere proof of the imitation, though at Common Law he would have had to prove fraud on the part of B. (a).

Innocent  
vendor of  
goods falsely  
marked.

It has been held in America that an innocent vendor of goods falsely marked, the genuineness of which he has not warranted, is entitled to maintain an action to recover the price of the goods from a person to whom he has sold them (b).

Damages.

Although it cannot be assumed by the Court, in default of evidence, that the same quantity of goods which a defendant has sold under a trade mark imitated from that of the plaintiff would have been sold by the plaintiff, but for the defendant's unfair competition (c), yet, where the whole profit made by an infringer upon the sale of the goods wrongfully marked was awarded by the jury as damages, the American Court held that this was not excessive, and said that the fact that it was impossible to apportion the profit, rendered it just that the infringer should lose the whole (d). And in *Taylor v. Carpenter* (e), when the defendant, against whom a verdict had been found with substantial damages, moved for a new trial, urging, among other arguments, that the jury should have been told that if the defendant's goods were not inferior to the plaintiffs', the latter could not recover, or at all

(a) *Dixon v. Faucus*, 3 Ell. & Ell. 537.

(b) *Rudderow v. Huntington*, 3 Sand. S. C. 252, R. Cox, 106.

(c) *Leather Cloth Co. v. Hirschfeld*, L. R. 1 Eq. 299.

(d) *Graham v. Plate*, 40 Cal. 593, 6 Amer. Rep. 639. And see *Hosstetter v. Vowinkle*, 1 Dill. 329.

(e) 2 Wood. & M. 1; 9 L. T. (Old Series) 514, R. Cox, 32—42.



events could recover only nominal damages, it was held that the plaintiffs were not only not debarred from recovering at all, but that they could recover substantial damages, "since the actual damage suffered by loss of sales by the plaintiffs, which was the ground of recovery, was just as great as if the thread had been inferior, though the credit of their mark and thread might not suffer as much thereby, if it did at all."

That a plaintiff is entitled to recover some damages where his trade mark has been infringed, appears clearly from *Blofeld v. Payne (a)*, in which Lord Denman, C. J., told the jury that even if the defendants' hones were not inferior, the plaintiff was still entitled to some damages, inasmuch as his right had been invaded by the fraudulent act of the defendants. The jury found a verdict for the plaintiff, with a farthing damages, and also found that the defendants' hones were not inferior to the plaintiff's. The verdict was upheld by the Court of King's Bench, Littledale, J., saying that "the act of the defendants was a fraud against the plaintiff, and that even if it occasioned him no specific damage, it was still, to a certain extent, an injury to his right." It is evident that in this case, although the plaintiff did not suffer in reputation by the sale of inferior hones as his, yet he suffered in another way, his custom being diminished to an undetermined extent by goods being sold as his, so as to compete with those really of his make (b).

The first recorded case of trade mark brought before the judicial notice of the Court of Chancery was that of *Blanchard v. Hill (c)*, in 1742, which, however, resulted in a statement by Lord Hardwicke, C., that he did not

Nominal  
damages  
where right  
infringed.

Equity—  
*Blanchard v.  
Hill.*

(a) 4 B. & Ad. 410.

(b) See per Erskine, J., in *Morison v. Salmon*, 2 Scott, N. R. 449; 2 Man. & G. 385; and per Wilde, C. J., in *Rodgers v. Nowill*, 5 C. B. 109; also *Coffeen v. Brunton*, 4 McLean, 516, R. Cox, 82; *Lemoine v. Ganton*, 2 E.

D. Smith, 343, R. Cox, 142; *Chappell v. Davidson*, 2 K. & J. 123; *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434—42—51—54; and *Bondier v. Depatie*, Montreal Q. B., May 29, 1883.

(c) 2 Atk. 484.

know "any instance of granting an injunction in Chancery to restrain one trader from using the same mark with another," and that he thought "it would be of mischievous consequence to do it."

Growth of jurisdiction of Chancery.

In *Day v. Day* (1816) (a), *Henry v. Price* (1831) (b), and *Gout v. Aleploglu* (1833) (c), however, injunctions were granted to restrain the infringement of the plaintiffs' trade marks, and from this time the steadily increasing number of such cases coming before the Court of Chancery shows the growing favour with which that Court was regarded by suitors, the chief incentive no doubt being the more beneficial character of the remedy awarded, by injunction and account, as compared with the Common Law remedy of damages. By degrees the Court of Chancery absorbed the jurisdiction in trade mark cases, until such cases were rarely if ever tried in the Common Law Courts, except when they were remitted by a Chancery judge for trial of the Common Law right. That practice was discontinued in consequence of Sir John Rolt's Act (d), and the effect has been, notwithstanding the extended power given to the Common Law Courts by the Merchandise Marks Act of the same year (e), to confine the consideration of this class of cases more strictly, if possible, than before to the Court of Chancery.

Registration Acts administered by Chancery Division.

This fact was recognised by the Chancery Division being appointed to administer the Trade Marks Registration Acts (f), and although the High Court of Justice generally is now substituted for the Chancery Division (g), it seems probable that trade mark cases will continue to be brought before that Division.

(a) Dig. 21.

(b) 1 Leg. Obs. 364.

(c) 5 Leg. Obs. 495, and 6 Beav. 69 n.; and see *Day v. Binning*, C. P. Cooper, 489; and 1 Leg. Obs. 205.

(d) 25 & 26 Vict. c. 27. But in some of the American Courts cases of doubtful right are still sent for

trial at law: *Seltzer v. Powell*, 8 Phila. 296.

(e) 25 & 26 Vict. c. 88, § 21.

(f) 38 & 39 Vict. c. 91; 39 & 40 Vict. c. 33; and 40 & 41 Vict. c. 37. See the old Rule 42, and *In re Orr-Ewing* (2), 28 W. R. 412.

(g) § 117 of Patents Act, 1883.



The comptroller appointed under the Patents Act is, <sup>Board of Trade.</sup> however, subject to the superintendence of the Board of Trade, the extent of whose jurisdiction is not yet clearly ascertained, though it may be presumed that cases of difficulty will be reserved for the consideration of the Court (a).

The principles on which the Courts of Equity have long acted in cases where a valid trade mark has been affixed to the goods or to wrappers or vessels containing them—principles by which those cases must, as it seems, be governed for the future, before whichever branch of the High Court of Justice they may come (b)—are thus explained by Sir G. Jessel, M. R., in *Singer Manufacturing Co. v. Wilson* (c). <sup>Principles adopted in Equity with respect to trade marks.</sup>

“It is quite immaterial that the maker of the goods to which what I will call, for 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. He must not put as a mark on goods, even though he intends to establish it as his own trade mark, that which is the known trade mark of other people, and he would be restrained by injunction, though he thought he himself had invented the trade mark, and *bonâ fide* intended it to designate goods of his own manufacture. And the reason is obvious, because the goods pass from hand to hand, and though he may act with the utmost *bona fides*, yet the ultimate purchasers might believe that they were the real goods, that is to say, that they were manufactured by the person entitled to the original trade mark. Therefore, in that case, knowledge that he is doing anything wrong is immaterial, even in the maker.

“Another element which is sometimes imported into these cases has also no material bearing; that is, that if

(a) As to the position of the late Commissioners of Patents, whose functions are now transferred to the Board of Trade, see *In re Meikle*, 24 W. R. 1067; *In re Barrows*,

5 Ch. D. 353; *In re Rotherham*, 14 *ib.* 585.

(b) See Judicature Act of 1873, § 25.

(c) 2 Ch. D. 434.

the maker knows that they are not the goods of the person entitled to use the trade mark, and communicates that knowledge to the immediate purchaser, it makes, as I have said, no difference; and even if he does not know it, and tells the immediate purchaser that the goods are of his own manufacture, it will still not save him from an injunction, because, although the immediate purchaser from him is aware that the goods in question are not manufactured by any other person than the vendor, yet, as he passes them on, the representation does not necessarily pass on with them, and therefore the next purchaser, or the following or some other purchaser, or the public at large, who are the ultimate purchasers, would be as much deceived as if no such communication took place. Consequently, you have nothing more to do than to show that the trade mark has been taken" (a).

At first  
Equity fol-  
lowed the  
Common Law.

When trade mark cases were first brought into the Court of Chancery, they were treated on the same principle as they were at Common Law, and redress was refused where actual intentional fraud was not alleged and substantiated. The existence of anything that could be called a right of property in a trade mark was denied, and a fear expressed that, if that should be admitted, a stronger monopoly than even a patent-right would be created (b).

*Millington v.  
Fox.*

In the year 1838, however, when the case of *Millington*

(a) And see per Lord Cairns, C., *Singer Manufacturing Co. v. Wilson*, 3 App. Cas. 391, and Lord O'Hagan, *ib.* 396. So, in Scotland, "on an application for an interdict it is not only not necessary to prove any pecuniary damage, but it is not necessary to prove that any injury has been actually inflicted. A threat of injury is a sufficient ground for an application for an interdict; and in like manner a reasonable apprehension of injury from the proceedings of the parties complained against is

also in many circumstances a very good ground for such an application." (Per the Lord President, in *Singer Manufacturing Co. v. Kimball & Morton*, Ct. Sess. Cas. 3rd Ser. XI., 267.) And in India "it is not enough to say that there was no fraudulent intention. That is no reason why an injunction should not be granted." (Per Phear, J., *Graham & Co. v. Kerr, Dods & Co.*, 3 Beng. L. R. App. 4.)

(b) *Blanchard v. Hill*, 2 Atk. 484; *Canham v. Jones*, 2 V. & B. 218.



v. *Fox* (a) came before Lord Cottenham, C., the Lord Chancellor perceived that when goods made by one man were put upon the market bearing the trade mark of another, the same evil effects were produced, whether the mark was so affixed for fraudulent purposes or with innocent intentions, since purchasers would buy A.'s goods in the belief that they were B.'s, and B. would be deprived of the custom intended for him; so that A., whether by his own contrivance or not, would profit at the expense of B. and the public. In that case it was accordingly held by the Lord Chancellor that the plaintiffs were entitled to an injunction, although he stated in express terms that he saw no reason for thinking that there had been any fraudulent user by the defendant of the plaintiffs' mark (b).

The decision in this case gave rise to some difference of opinion among the judges, some holding that the jurisdiction of the Court of Chancery in these cases, like that of the Common Law Courts, was founded on intentional fraud, and denying any exclusive right in trade marks (c), while others held that, intentional fraud not being necessary for the injunction, the jurisdiction must be held to be founded on the protection of a right of property in the trade mark (d).

Question as to  
foundation of  
jurisdiction.

(a) 3 My. & Cr. 338; and see the earlier case of *Gout v. Alepoylu*, 5 Leg. Obs. 495.

(b) See per Lord Blackburn in *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15.

(c) *Perry v. Truefitt*, 6 Beav. 66; *Croft v. Day*, 7 Beav. 84; *Foot v. Lea*, 13 Ir. Eq. 484; *Edelsten v. Vick*, 11 Hare, 78; *Collins Co. v. Brown*, 3 K. & J. 423; *Collins Co. v. Cowen*, 3 K. & J. 428; *Leather Cloth Co. v. American Leather Cloth Co.*, 1 H. & M. 271; *McAndrew v. Bassett*, 33 L. J. Ch. 561; *Walton v. Crowley*, 3 Bl. C. C. 440, R. Cox, 166.

(d) *Farina v. Silverlock*, 6 De G. M. & G. 214; *Burgess v. Hills*, 28 Beav. 244; *Clement v. Maddick*, 1

*Giff*, 98; *Emperor of Austria v. Day*, 3 De G. F. & J. 217; *Welch v. Knott*, 4 K. & J. 747; *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Hall v. Barrows*, 4 ib. 150; *McAndrew v. Bassett*, 4 ib. 380; *Leather Cloth Co.'s case*, 4 ib. 137; 11 H. L. C. 523; *Cartier v. Carlile*, 31 Beav. 292; *Moet v. Couston*, 33 ib. 578; *Barnett v. Leuchars*, 13 L. T. N. S. 495; *Maxwell v. Hogg*, L. R. 2 Ch. 307; *Collins Co. v. Reeves*, 28 L. J. Ch. 56; *Bradbury v. Beeton*, 39 ib. 57; *Radde v. Norman*, L. R. 14 Eq. 348; *Hirst v. Denham*, ib. 542; *Smith v. Mason*, W. N. 1875, p. 62; *Apollinaris Co. v. Norris*, 33 L. T. N. S. 242; *Cheavin v. Walker*, 5 Ch. D. 850; *Singer Manufacturing Co. v. Wilson*, 3 App.

Deference to  
Common Law.

In *Motley v. Downman* (a), it was laid down broadly that the jurisdiction of the Court of Chancery was merely ancillary to that of the Common Law, and that the right to redress must be determined by the rules of the Common Law; and accordingly cases were frequently referred to the Common Law Courts for the determination of the right, before the equitable remedy was awarded (b). That practice, however, gradually died out as the principle of interference in the absence of intentional fraud came to be recognised, and Sir John Rolt's Act (c) finally put an end to it.

Principle of  
*Millington v. Fox*  
explained  
by V.-C. Wood.

The explanation given by Sir W. P. Wood, V.-C., of the decision in *Millington v. Fox* (d) and other cases in which relief was given without proof of fraudulent user, was, that it was on the principle "that although a person had used another man's trade mark perfectly innocently, yet if he continued for one moment after he had been told of it to use another man's trade mark, he did so fraudulently, and if he sought to keep in his pocket profits which he had

Cas. 376; *Same v. Loog* (3), 8 *ib.* 15; *Grillon v. Guénin*, W. N. 1877, p. 14; *Ransome v. Graham*, 51 L. J. Ch. 897; *Cowen v. Hulton*, 46 L. T. N. S. 897. So in Scotland—*Singer Manufacturing Co. v. Kimball & Morton*, Ct. Sess. Cas. 3rd Ser. XI., 267; in Ireland—*Kinahan v. Bolton*, 15 Ir. Ch. 75; *Wheeler v. Johnston*, 3 L. R. Ir. 284; in India—*Orr-Ewing & Co. v. Grant, Smith & Co.*, 2 Hyde, 185; in Canada—*Walker v. Alley*, 13 Grant, Up. Can. Ch. 366; in the United States—*Davis v. Kendall*, 2 R. I. 566, R. Cox, 112; *Clark v. Clark*, 25 Barb. 76, R. Cox, 206; *Dale v. Smithson*, 12 Abb. Pr. 237, R. Cox, 282; *Woodward v. Lazar*, 21 Cal. 448, R. Cox, 300; *Derringer v. Plate*, 29 Cal. 292, R. Cox, 324; *Bradley v. Norton*, 33 Conn. 157, R. Cox, 331; *Gillott v. Esterbrook*, 47 Barb. 455, R. Cox, 340, 3 Sickels, 374; *Burnett v. Phalon*, 9 Bos. 192; R. Cox, 376; *Filley v. Fassett*, 44

Mo. 173, R. Cox, 530; *Dixon Crucible Co. v. Guggenheim*, 2 Brewster, 321, R. Cox, 559; *Stonebraker v. Stonebraker*, 33 Md. 252; *State of Missouri v. Gibbs*, 56 Mo. 138; *Winsor v. Clyde*, 9 Phila. 513; *Blackwell v. Armistead*, 5 Am. L. T. 85; *Colman v. Crump*, 70 N. Y. 573; *Rillet v. Carrier*, 61 Barb. S. C. 435; *Gilman v. Hunnewell*, 122 Mass. 139; *McLean v. Fleming*, 96 U. S. Rep. 245; *Kidd v. Johnson*, 100 *ib.* 617; *Robertson v. Berry*, 50 Md. 591.

(a) 3 My. & Cr. 1.

(b) *Perry v. Truefitt*, 6 Beav. 66; *Rodgers v. Nowill*, 6 Hare, 325; *Foot v. Lea*, 13 Ir. Eq. 484; *Farinz v. Silverlock*, 1 K. & J. 509; and others. In some of the American States, e.g., in Pennsylvania, the same practice is still followed: *Seltzer v. Powell*, 8 Phila. 296.

(c) 25 & 26 Vict. c. 27.

(d) 3 My. & Cr. 338.



made by representing, however innocently, that his goods were another person's, after he had been told of the fact, it was fraud" (a).

From this view Lord Westbury, C., dissented (b), and the view now generally accepted as to the principles governing the action of the Courts of Equity was thus stated by him, in the *Leather Cloth Co.s' case* (c): "The representation which the defendant is supposed to make that his goods are the goods of another person is not actually made otherwise than by his appropriating and using the trade mark which such other person has an exclusive right to use in connection with the sale of some commodity; and if the plaintiff has an exclusive right to use any particular mark or symbol, it becomes his property for the purposes of such application, and the act of the defendant is a violation of such right of property, corresponding with the piracy of copyright or the infringement of a patent. I cannot therefore assent to the dictum that there is no property in a trade mark. It is correct to say that there is no exclusive ownership of the symbols which constitute a trade mark, apart from the use or application of them, but the word 'trade-mark' is the designation of marks or symbols when applied to a vendible commodity, and the exclusive right to make such user or application is rightly called 'property.'" "The true principle, therefore, seems to be that the jurisdiction of the Court in the protection given to trade marks rests upon property; and that the Court interferes by injunction, because that is the only mode by which such property can be effectually protected. The same things are necessary to constitute a title to relief in Equity in the case of the infringement

By Lord  
Westbury.

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(a) *McAndrew v. Bassett*, 33 L. J. Ch. 561. See per Lord Cairns, in *Singer Manufacturing Co. v. Wilson*, 3 App. Cas. 376—391, and per Lord Blackburn in that case (*ib.* 400) and in *Singer Manufacturing Co. v.*

*Loog* (3), 8 App. Cas. 15

(b) *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Leather Cloth Co.s' case*, 4 *ib.* 137; *Hall v. Barrows*, *ib.* 150; *McAndrew v. Bassett*, *ib.* 380.

(c) 4 De G. J. & S. 137.

of the right to a trade mark as in the case of the violation of any other kind of property. First, the plaintiff must prove that he has an exclusive right to use some particular mark or symbol in connection with some manufacture or vendible commodity; and secondly, that this mark or symbol has been adopted or is used by the defendant so as to prejudice the plaintiff's custom and injure him in his trade or business" (a).

In what sense fraud is required in Equity.

Still, even though it be admitted that the Law of Trade Marks is based upon a right of property, fraud also is necessary to entitle the owner of the trade mark to redress (b). But the fraud does not consist in an intention to deceive on the part of the defendant, but in an actual deception, or in the creation of a probability of deception (c), independently of any fraudulent intention. "Imposition on the public," says Lord Westbury (d), "is indeed necessary for the plaintiff's title; but in this way only, that it is the test of the invasion by the defendant of the plaintiff's right of property; for there is no injury done to the plaintiff if the mark used by the defendant be not such as may be mistaken, or is not likely to be mistaken, by the public for the mark of the plaintiff. But the true ground of the Court's jurisdiction is property."

Intention immaterial in Equity.

The exact language in which the principle on which the Court of Chancery has acted is to be described is really immaterial, and in fact "merely a question of nomen-

(a) In *Walker v. Alley*, 13 Grant, Up. Can. Ch. 366, Van Koughnet, Chancellor of Upper Canada, said: "Some difficulty may be created by the use of the word 'property' in trade marks. It may be said, 'What is property, unless it be something tangible?' I take property, when used in this connection and sense, to be a means by which money or money's worth, in the shape of profit or otherwise, is created or obtained."

(b) See per Sir G. Mellish, L. J., in *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434—53.

(c) Compare per Sir C. Hall, V.-C., in *Cope v. Evans*, L. R. 18 Eq. 138. And see *Kinney v. Basch*, Dig. 542.

(d) *Hall v. Barrows*, 4 De G. J. & S. 150; and see per Lord Cranworth, C., in *Farina v. Silverlock*, 6 De G. M. & G. 214, and per Jessel, M. R., in *Chearin v. Walker*, 5 Ch. D. 850.



clature" (a), since the important and substantial point is completely established, that in cases of trade mark nothing more has to be done "than to show that the trade mark has been taken" (b).

The right in a trade mark registered under the Trade Marks Acts or the present Patents Act is strictly a right of property (c), the person entitled to it is the proprietor (d); he is entitled to the exclusive use of it (e); and though his rights in regard to it are in some respects less unlimited than those of owners of other kinds of property, e.g., the inability to transfer it except in connection with the goodwill of the business (f), still, subject to the provisions of the Patents Act, he is entitled to deal with it as he chooses.

In trade mark cases, "in order to found the jurisdiction of the Court," says the Lord Chancellor of Ireland (g), "there must be established, first, the existence of the trade mark; next, the fact of an imitation, whether a direct imitation, or one with such variations that the Court must regard them as merely colourable; and thirdly, the fact that the imitations were made without licence (h) or anything that the Court could regard as acquiescence in their use." The law is the same in the three kingdoms, for, said Bacon, V.-C., in *Singer Manufacturing Co. v. Loog* (3) (i), "the law of Scotland does not in this respect

Right of property in registered mark.

Elements necessary to found jurisdiction.

(a) Per Sir W. P. Wood, V.-C., *McAndrew v. Bassett*, 38 L. J. Ch. 561.

(b) Sir G. Jessel, M.R., in *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434; and see *Orr-Ewing & Co. v. Johnston & Co.*, 13 Ch. D. 434, and the cases collected at note (d) on p. 153, *supra*.

(c) See *Eno v. Stephens*, Dig. 609.

(d) §§ 3, 4, 5 of the Act of 1875; §§ 62, 66, 71, 72, 76 of the Act of 1883.

(e) § 3 of the Act of 1875; § 76 of the Act of 1883.

(f) § 2 of the Act of 1875; § 70

of the Act of 1883.

(g) *Kinahun v. Bolton*, 15 Ir. Ch. 75. See *Linde v. Bense*, 29 N. Y. Sup. Ct. 601.

(h) It has been held in America that if the defendant is the holder of a licence from the plaintiff, he cannot contest the validity of the plaintiff's mark, but that he may set up that he was induced to enter into the agreement by fraudulent representations: *Hilsen v. Libby*, 44 N. Y. Super. Ct. 12. And see the observations in that case with respect to pleading.

(i) 15 Ch. D. 395.

(*i.e.*, with respect to trade marks) differ from the law of England." The principles which govern the one govern the other.

Proceedings  
in Equity.

In order to ensure a full disclosure of the facts bearing upon these points, the Court will grant, if necessary, discovery and inspection, and upon the satisfactory establishment of the plaintiff's case, will award its appropriate remedy of an injunction (*a*), framed in such terms as best to counteract the illicit designs of the infringer. And the injunction will be granted, even though the defendant has ceased to use the pirated trade mark (*b*), and has offered to undertake not to use any of the old labels in stock (*c*), or has actually retired from the business in which the pirated marks were used (*d*). But if a plaintiff continues the litigation after having received an offer of all he is entitled to get, he may fail to obtain his costs (*e*). The liability to account for profits is usually, as Sir J. Romilly, M.R., said in *Cartier v. Carlile* (*f*), incident to the injunction (*g*), or the plaintiff may, at his option, have an inquiry as to damages in lieu of the account, but not both (*h*). The Court will further, where necessary, order the delivery up and destruction of the spurious labels, cards, or tickets (*i*), or the production of the goods wrongfully marked, for the

(*a*) In *Glen & Hall Manufacturing Co. v. Hall*, 16 Sickels, 226, a case of the class analogous to trade mark cases, an injunction was granted against the original plaintiffs, on counter-claim. The injunction will be granted, notwithstanding an offer of submission by the defendants: *Geary v. Norton*, 1 De G. & Sm. 9; *Tonge v. Ward*, 21 L. T. N. S. 480.

(*b*) *Guinness v. Heap*, Dig. 617; *McLean v. Fleming*, 96 U. S. Rep. 245; *Frese v. Bachof* (1), 13 Bl. C. U. 234; and see *Reid v. Sibbald*, 18 Journ. of Jurisp. 392.

(*c*) *Guinness v. Heap*, Dig. 617.

(*d*) *Weed v. Peterson*, 12 Abb. Pr. N. S. 178.

(*e*) See *infra*, p. 219.

(*f*) 31 Beav. 292.

(*g*) Unless the defendant can prove that he has bought and re-sold the improperly marked goods without being aware of the true ownership of the trade mark which he is shown to have infringed: *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Moet v. Couston*, 33 Beav. 578.

(*h*) *Neilson v. Betts*, L. R. 6 H. L. 1. See *Leidersdorf v. Flint* (2), 50 Wisc. 401.

(*i*) *Farina v. Silverlock*, 1 K. & J. 509, 6 De G. M. & G. 214, 4 K. & J. 650; *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Apollinaris Co. v. Edwards*, Seton, 4th ed. 237; *Graveley v. Winchester*, *ib.* 257.



purpose of the erasure and cancellation of the spurious marks (a).

While, however, the Court will give protection where it is required, "it must not be forgotten that such protection by injunction when granted is, or may be, attended with loss to the defendant in rendering useless or depreciating in value articles to which the trade mark has already been affixed, and in compelling him otherwise to vary the mode in which he has been carrying on business" (b). And it seems that where it is proved that a defendant has adopted a trade mark in *bona fide* ignorance of its infringing the plaintiff's rights, the Court will be satisfied with the least amount of alteration of the defendant's mark which will effectually distinguish it from the plaintiff's (c).

Consideration shown for innocent infringer.

Sufficient distinction must, however, be made; and in the even harder case, where a man has not affixed the spurious mark to his own goods at all, but has bought goods already stamped with a mark which he did not know to belong to any one, he must submit to an injunction, though he will not have to account for profits, if he does not delay his submission (d). Where, however, A. has, without notice of fraud, advanced money on goods fraudulently marked, he will not be prevented from asserting his rights by reason of the illicit mark (e).

But innocent infringement checked.

In asking for his remedy a plaintiff must not make scandalous and impertinent charges against the defendant. Where such charges were made exceptions for scandal and

Scandal and impertinence.

(a) *Dent v. Turpin*, 2 J. & H. 139; *Upmann v. Elkan*, L. R. 12 Eq. 140, L. R. 7 Ch. 130; *Jurgensen v. Alexander*, 24 How. Pr. 269, R. Cox, 298. In *Meriden Britannia Co. v. Parker*, 39 Conn. 450, 12 Amer. Rep. 401, it was held that goods already stamped might be sold, subject to the remedy at law. See also the Merchandise Marks Act, 1862 (25 & 26 Vict. c. 88), § 21, as to the powers thereby given to the Court.

(b) *Cope v. Evans*, L. R. 18 Eq.

138; and see *Liebig's Extract of Meat Co. v. Hanbury*, 17 L. T. N. S. 298, and *Bass v. Dawber*, 19 *ib.* 626; also *Ransome v. Graham*, 51 L. J. Ch. 897.

(c) *Bass v. Dawber*, 19 L. T. N. S. 626.

(d) *Moet v. Couston*, 33 Beav. 578; *Orr-Ewing v. Choonecoll Mullick*, Cor. 150.

(e) *Ponsardin v. Peto*, 33 Beav. 642. See *Rudderow v. Huntington*, 3 Sand. S. C. 252, R. Cox, 106.

impertinence were allowed (*a*), and under the present practice the defendant would succeed on a motion to strike out such statements, under Order XIX., Rule 27.

Trial without  
a jury appro-  
priate.

The appropriate mode of trial of cases in which, as in most trade mark cases, law and fact are closely united, is by a judge without a jury, and therefore, where a defendant gave notice of trial of a trade mark case before a judge and special jury, it was held that, notwithstanding the notice, the case must be heard without a jury (*b*). If the defendant allows the action to proceed to trial without applying for the questions at issue to be submitted to a jury, it will be too late for him to make such an application when the case comes on for trial (*c*).

Interlocutory  
injunction.

It is usual for the plaintiff in trade mark cases to apply for an interlocutory injunction at an early period. When such an application is to be made, it is the duty of the plaintiff to make it speedily (*d*), and delay on his part in coming to the Court is liable to be construed as signifying that the case is one which he does not consider to be of an urgent nature, and which therefore does not deserve the special favour of the Court (*e*). The plaintiff is, however, entitled to delay long enough to secure the necessary evidence to establish his case (*f*); and even if no interlocutory injunction is asked for, as, for instance, where it is rendered unnecessary by reason of the defendant having discontinued the acts of which the plaintiff is complaining, the plaintiff is not precluded from his right to a perpetual injunction, if in other respects he has such a right (*g*), nor from his right to state, if true,

(*a*) *Christie v. Christie*, L. R. 8 Ch. 499.

(*b*) *Spratt's Patent v. Ward & Co.* 11 Ch. D. 240; *Singer Manufacturing Co. v. Loog* (2), *ib.* 656.

(*c*) *Thomas v. Williams*, 14 Ch. D. 864.

(*d*) Per Sir J. Romilly, M. R., in *Chubb v. Griffiths*, 35 Beav. 127.

(*e*) *Pickford v. Grand Junction Railway Co.*, 3 Railway Cas. 538; *Flavel v. Harrison*, 10 Hare. 467; *Isaacson v. Thompson*, 20 W. R. 196.

(*f*) *Lee v. Haley*, L. R. 5 Ch. 155; *Cave v. Myers*, Dig. 304.

(*g*) *Collins Co. v. Walker*, 7 W. R. 222.



that the defendant is acting without authority in what he is doing (a).

In the older cases (b), the tendency of the Court was to refuse to grant an injunction on an interlocutory application, unless the clearest evidence of the plaintiff's right was producible, but rather to send that right to be tested at Common Law. That course of proceeding being now extinct (c), some relaxation has taken place, and, in particular, where there is reason to suspect intentional deceit on the part of the defendant, much less absolute proof of the plaintiff's title is required (d), and it occasionally happens that after an interlocutory injunction has been granted, it is held at the hearing that the evidence is insufficient to justify any relief being given (e). The interlocutory injunction will, however, not be granted where the defendant has innocently infringed, and has withdrawn the offending articles from sale and offered an undertaking immediately on being served with the writ (f), nor where there is any considerable conflict (g), nor where the

When  
granted.

(a) *Anderson v. Liebig's Extract of Meat Co. Ltd.*, 45 L. T. N. S. 757.

(b) *E.g.*, *Spottiswoode v. Clarke*, 2 Ph. 154; *Stevens v. Keating*, 2 Ph. 333; *Molloy v. Downman*, 3 My. & Cr. 1.

(c) Since Sir John Rolt's Act, 25 & 26 Vict. c. 27.

(d) *Ruddle v. Norman*, L. R. 14 Eq. 348. It has been held in America that a defendant, who demurs on the ground that the two marks are so different as to negative the probability of deception, will be held to admit for the purposes of the demurrer any charges of fraud in the plaintiff's pleadings, and that an injunction will therefore be granted against him: *Enoch Morgan's Sons' Co. v. Hunkele*, 16 U. S. Pat. Gaz. 1092. And if a defendant's defence and counterclaim contain any allegations of fact which the plaintiff does not desire to admit, he must deal specifically with them: *Benbow v. Low* (2), 13 Ch. D. 553.

(e) *E.g.*, in *Degraves v. Whiteman*,

5 Vict. L. R. Eq. 304.

(f) *Caruncho v. Highmoor*, 27 Sol. J. 199.

(g) *Green v. Rooke*, W. N. 1872, p. 49, L. J. Notes of Cases, 1872, p. 54; *Farina v. Cuthery*, L. J. Notes of Cases, 1867, p. 134; *Hennessey v. Rohmann*, 36 L. T. N. S. 51; *Mitchell v. Henry*, 15 Ch. D. 181; *American Grocer Publishing Association v. Grocer Publishing Co.*, 32 N. Y. Sup. Ct. 398; *Witthaus v. Braun*, 44 Md. 303; and other cases. If an interlocutory injunction is asked for on the ground that the defendant claims a right to use the plaintiff's trade mark, but there is evidence that he is not in fact using the mark or threatening an immediate exercise of his alleged right of user, the motion will be ordered to stand to the hearing, as in *Linoleum Manufacturing Co. v. Nairn*, Dig. 536, or refused, with costs, as in *Davis v. Tylor*, M. R., July 27, 1877 ("Ferndale" coal).

plaintiff has been guilty of delay (*a*), and if it is granted the plaintiff will often be required to give an undertaking as to damages (*b*).

Liberty given to move to dissolve.

Where an injunction was granted on motion, but the defendant alleged that he had not had sufficient time to answer the affidavits on the other side, Lord Langdale, M. R., directed that the order should be prefaced by a statement to that effect, and giving the defendant leave to move to dissolve the injunction (*c*).

Form of injunction.

The injunction may be granted in such a form as to restrain the imitation of the general style of the plaintiff's mark, while not interfering with the use of particular features (*d*), or, if granted so as to restrain the use of particular features, it may be limited so as not to interfere with the use of them absolutely and in all events (*e*); or, again, it may be granted in such terms as to restrain any imitation of a composite mark as a whole, or of any of the elements of which it is composed (*f*).

Appeal.

In the case of an appeal delay is no less fatal than in the proceedings in the Court below (*g*); but no appeal ought to be brought from a refusal to grant an interlocutory injunction if the defendant, while refusing to submit to an injunction or to give an undertaking, removes the cause of

(*a*) *Isaacson v. Thompson*, 41 L. J. Ch. 101; *China v. Thomas*, 5 Viet. L. R. Eq. 188. In the Scotch case of *Girvan v. Shepherd*, Court of Session Cases, Third Series, IV. 1028, the plaintiff having by his summons asked for damages and an interdict, the Court refused a motion for an interim interdict, on the ground that the summons was framed on the footing that there was no case for an interim interdict, and that the plaintiff must first establish his right by recovering damages.

(*b*) In *Actien Gesellschaft Apollinaris Brunnen v. Somborn*, 14 Bl. C. C. 380, an American case, a bond was given to secure the possible damages.

(*c*) *Holloway v. Holloway*, 13 Beav. 209.

(*d*) *Compagnie Laferme v. Hendrickx*, Dig. 512; *Wolfe v. Hart*, 4 Viet. L. R. Eq. 125.

(*e*) *Ford v. Foster*, L. R. 7 Ch. 611; *Braham v. Beachim* (1), 7 Ch. D. 848; *Siegert v. Findlater*, 7 Ch. D. 801; *Massam v. Thorley's Cattle Food Co.*, 14 Ch. D. 748; *Dence v. Mason* (1), Dig. 534; *Wheeler v. Johnston*, 3 L. R. Ir. 284.

(*f*) See *India Rubber Comb Co. v. Rubber Comb and Jewelry Co.*, 45 N. Y. Super. Ct. 258.

(*g*) See per Sir J. L. Knight-Bruce, L. J., in *Burgess v. Burgess*, 3 De G. M. & G. 896.



complaint (a). Where an injunction had been granted to restrain the sale by the defendant of "The Original Lazenby's Harvey's Sauce," an appeal against the decision was ordered to be advanced, on the ground of the irreparable damage the continuance of the injunction would occasion (b). It seems that when the Court of Appeal has overruled a demurrer or objection on a point of law, it will not stay the further hearing of the case with the evidence until after an appeal to the House of Lords from this decision on the point of law is decided (c).

Where a defendant in a trade mark action continues to use the prohibited mark, or a mark insufficiently altered from it (d), after an injunction has been issued against him, he renders himself liable to committal (e). In order to support the motion to commit, "it should appear clearly that the ordinary mass of customers, paying that attention which persons usually do in buying the article in question, would be easily deceived" (f). It was said by Lord

Committal  
for contempt.

(a) *Dale v. Smith*, W. N. 1882, p. 145.

(b) *Lazenby v. White*, L. R. 6 Ch. 80.

(c) See *In re Pulmer* (2), 22 Ch. D. 88. In that case the question was with reference to an application to strike a mark off the register.

(d) *Derlin v. Derlin*, 69 N. Y. 212.

(e) *Radjers v. Norcill*, 3 De G. M. & G. 614; *Gillis v. Hall*, R. Cox, 596. On August 8, 1877, V.-C. Malins made an order to commit the defendant in *Dence v. Mason* (Dig. 534), who had, notwithstanding the injunction, continued to sell goods and issue labels using the name "Brand" thus—"Frank Mason & Co.'s ('Brand's') Essence of Beef," and so on. He was discharged on December 18, on undertaking not to use the name "Brand" until the hearing of the action (Dig. 570). In *Derlin v. Derlin*, 69 N. Y. 212, the Supreme Court of New York imposed a fine. In *U. S. v. Roche*, 1 M'Crary, 385, it was held that the declaration that the U. S. Statute of

1870 was invalid did not affect the validity of an injunction granted independently of the Act, and that an attachment must issue against a defendant who had committed breaches of the injunction.

(f) *Swift v. Dey*, 4 Robertson, 611, R. Cox, 319—24; and see per Lord Langdale, M. R., in *Croft v. Day*, 28 Leg. Obs. 378. In *Braham v. Beachim* (1), 7 Ch. D. 848, an injunction was granted to restrain the defendants from calling themselves "The Radstock Colliery Proprietors," or saying that they were the proprietors of collieries at Radstock; and it was afterwards held (*Braham v. Beachim* (2), Dig. 633) that the defendants had committed no breach of the injunction by styling themselves "The Radstock Coal and Waggon Co., Colliery Proprietors, Radstock, Somerset." In *Dence v. Brand*, W. N. 1881, p. 31, it was held that the defendant had not committed a breach of an injunction restraining him from representing

— Langdale, M. R., in *Croft v. Day* (a), that “if the defendants were willing to make a proper distinction, and the plaintiffs refused to attend to their proposal, the Court would itself determine whether the proposed distinction was sufficient.” If the defendant sets up acquiescence on the part of the plaintiff, he must make out a case amounting almost to such a licence as to entitle him to proceed against other infringers, such acquiescence, in fact, as to create a new right in him; and in default of such a licence, the order for committal will be made, unless the defendant satisfies the Court of his intention to use a trade mark which will not interfere with the plaintiff’s rights (b). Where the contempt committed has not been gross, it is usual not to make an actual order for committal, but only to order the person in contempt to pay the costs of the motion for committal, e.g., where an auctioneer, in contempt of an injunction, offered for sale “Vanity Fair” cigarettes, supposing the notice of motion served on him not to be properly authenticated, but did not actually effect any sale, V.-C. Malins made no order for committal, on his apologizing, submitting to the injunction, and paying all the costs (c). But a defendant can only be ordered to pay the costs of a motion for committal, if his conduct has been such that a committal might have been ordered (d). Where an injunction had been granted to restrain the infringement of a mark on cotton, in which a conspicuous feature consisted of a cross, from which the cotton had become known as “Cross Cotton,” and the defendant adopted an altered label, containing the words “Cross Cotton,” and otherwise calculated to deceive, Wood, V.-C., refused to order a committal, on the ground that the defendant had ingeniously avoided committing a breach of

that he was the original inventor of essence of beef by stating that he was the original manufacturer of that article.

(a) 28 Leg. Obs. 378.

(b) *Roljers v. Nowill*, 3 De G.

M. & G. 614.

(c) *Marcovitch v. Bramble*, *Wilkins & Co.*, Dig. 595.

(d) *Dence v. Brand*, W. N. 1881, p. 31.



the injunction, and that the plaintiff had delayed to enforce his right for fifteen months; but he enlarged the terms of the injunction so as to effectually put a stop to the new fraud, and ordered the defendant to pay all the costs (a). Sometimes an application is made to commit the editor or publisher of a newspaper on the ground that he has published something prejudicial to the fair trial of a pending action for infringement; but such a motion in *Singer Manufacturing Co. v. Loog* (b), based on a newspaper paragraph stating that further proceedings would be taken on the conclusion of the action, was refused, on the ground that the paragraph would have no influence on the trial of the action.

Where an injunction had been granted without opposition by the defendant, the Superior Court of New York refused a motion by the defendant's administratrix to have the action continued against her, on the ground that it was not shown that the defendant had acquired any rights in the litigation, or that his estate would be prejudiced by the action not being continued (c). Action not continued.

It has sometimes happened that more marks than one have been used by a person on his goods, the infringement of either of which would be visited by the Court with the penalties at its command. Thus, where A.'s soft soap was denoted, not only by a specific device, but also by the name "Excelsior," it was held that the infringement of the latter alone was punishable by the Court, the Vice-Chancellor remarking that he could not hold it to be any justification for a defendant to say that the plaintiff had two ways of identifying the goods, and he (the defendant) had only stolen one (d). And so in *Wheeler v. Johnston* (e), the V.-C. of Ireland said that "a man may have two, or three, or more trade marks, which he Where two marks used.

(a) *Cartier v. May*, Dig. 200.

(b) Dig. 635.

(c) *Republic of Peru v. Reeves*, 40 N. Y. Super. Ct. 316.

(d) *Braham v. Bustard*, 1 H. & M.

447.

(e) 3 L. R. Ir. 284.

may put on his goods as he likes." But where it was shown that the goods to which a certain mark was affixed were known by a distinct name, and not by the mark, and the mark was not commonly used by the plaintiff before bill filed, the injunction was refused (a).

Name used  
with trade  
mark.

Moreover, the habitual use of his own name in combination with his verbal trade mark by the manufacturer of the "Eureka" shirts was held not to disentitle him to relief against defendants who had made use of the word "Eureka," though in combination with the name of their own firm (b). But where the name is the only distinctive part of the mark, and that is not taken, no injunction will be granted in respect of the use by the defendant of a non-distinctive part of the mark. There has, in fact, been no infringement (c).

*Singer Mfg.  
Co v. Wilson.*

Where, however, a manufacturing company affixed their special device to their machines, and also their name, the Master of the Rolls and Court of Appeal declined to restrain another company who manufactured similar goods bearing their own mark and name, but did not affix to them the plaintiffs' name, from using the plaintiffs' name as descriptive of the principle on which the machines were constructed (d); and this part of the decision was not disapproved by the House of Lords when they remitted to the Court below that question whether the name was in fact descriptive of the principle of the machines, which was

(a) *Wilson v. Maxfield*, L. J., N. of C. 1875, p. 51. This was before the Trade Marks Registration Act, 1875, was passed.

(b) *Ford v. Foster*, L. R. 7 Ch. 611. So in *Reinhardt v. Spalding*, 49 L. J. Ch. 57; and *Hoby v. Grosvenor Library Co.*, 28 W. R. 386.

(c) *E.g.*, it was held in Scotland that the fact that one firm called their goods "Wotherspoon's Victoria Lozenges," could not prevent another firm from styling theirs "Gray's Victoria Lozenges": *Wotherspoon v. Gray*,

Court of Session Cases, 3rd Series, II. 38. So in the United States Patent Office, it was held that the use of the words "Pfeiffer's Egg Macaroni," before the United States Act of 1870, did not entitle the applicants to sever the mark and register the descriptive words "Egg Macaroni" alone, without the name, as having been a lawful trade mark at that time: *In re Dole Brothers*, 12 U. S. Pat. Gaz. 939.

(d) *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434.



afterwards decided against the plaintiffs in *Singer Manufacturing Co. v. Loog* (a).

Courts of Equity have sometimes had to decide somewhat nice questions as to who should be recognised as having a right to protection in Equity in respect of a trade mark, such questions being usually raised by the right of the plaintiff in an action to restrain infringement being contested. Questions of title to trade marks.

In *Motley v. Downman* (b), Lord Cottenham, C., was of opinion that a trade mark habitually applied to the iron manufactured at certain works, could not be sold with the business by the tenants of the works, so as to give the purchasers an exclusive right as against the landlord of the works, or as against tenants of the works who had leased them after the purchasers of the business and trade mark had removed from those works, and gone elsewhere. Between landlord and tenant of iron works.

In another case (c) A., having for some time leased certain brick works, and also certain mines, from which fire-clay was taken for manufacture at the works, removed his business elsewhere, whereupon B. commenced business at the brick works in question, but did not lease the same mines. A. having filed a bill against B., as fraudulently representing (in effect) that the latter had succeeded to his business, Vice-Chancellor Wood, in the course of his judgment in favour of the plaintiff, took occasion to intimate that it would have been almost a matter of course to have granted an injunction to the owner of the mines of fire-clay used by A. but not by B., if he had made application for it. This was, indeed, rather a case of fraudulent misrepresentation than of trade mark. Successive lessees of brick works.

Where manufacturers of cotton cloths which were afterwards printed elsewhere sought to restrain other manufacturers who made and printed similar cloths, and Manufacturer and printer of cotton goods.

(a) 8 App. Cas. 15.

(b) 3 My. & Cr. 1. See *Dickson v. McMaster & Co.*, 18 Ir. Jur. 202.

(c) *Harper v. Pearson*, 3 L. T. N.

S. 547. And see *Carmichel v. Latimer*, 11 R. I. 395, and *Armstrong v. Kleinhaus*, 1 Ky. L. Rep. 112.

marked them similarly to the goods made by the plaintiffs, it was held that the mark on the plaintiffs' goods were indicative of the printer and not of the manufacturer (a). And in *Wamsutta Mills v. Allen* (b), it was held that muslin manufacturers were entitled to restrain the use of a colourable imitation of their mark on shirts made from inferior muslin, which might, from the mark, have been identified with their manufacture.

Principal and agent.

Where a London tradesman, who dealt in goods supplied to him by a foreign manufacturer, had invented a trade mark for those goods which stated the name of the foreign manufacturer, but made no reference to the London vendor, it was held by the Master of the Rolls that the latter could not restrain the use of the mark by a subsequent consignee of the same goods, though if the trade mark had referred to the goods having been of his selection, the case might have been different (c).

Manufacturer and exporter.

In another case (d), a combination mark, which was used on cotton goods manufactured by Ward, and consigned through Robinson, the exporting agent, to Galbraith, the merchant, at Rangoon, consisted of five separate stamps or labels, of which three had been used separately by Robinson, one (in a slightly different form) by Robinson and Galbraith, and the remaining one was used for the first time by the three on the goods which passed through the course of dealing above stated, and it was held on appeal that neither Ward nor Robinson had such an exclusive right to the combination as to be entitled to restrain the other from using it. And there are other cases in

(a) *Amoskag Manufacturing Co. v. Garner*, 55 Barb. 151, R. Cox, 541; and see *In re Sykes*, 43 L. T. N. S. 626. But see *Amoskag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298.

(b) 12 Phila. 535.

(c) *Hirsch v. Jonas*, 3 Ch. D. 584. See *Dence v. Mason* (1), Dig. 534; *Swift v. Peters*, 11 U. S. Pat. Gaz.

1110; and *McLean v. Fleming*, 96 U. S. Rep. 245.

(d) *Robinson v. Finlay*, 9 Ch. D. 487. In this case Bacon, V.-C. had held that the mark belonged to the exporter, and it seems that this may be so in a proper case. In *Godillot v. Hazard*, 81 N. Y. 263, the importer was recognised as the proprietor of the mark.



which both parties have been held to be entitled by long user to use the same mark (a); but for this to be so the user must have been substantial (b).

In *Winsor v. Clyde* (c), it was held that a firm 'who had carried on business as shippers of merchandise by ships which they did not own, but of which they had the entire management while loading and unloading, &c., and who had denominated each line of vessels used by them and plying in a particular direction by the name of "The Keystone Line for ———," had acquired a right of property in the name, and were entitled to restrain the use of the name by another firm who owned the ships employed by the former firm for a certain period on one of their lines, after the termination of the connection, the latter firm having had at best a revocable licence to use the name.

Again, in *Cotton v. Gillard* (d), it was decided by the Master of the Rolls that a man had no right to use a trade mark applied to a sauce with the composition of which he was unacquainted, even though he had, as he believed, bought that right from the person entitled to the same; it followed that he could not prevent its use by the person acquainted with the secret, of which he had in fact been the inventor. But it has been held in America (e) that a person who has been accustomed to manufacture for another, in accordance with the latter's instructions, may receive an assignment of the trade mark which has been habitually used on the goods so manufactured. And it seems that where an article known by a particular name or mark has been manufactured by partners, of whom one has been acquainted with the secret of the process and the

Shipper and  
shipowner.

Secret recipe.

(a) *Day v. Neale*, V. C. B., May 24, 1881; *Benbow v. Low* (4), 44 L. T. N. S. 875; and other cases cited at p. 97, note (b).

(b) *In re Holton & Co.*, 26 Sol. J. 43.

(c) 9 Phila. 513.

(d) 44 L. J. Ch. 90. Compare *Coffeen v. Brunton*, 5 McLean, 256, R. Cox, 132; *Taylor v. Bemis*, 4 Biss. 406.

(e) *Witthaus v. Braun*, 44 Md. 303. See *Helmhold v. Helmhold Manufacturing Co.*, 53 How. Pr. 452.

other not, the former cannot, after the dissolution of the partnership, restrain the other from using the name or mark, for the right therein of the one partner is equal to that of the other (a).

Registered  
trade marks.

With respect to registered trade marks, such difficulties can hardly arise in the future, since it is the registered proprietor who has, *prima facie*, the exclusive right to the mark, and after five years has that right conclusively (b). It is, therefore, of great importance that the registration should be effected in a form which will recognise all existing rights. Thus, in *Ex parte Hemming & Son* (c), in which recent occupiers of a needle mill were registering the name of the mill as their trade mark, a note was appended to the entry on the register, stating that the registered proprietors did not claim the exclusive right to the use of the name so as to prevent the owner or occupier for the time being from using the name for any legitimate purpose.

More than one  
proprietor.

It occasionally happens that a trade mark becomes vested in more than one person. The question then arises whether either of these is entitled to succeed in a suit against an infringer, to which the other person entitled is not a party. In a case of this description, Sir L. Shadwell, V.-C., gave it as his opinion, that whether the plaintiff had the right in himself, or jointly with some other persons, he still had sufficient right to bring forward the case (d). In *Dent v. Turpin* (e), Sir W. P. Wood, V.-C., decided in

(a) *Weston v. Ketcham* (1) and (2), 39 N. Y. Super. Ct. 54; 51 How. Pr. 455; and see *Manhattan Medicine Co. v. Wood*, 4 Cliff. 461.

(b) Patents Act, 1883, § 76. In the Scotch case of *Dunnachie v. Young & Sons*, Ct. Sess. Cas. 4th ser. X. 874, the name "Glenboig" was used and registered by two companies trading as brickmakers on the Glenboig estate for the bricks made there, and a third firm carrying on the same business in the

neighbourhood of the Glenboig estate began to use the name, alleging that it was descriptive of all bricks made of the seam of clay which ran through the Glenboig estate, and which they alleged that they were working. The Court of Session, however, decided against this contention, and granted an interdict at the suit of the two companies.

(c) M. R., April 27, 1881.

(d) *Hine v. Lart*, 10 Jur. 106.

(e) 2 J. & H. 139.



accordance with this view, saying that the plaintiff had a clear right to an injunction and the erasure of the spurious marks, without making the other person interested a party, while as to the account, only the plaintiff's share having been prayed for, that, though it might be difficult to ascertain, was yet ascertainable. In any case, the wrongdoer had no right to complain of any technical difficulty arising from his own wrongful act, though the result was to involve him in two suits instead of one. In *Southorn v. Reynolds* (a), he decided in the same way, saying that his previous decision had not been interfered with (b). So, in the Scotch case of *Dunnachie v. Young & Sons* (c), the name "Glenboig" was used and registered as the trade mark of one company, and as part of the trade mark of another company, and an interdict was granted in an action in which the two companies were co-plaintiffs, to restrain the use of the name by a third company.

It seems that where the use of a trade mark is improperly secured for himself by one member of a partnership, he being bound to obtain it for the partnership, he will be held to be a trustee of it for the benefit of the partnership (d). Partnership  
trade mark.

In *Delondre v. Shaw* (e), it was held that, inasmuch as one of the plaintiffs had no interest in the account (f), he *Delondre v.  
Shaw.*

(a) 12 L. T. N. S. 75.

(b) And see *Leather Cloth Co., v. American Leather Cloth Co.*, 1 H. & M. 271; and *Newman v. Alvord*, 49 Barb. 588; R. Cox, 404; 6 Sickels, 189; and consider *Robinson v. Pinloy*, 9 Ch. D. 487.

(c) Ct. Sess. Cas. 4th ser. X. 874.

(d) *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54; and see *Ex parte Lawrence Bros.*, 44 L. T. N. S. 98; *In re Rust & Co.*, *ib.*, 98; and *In re Farina* (4), *ib.* 99.

(e) 2 Sim. 237; and see *Page v. Townsend*, 5 Sim. 395.

(f) It should be observed that the reason given by Mr. Bickersteth

(afterwards Lord Langdale and M.R.), who argued the case, for the joinder of Pelletier as a co-plaintiff, was that though having no interest in the medicine, he yet was entitled to prevent his name being used. It is further to be observed, that the subsequent decision of Lord Langdale, in *Clark v. Freeman*, 11 Beav. 112, does not conflict with the position taken up by him in *Delondre v. Shaw*, since Pelletier not only manufactured the medicine, but supplied it to Delondre, so that he had a pecuniary interest in the maintenance of his reputation. *Clark v. Freeman* was decided on the point that the

was improperly joined as a co-plaintiff, the injunction being thus made ancillary to the account. In *Farina v. Silverlock* (a), the same question was raised, but without success, and no such objection would prevail at the present day (b).

Prize  
medallist.

In *Batty v. Hill* (c), an attempt was made by a prize medallist at the Exhibition of 1862, to restrain the use by the defendant, who had not been awarded a medal, of a label which had been prepared before the award, bearing the words "Prize Medal, 1862." The Vice-Chancellor was, however, of opinion that he could not interfere merely on the ground of a misrepresentation, and that the plaintiff was not entitled to claim the label as a trade mark for various reasons, among which was the fact that whatever rights the plaintiff could have must be shared with all those who had been awarded medals (d).

Infringement  
by servants.

The person sought to be enjoined in a trade mark case is commonly a rival manufacturer, who is using the spurious mark to promote the sale of his own commodities. The fact that the fraud has been committed by a servant of the trader makes no difference, for principals "are bound to know what their agents do, and if they do not know, they are responsible exactly as if they did know." Hence, where a defendant's manager had affixed to his master's goods, without the knowledge of the latter, as he alleged, a ticket infringing the rights of the plaintiff, an injunction was

plaintiff did not manufacture or sell pills.

(a) 1 K. & J. 509; 6 De G. M. & G. 214; 4 K. & J. 650.

(b) In *Millington v. Fox*, 3 My. & Cr. 338, the account was waived; and see *McAndrew v. Bassett*, 4 De G. J. & S. 380; *Leather Cloth Co. v. American Leather Cloth Co.*, *ib.* 137; *Barnett v. Leuchars*, 13 L. T. N. S. 495; and many other cases.

(c) 1 H. & M. 264.

(d) See Exhibition Medals Act, 1863 (26 & 27 Vict. c. 119); also *Taylor v. Gillies*, 14 Sickels, 331; and *Roper's, &c. Co. v. Copeman's, &c. Association, Ltd.*, 28 Sol. J. 218. But representations of prize medals have been registered as parts of all combination marks, both in England (see *In re Brook*, 26 W. R. 791, and *In re Farina* (2), 27 W. R. 456) and in America (see *In re Bush & Co.*, 10 U. S. Pat. Gaz. 164).



granted against the master, with costs (a). And, similarly, where a clerk had sold goods in a spurious wrapper, with a verbal representation that the goods and wrapper were genuine (b).

And English agents of foreign traders will be restrained Agents from selling goods received from their principals falsely marked, to the injury of other manufacturers (c). And similarly in America, with American agents of foreign manufacturers (d). So, too, commission merchants, selling with the knowledge that the goods they sell are so marked as to deceive (e).

The remedy will, however, not only be awarded against Engravers such persons as are to profit directly by the perpetration of a fraud, but also against all who connect themselves with and assist in the same. Thus, persons who engrave or print a trade mark for one not entitled to use it may be restrained.

In *Guinness v. Ullmer* (f), where the defendants had supplied to one Taylor blocks engraved with the main part of the plaintiffs' trade mark, including their names, from which blocks Taylor had printed labels similar to the plaintiffs', the Vice-Chancellor of England, Sir L. Shadwell, was of opinion, that, as the matter complained of could not have happened without the prints which had been made from the blocks, the defendants had made themselves ancillary to the piracy, and he accordingly granted the injunction. It had been contended for the defendants that it had been only with a part of the plaintiffs' mark that they had been concerned; but the Vice-Chancellor thought that if a thing contained twenty-five parts, and one only was taken, such an imitation would be sufficient

(a) *Tonje v. Ward*, 21 L. T. N. S. 480; and see *Ticentische Sloom Bleek-erj Gooz v. Ellinger & Co.*, 26 W. R. 70.

(b) *Low v. Hart*, 90 N. Y. 457.

(c) *Farina v. Cathery*, L. J. Notes of Cases, 1867, p. 134; *Siebert v.*

*Findlater*, 7 Ch. D. 801; and see *Siebert v. Ehlers*, Dig. 432.

(d) *Roberts v. Sheldon*, 8 Biss. 398.

(e) *Conte v. Holbrook*, 2 Sandf. 586, R. Cox, 20.

(f) 10 L. T. (Old Series), 127.

to contribute to a deception, and that the law would hold those responsible who had contributed to the fraud. In *Farina v. Shaw* (a), and *Farina v. Silverlock* (b), injunctions were granted to restrain the printing of labels similar to those used by the plaintiff. In the latter case, on appeal (c), Lord Cranworth, C., dissolved the injunction, and sent the right to be tried at law (d); but this can no longer be done (e).

Spurious goods  
in innocent  
hands.

A different combination of circumstances arises when the goods improperly marked are in the charge of an innocent third party, for purposes of conveyance, storage, or the like. In such a case, although that person be merely a carrier receiving goods, which, though fraudulently marked, are not for his own use, nor to be sold by him for his own benefit, but have been received by him merely for the purpose of transmission to the persons to whom they are consigned, yet an injunction will issue to restrain the defendant from parting with the goods spuriously marked (f). "It is the duty of the person in charge of the marked goods at once to give all the information required, and to undertake that the goods shall not be removed or dealt with, unless the spurious brand has been removed, and to offer to give all facilities to the person injured for that purpose." He should also on discovering the fraud at once inform his correspondent abroad (g). If, on the other hand, the carrier declines to give information required by the injured party for the purpose of an action against the author of the fraud, even after the marked goods have passed out of his control, the

(a) Decided by V.-C. Parker, and referred to in *Farina v. Silverlock*, 1 K. & J. 509—12. See 3 Eq. Rep. 886—90.

(b) 1 K. & J. 509.

(c) 6 De G. M. & G. 214.

(d) Where the plaintiff obtained a verdict. See 4 K. & J. 650.

(e) 25 & 26 Vict. c. 27.

(f) *Upmann v. Elkan*, L. R. 12 Eq. 140; L. R. 7 Ch. 130; and see *Rivero v. Norris*, Seton, 4th ed. 236; *Del Valle v. Mayer*, *ib.*; *Moet v. Pickering*, 8 Ch. D. 372.

(g) Per Sir J. Romilly, M. R., and Lord Hatherley, C., in *Upmann v. Elkan*, L. R. 12 Eq. 140, and L. R. 7 Ch. 130.



person injured is entitled to succeed in an action brought against him to compel discovery (a). Supposing the carrier, &c., to give the required information and undertaking, and to seek to facilitate the proceedings, then, "if after that the person injured files a bill, though he will be entitled to all that he seeks in the shape of relief, as he might have got it all without suit, he will not get from the defendants the costs of the suit, and he may have to pay them (b). On the fact of the fraudulent mark being discovered, it is no redress for the carrier, &c., to send back the goods, or to offer to do so, for that would only put it in the power of the consignor to repeat his fraud; but if the carrier, &c., offers as an alternative to erase the mark, he has done all he can be reasonably required to do" (c).

Where wines bearing a spurious trade mark were in the custody of a dock company, and an innocent third party had advanced money on the security of the wines, it was ordered by Sir J. Romilly, M. R., that the wines should be delivered to the mortgagee, on the spurious brands being removed and destroyed (d). Innocent mortgagee.

In *Moet v. Pickering* (e) wharfingers were in possession of wines spuriously branded, but they had no knowledge that the brand was spurious, and they offered to act with respect to the wine as the Court should direct, upon having their charges and costs paid or provided for. The Court of Appeal held that they were entitled to a lien on the wine for their charges, and that, even if the plaintiffs in the action for infringement were entitled to any lien on the wine for their costs, which was doubted, that lien must at all events be postponed to that of the wharfingers; and Wharfinger's lien.

(a) *Orr v. Diaper*, 4 Ch. D. 92.

(b) *Upmann v. Elkan*, L. R. 12 Eq. 140. See *Moet v. Pickering*, 8 Ch. D. 372; and *Upmann v. Forester*, 24 Ch. D. 231.

(c) Per Lord Hatherley, C., in *Upmann v. Elkan*, L. R. 7 Ch. 130.

(d) *Ponsardin v. Peto*, 33 Beav. 642.

(e) 6 Ch. D. 770; S *ib.* 372.

the Court also held that the latter had not done anything to disentitle them to their costs, which must be paid in both Courts by the plaintiffs.

Warehousemen.

In *Hunt v. Maniere* (a), where warehousemen, at the request of the owners of a certain brand on wines, refused to deliver (b) to the indorsee of the dock warrants wines improperly marked with that brand, Sir J. Romilly, M.R., restrained the indorsee from proceeding with an action at law against the warehousemen for their refusal. The jurisdiction of the old Court of Chancery to restrain actions at law is now gone, but the warehousemen would have a good defence in the Common Law Divisions to an action there commenced (c).

Questions of contract.

In exercising its jurisdiction to restrain breach, and enforce specific performance of contract, the Court has sometimes had to deal with questions of trade mark, or akin thereto. Thus, where an injunction was granted to restrain the use of a man's name (d) otherwise than in accordance with a contract into which he had entered, or of an initial (e), or of the name of a business (f), or of a singer's voice (g), or of a publication (h).

*Steinthal v. Samson.*

Where, among other symbols, the arms, crest, and motto (the latter being the word "Excelsior") of one of the partners were used as trade marks of a partnership, and on dissolution of the partnership it was agreed that the other partner might use all the trade marks of the firm, except such private arms, crest, and motto, it was held that no breach of the agreement had been committed by

(a) 34 Beav. 157.

(b) On the same day, but subsequently, an injunction was granted to restrain them from doing so.

(c) Judicature Act, 1873, § 24.

(d) *Ainsworth v. Bentley*, 14 W. R. 630; *Ward v. Beeton*, L. R. 19 Eq. 207; *Probasco v. Bouyon*, 1 Mo. App. 241.

(e) *Tudor v. Tudor*, W. N. 1873, p. 72; *Pullwool v. Pullwool*, 9 Ch. D. 176.

(f) *Hagg v. Darley*, 47 L. J. Ch. 567 ("Old Government Sanitary Company"); and see *McGowan Brothers Pump & Machine Co. v. McGowan*, 2 Cinc. 313.

(g) *Lumley v. Wagner*, 5 De G. & Sm. 485; 1 De G. M. & G. 604; and see *Ainsworth v. Walmaley*, L. R. 1 Eq. 518, as to a singer's voice.

(h) *Cloves v. Hogg*, W. N. 1870 p. 268.



the continuing partner in using the word "Excelsior," apart from the arms and crest, on some of his goods, since it had been so used alone previously as a trade mark, and it was not then used as a motto, but as a trade mark (a).

In *Barrows v. Pelsall Coal and Iron Co.* (b), the plaintiffs used a trade mark consisting of the letters "B. B. H." in Roman type, with a crown, and the defendants, who had compromised a suit commenced for the purpose of restraining them from using the letters "B. B. S.," also in Roman type, with a crown, by undertaking to discontinue the use of the mark, were restrained by injunction from committing a breach of the contract by applying to register the letters "B. B. S." in italics, with a crown.

*Barrows v. Pelsall Coal and Iron Co.*

The Court will not specifically enforce an agreement the object of which is to defraud the public by putting goods spuriously marked on the market (c), nor will it protect a person who has used his trade mark on spurious as well as on genuine goods (d), or has intended to commit fraud by buying the right to stamp on his own goods the name of another person who has acquired a reputation in the trade (e). And where an action for damages was brought against a person who had filled with inferior seed seed-bags which he had bought from the plaintiffs, marked with their labels, it was held on demurrer that the plaintiffs, having knowingly been parties to a fraud upon the public, were not entitled to recover (f).

Fraudulent agreement.

"Where the manufacture of a person or firm," said Cotton, L. J., in *Johnson v. Raylton* (g), "has acquired with the public a name or reputation, as Broadwood's or Erard's pianos, Purday's or Lancaster's guns, a purchaser from them of articles of which they are the makers is entitled to

Contract with trade mark owner for purchase of goods.

(a) *Steinthal v. Samson*, Dig. 546.

(b) Dig. 530.

(c) *Oldham v. James*, 13 Ir. Ch. 393; 14 *ib.* 81.

(d) *Manhattan Medicine Co. v. Wood*, 4 Cliff. 461.

(e) *Samuel v. Berger*, 24 Barb. 163;

R. Cox, 178. See *Rodgers v. Philp*, 1 U. S. Pat. Gaz. 29; *In re Tolle*, 2 *ib.* 415.

(f) *Bloss v. Bloomer*, 23 Barb. 604;

R. Cox, 200.

(g) 7 Q. B. D. 438.

refuse any not made by the firm with whom he contracts. In such a case the purchaser relies on reputation or public opinion that the maker to whom he goes supplies good articles. In other cases, where a man contracts with a particular firm of makers for goods such as they make, in the absence of evidence that in the particular trade, or as regards particular goods, there is a known practice that a maker of whom the goods are ordered is at liberty, in the absence of such a stipulation, to supply goods of the kind, though made by other firms, I should come to the conclusion that the purchaser is induced to go to the particular firm of manufacturers by his reliance, in part at least, on the opinion which he forms, either on his own experience or from information of others, as to the average or general excellence of the goods which are manufactured by them. He is trusting to his own experience, or to that of his friends, as a purchaser who goes to a firm which has acquired a public reputation trusts to the opinion of the public." So that where a manufacturer has contracted to sell goods of his own manufacture and bearing his trade mark, the purchaser is justified in refusing to accept other goods, though of the same quality. But it seems that if what is wanted is the particular manufacturer's trade mark on the goods, as a guarantee of quality, the proprietor of the mark is justified in placing that mark on goods not of his own make, since by so doing he makes himself responsible for the quality of them, just as if he had made them himself (a).

Contract for purchase of goods with a specified mark.

Where a contract has been entered into for the purchase of goods of a particular stamp, the question arises whether the stamp was specified as indicative of a particular quality, or as possessing some value in itself, so that the goods would be of less value if stamped differently. Thus, in *Hopkins v. Hitchcock* (b), where iron stamped with "S. & H." and a crown had been contracted for, and iron

(a) See per Brett, L. J., in S. C.

(b) 14 C. B. N. S. 65.



stamped with "H. & Co." and a crown was supplied, the firm having become differently constituted, and having consequently marked their iron of the quality originally denoted by the former brand with the latter stamp in substitution for the former, it was decided that the contract turned upon the quality of the iron, and not upon the brand (a); if, however, the brand had possessed a special value, and the object of the purchase had been to resell the iron at a price which would have had to be lowered in the absence of the special mark, or even if it had been clear that the defendant had contracted for the brand for its own sake, and not as indicative of quality, it seems that the decision would have been the other way. Such questions must, however, depend in each case upon the terms in which the intention of the contracting parties is expressed; and it seems that a contract to supply goods bearing a particular trade mark may be implied from that trade mark being printed at the head of the order form (b).

In the case of paintings, described in a catalogue as being the work of Claude Lorraine and Teniers, it was held by Lord Kenyon, C. J., that the description was merely an expression of the vendor's opinion, and not a warranty of the authenticity of the paintings (c); in a similar case, however, where the painter was said to be Canaletto, it was held by the Court of King's Bench to be for the jury to say whether or not the description amounted to a warranty (d). The paintings being so much more modern, it was more reasonable in this case to suppose that the vendor intended to make an assertion as to the fact of their authenticity, as within his own knowledge.

Painter's  
name on  
paintings.

(a) Compare *Nichol v. Godts*, 10 Ex. 191. Similarly, in *Gillespie & Co. v. Marshall*, Dig. 648, the question was discussed whether a contract to supply "Marshall's Canada Plates" was performed by the delivery of plates such as were usually supplied by Marshall, but which

were not "Canada Plates" in the strict commercial sense.

(b) *Johnson v. Raylton*, 7 Q. B. D. 438.

(c) *Jendwine v. Slade*, 2 Esp. N. P. C. 572.

(d) *Power v. Barham*, 4 Ad. & E. 473.

Merchandise  
Marks Act.

By the Merchandise Marks Act, 1862, any person selling or contracting to sell any article bearing a trade mark (*a*), or any description, &c., of its number, quantity, measure, weight, or place of production (*b*), is held to warrant the genuineness of the trade mark, or the correctness of the description, &c., unless he expresses the contrary in signed writing, delivered to and accepted by the vendee.

By § 21 the Court has power to direct the destruction or other disposal of goods wrongfully marked, to award an injunction, and to make an order for inspection.

— By § 11 the punishment of an offender under that Act does not take away the civil remedy to which any person aggrieved by his conduct is entitled.

Risks incurred  
by infringe-  
ment.

— That under some circumstances an infringement of another person's trade mark may expose the infringer to liabilities even beyond those involved in an action brought to restrain the wrong, appears from the Victorian case of *In re Brebner* (*c*), in which an insolvent, who had wasted his means in litigation occasioned by his having infringed a trade mark, had his certificate suspended for a year.

(*a*) 25 & 26 Vict. c. 88, § 19.  
(*b*) *Ib.* § 20.

(*c*) 2 W. & W. 12.



## CHAPTER VII.

### THE CIVIL REMEDY. II.

#### DEFENCES, DISCOVERY AND INSPECTION, ACCOUNT, DAMAGES, COSTS.

##### *Defences.*

THE possible defences to an action to restrain an infringement of trade mark are numerous, some being of a somewhat special character. The following are some of the most important.

##### 1. *Non-infringement.*

The first and usual defence is that the conduct on the part of the defendant, of which the plaintiff complains, has not been, in fact, such as to have for its object or its result the appropriation by the defendant of what was the plaintiff's due, the fruits of his enterprise and reputation; shortly, that the defendant has not infringed (a).

1. Non-infringement.

##### 2. *Plaintiff's Trade Mark bad in itself.*

This defence must for the future be founded mainly on the definition of a trade mark in § 64 of the Patents Act, 1883 (b). A *quasi* trade mark adopted since August 13th, 1875, which possesses none of the essential par-

2. Plaintiff's trade mark bad.

(a) *E.g.*, *Crawshay v. Thompson*, 4 Man. & G. 357; *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Blackwell v. Crabb*, 36 L. J. Ch. 504; *Wother- spoon v. Currie*, L. R. 5 H. L. 508; *Blackwell v. Wright*, 73 N. Car. 310.  
(b) 46 & 47 Vict. c. 57.

— particulars therein enumerated, or one used before the date above mentioned which contains no special and distinctive feature, even though it should, by some oversight, obtain registration, will yet be incapable of protection. Both in § 3 of the Act of 1875, and in § 76 of the Act of 1883, the exclusive right for which provision is made relates to the use of “a trade mark,” and it cannot be that that which the Act, by excluding it from the definition of “a trade mark,” declares not to be a trade mark for the purposes of the Act, can yet participate in the privileges which are conferred on trade marks which the Act recognises. The process of registration, whether for five years or for any shorter period, cannot make that a trade mark which does not contain at least one of the elements declared by the definition clause to be essential, unless the definition clause is to be entirely disregarded. This view was upheld by the Court of Appeal in *In re Palmer* (1) (a), in which the late Master of the Rolls fully discussed the point, and Lindley, L. J., said that “after careful examination of §§ 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.” And the same conclusion has been arrived at in America under the United States Statute (b). Thus, any mere letters or numerals not used as a trade mark before the passing of the Act cannot be registered (c), or if registered, could not be upheld as a valid trade mark. Thus, too, at no time could a mere adjective used in its ordinary sense be protected, as the word “nourishing” applied to stout (d), “superfine” or “superior” to soap (e). So, too, any scandalous design (f).

(a) 21 Ch. D. 47.

(b) *Moorman v. Hoge*, 2 Sawy. 78.

(c) See *Ex parte Stephens*, 3 Ch. D. 659, and *Rose v. Evans*, 48 L. J. Ch. 618.

(d) *Ruggett v. Findlater*, L. R. 17

Eq. 29.

(e) *Braham v. Bustard*, 1 H. & M. 447; *Spottiswoode v. Clarke*, 1 G. Coop. 254; *Gillott v. Esterbrook*, R. Cox, 353.

(f) See § 73 of the Act of 1883.



### 3. *No Registration or Certificate of Non-registration.*

The trade mark, so called, may present some one or more of the essential particulars required by the Act, and may not be objectionable in itself, but yet the fact of non-registration under the Acts will, if it is a new mark, effectually debar the person who has used it from obtaining the injunction, which would otherwise be awarded as a matter of course (a). And this is so, even though the trade mark owner has taken all steps in his power to protect his rights, and the Patent Office is responsible for the delay (b). If it is an old mark, a certificate of refusal to register will preserve the existing right to protection (c). However, it does not at all appear that, when a case of actual intentional fraud can be proved, there is anything in the Acts to prevent proof of imitation of marks, though unregistered, &c., being given as corroborative evidence of the fraud (d). In such a case the state of things would be similar to that in which it is a mode of packing that has been imitated (e). The injunction which would not be granted to restrain the infringement of the unregistered and uncertified trade mark would, as it seems, be granted to restrain the intentional fraud, in which the imitation of marks was a mere incident.

3. No registration or certificate.

### 4. *The Plaintiff not the Registered Proprietor.*

By § 76 of the Act of 1883 (f), it is provided that 4. Plaintiff

(a) See Patents Act of 1883, § 77. Registration is "a condition precedent to suing." Per Chitty, J., in *Monson v. Boehm*, 28 Sol. J. 361. It does not appear that in America it is equally essential to have obtained registration. See *Rodgers v. Philp*, 1 U. S. Pat. Gaz. 29.

(b) *Hazzopulo v. Kaufmann*, 23 Sol. J. 819.

(c) See per Lord Blackburn in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 498. In *Orr-Ewing & Co. v. Johnston & Co.*, 13 Ch. D. 434,

a certificate of registration or of refusal to register does not appear to have been called for.

(d) The late Master of the Rolls has intimated from the bench that this view is correct; and see per Pearson, J., in *In re Riviere & Co.*, W. N. 1884, p. 75.

(e) *Wollam v. Ratcliff*, 1 H. & M. 259; *Edelsten v. Vick*, 11 Hare, 78; *Frese v. Bachof* (2), 14 Bl. C. C. 432; *Orr v. Diaper*, 4 Ch. D. 92.

(f) 46 & 47 Vict. c. 57, § 76.

not the  
registered  
proprietor.

“the registration of a person as proprietor of a trade mark shall be *prima facie* evidence of his right to the exclusive use of the trade mark, and shall, after the expiration of five years from the date of the registration, be conclusive evidence of his right to the exclusive use of the trade mark, subject to the provisions of this Act.” The effect of this seems to be to prevent a person, whose established trade mark has been registered without his knowledge or *laches* in the name of another, from taking steps to prevent infringement until he has first secured the rectification of the register (a).

The trade mark being duly registered, the objection which formerly prevailed, by which a trade mark was excluded from protection when there were no vendible goods in the market stamped therewith (b), will be avoided, for registration is to be deemed to be equivalent to public use of the mark (c).

### 5. Trade Mark severed from Goodwill.

5. Trade mark  
severed from  
goodwill.

It is a good defence to an action for infringement of trade mark, to prove that the plaintiff is not the owner of the business and goodwill concerned in the particular goods or classes of goods in respect of which the trade mark is registered (d).

### 6. Licence.

6. Licence.

The defendant may plead a licence from the plaintiff (e), or from a co-proprietor of the mark (f). In one American

(a) See § 5 of the Act of 1875.

(b) *McAndrew v. Bassett*, 4 De G. J. & S. 380; *Maxwell v. Hoyg*, L. R. 2 Ch. 307.

(c) § 75 of Act of 1883. This is so also in the United States: *In re The Dutcher Temple Co.*, U. S. Pat. Comm. Decis. 1871, p. 248.

(d) See §§ 65 and 70 of Act of 1883. There can be no trade mark in gross: *Cotton v. Gillard*, 44 L. J. Ch. 90. See *Witthaus v. Braun*, 44 Md. 303; *Taylor v. Bemis*, 4 Biss. 406; *Weston v. Ketcham* (1), (2),

39 N. Y. Super. Ct. 54; 51 How. Pr. 455; *Skinner v. Oakes*, 10 Mo. App. 45; *Morgan v. Rogers*, 26 U. S. Pat. Gaz. 1113.

(e) See Patents Act, 1883, § 87. It does not appear that this section can be intended to authorise the user of a trade mark on goods not being the goods of the trade mark owner, or, at least, equivalent to them.

(f) *Marshall v. Pinkham*, 52 Wis. 572.

case (a) it was held that the plaintiffs, who had received an exclusive license from the owner of a trade mark, were entitled to an injunction against the successors in business of persons who had been partners in business with the licensor, but had tacitly acquiesced in his retaining the sole right in the mark. However, the Court would not allow a licensee to defraud the public by the sale of goods the mark on which was similar to that on the licensor's own goods, while the goods themselves were not the goods or goods equivalent to the goods of the licensor (b).

### 7. Delay and Acquiescence.

A man may by his own *laches* lose his right to that protection which he would have obtained at once, had he come to the court with reasonable promptitude (c). In fact, that which has originally been a valid trade mark, the property of an individual or firm, entitled to protection, may become *publici juris*, that is to say, the use of it may be thrown open to the public, by its proprietor allowing his right to be so habitually infringed that the trade mark no longer conveys to those who see it the impression that the goods to which it is attached are of his manufacture (d). Thus, in *In re Hyde & Co.* (e), it was held that the words

7. Delay and acquiescence.

(a) *Kidd v. Johnson*, 100 U. S. Rep. 617. See *Kidd & Co. v. Mills, Johnson & Co.*, 5 U. S. Pat. Gaz. 337.

(b) *Oldham v. James*, 13 Ir. Ch. 393; 14 *ib.* 81; *Bloss v. Bloomer*, 23 Barb. 604, R. Cox, 200; *Samuel v. Berger*, 24 Barb. 163; R. Cox, 178; *Rodgers v. Philp*, 1 U. S. Pat. Gaz. 29; *In re Tolle*, 2 *ib.* 415.

(c) *Motley v. Downman*, 3 My. & Cr. 1; *Morison v. Moat*, 9 Hare, 241; *Fluvel v. Harrison*, 10 Hare, 467; *Wason v. Waring*, 15 Beav. 151; *Attorney-General v. Sheffield Gas Consumers' Co.*, 3 De G. M. & G. 327; *Burgess v. Burgess*, *ib.* 896; *Farina v. Gebhardt*, 3 Eq. Rep. 891; *Chappell v. Sheard*, 2 K. &

J. 117; *Coles v. Sims*, 5 De G. M. & G. 1; *Kinahan v. Bolton*, 15 Ir. Ch. 75; *Hovenden v. Lloyd*, 18 W. R. 1132; *Isaacson v. Thompson*, 41 L. J. Ch. 101; *Estcourt v. Estcourt Hop Essence Co.*, L. R. 10 Ch. 276; *Amoskeag Manufacturing Co. v. Garner*, 55 Barb. 151; R. Cox, 541; *Manhattan Medicine Co. v. Wood*, 4 Cliff. 461; *Marshall v. Pinkham*, 52 Wisc. 572; and other cases cited below.

(d) *Ford v. Foster*, L. R. 7 Ch. 611; *Wheeler & Wilson v. Shakespeare*, 39 L. J. Ch. 36; *In re Kuhn & Co.*, 53 L. J. Ch. 238; *Rodgers v. Philp*, 1 U. S. Pat. Gaz. 29; *Filley v. Child*, 16 Bl. C. C. 376.

(e) 7 Ch. D. 724.



“Bank of England” had long ceased to be a trade mark in respect of sealing-wax by reason of the user for six years of those words on sealing-wax by persons other than those who had originally adopted it, without interference by the latter, and the registration of the lapsed trade mark was accordingly rescinded.

Principle of  
this defence.

The principle on which the Court allows the plaintiff's delay to be pleaded by way of defence is thus stated by Sir W. P. Wood, V.-C., in *Beard v. Turner* (a). “By not complaining at the time when you might complain (I do not say that it is your intention, we must judge of the intention by the necessary result), you are lying by, the man continuing to use your property, with the hope (and such is the prayer of your bill filed two or three years afterwards) of obtaining those profits which you stood by allowing him to make under this designation, without apprising him of your intention to make any such use of it. On that ground it falls within the principle enunciated by Lord St. Leonards in the Irish case referred to, in which it is stated that it is a fraud to allow a plaintiff to avail himself of delay to obtain benefit for himself. In that case you will not grant him relief.”

On motion for  
injunction.

In the case of a motion for an injunction “the argument as to acquiescence is no doubt very important. A short acquiescence may properly induce the Court not to interfere *ex parte*. A longer acquiescence may, under the circumstances, throw serious doubt upon the right of the plaintiff, and induce the Court not to interfere by any interlocutory order, even when applied for on notice” (b). And it is not sufficient for the plaintiff to commence proceedings promptly; if he wishes for an interlocutory injunction he must bring on his motion at once, or the Court

(a) 13 L. T. N. S. 746.

(b) Per Lord Langdale, M. R., in *Gordon v. Cheltenham Railway Co.*, 5 Beav. 233; and see *Isaacson v.*

*Thompson*, 41 L. J. Ch. 101, where an interlocutory injunction was refused on the ground of delay, and *Chinn v. Thomas*, 5 Vict. L. R. Eq. 188.

will hold that he has shown by his own conduct that he does not consider such interference to be imperative (a).

Where, however, the case has arrived at the hearing, or is being argued on demurrer, the degree of delay or acquiescence must be much greater; there must be such an acquiescence as to amount, not only to a positive licence, but to an implication of an actual grant, before the parties can be for ever deprived of their rights (b). In *Fullwood v. Fullwood* (2) (c), Fry, J., laid down that mere lapse of time, short of the statutory period fixed for the limitation of actions, would not deprive a plaintiff in an action for infringement of a trade mark, which is an action for the assertion of a legal right, of his right to the injunction. And in an American case (d), while it was held that a delay of twenty-five years effectually disentitled the plaintiffs to relief as against an innocent vendor of goods falsely marked, the question as to the rights of a trade mark owner, after a similar delay, against a guilty manufacturer, was left open.

It is not a sufficient answer to a plea of delay on the part of the plaintiff for the plaintiff to allege continual assertions of his right. He must take some more decided measures. "What the plaintiffs mainly relied on was the continual claim on their part," says Sir G. Turner, L.J. (e), "and no doubt they have not ceased to assert their claim; but I cannot agree to a doctrine so dangerous as that the mere assertion of a claim, unaccompanied by any

At the hearing  
or on de-  
murrer.

Rights must  
be actively  
defended.

(a) *Pickford v. The Grand Junction Railway Co.*, 3 Railway Cas. 538.

(b) *Patching v. Dubbins*, Kay, 11; *Gordon v. The Cheltenham Railway Co.*, 5 Beav. 233; *Rodgers v. Rodgers*, 31 L. T. N. S. 285; and see *Lazenby v. White*, 41 L. J. Ch. 354; *Gillott v. Esterbrook*, 47 Barb. 455; R. Cox, 340; 3 Sickles, 374; *Filley v. Fassett*, 44 Mo. 173; R. Cox, 530; *McLean v. Fleming*, 96

U. S. Rep. 245; *Saucy v. Kellogg*, 19 U. S. Pat. Gaz. 1627; 20 *ib.* 1893; *Gamble v. Stephenson*, 10 Mo. App. 581; *Julian v. Hoosier Drill Co.*, 75 Ind. 408.

(c) 9 Ch. D. 176.

(d) *Rodgers v. Philp*, 1 U. S. Pat. Gaz. 29; and see *Wolfe v. Barnett*, 24 La. Ann. 97.

(e) *Clegg v. Edmonton*, 8 De G. M. & G. 810.

act to give effect to it, can avail to keep alive a right which would otherwise be precluded" (a).

No delay  
where no  
knowledge.

But where a trade mark has been infringed, and the owner has not been aware that this has been the case, he has been guilty of no delay in taking no steps to put an end to the fraud, and he will, therefore, not be deprived of his rights by reason of his having taken no proceedings while he was ignorant of the infringement (b). Hence, where a defence of delay is set up, the evidence must go to show, not merely that the plaintiff might have been aware of the infringement which was going on, but that he actually was so, and that it was with such knowledge that he remained quiescent (c).

Delay by  
retiring  
partner.

It has been held in America that if a member of a partnership retires therefrom without setting up any claim to an interest in the trade mark, and makes no objection to its being used by the continuing partner, he must be taken to acquiesce in its being appropriated by the latter (d); but that if, on the other hand, a partner submits to the appropriation of the firm trade mark by his partner, at a time when he is, in a measure, in the latter's power, by reason of the latter being in sole possession of an important secret used in the business, he will be held not to have lost his right (e); and that a continued user of the mark by the retiring partner, even on a spurious article, is evidence that he does not intend to give up his rights therein (f).

Delay for  
purpose of  
securing evi-  
dence.

Inasmuch as in a case where no proof of actual deception is produced, the Court has to try a hypothetical case,

(a) This dictum was approved and followed by Wood and Selwyn, L. J.J., in *Lehmann v. McArthur*, L. R. 3 Ch. 496; but see *Attorney-General v. Sheffield Gas Consumers' Co.*, 3 De G. M. & G. 327; and *Kinahan v. Bolton*, 15 Ir. Ch. 75.

(b) *Weldon v. Dicks*, 10 Ch. D. 247; *In re Parina* (2), 27 W. R. 456; *Williams v. Adams*, 8 Biss. 452; *Sawyer v. Kellogg*, 19 U. S.

Pat. Gaz. 1627; 20 *ib.* 1893; *Monson v. Boehm*, 28 Sol. J., 361.

(c) *Siegert v. Findlater*, 7 Ch. D. 801.

(d) *Kidd & Co. v. Mills, Johnson & Co.*, 5 U. S. Pat. Gaz. 337; *Simpson v. Wright* (1), 15 *ib.* 248.

(e) *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54.

(f) *Wright v. Simpson*, 15 U. S. Pat. Gaz. 968.



turning on the probabilities of deception, as to which witnesses could probably be brought forward by both sides, a person who believes others to be infringing his trade mark is entitled to wait until he can collect a sufficient number of cases to prove to the Court that the proceedings of which he complains do actually deceive the public; and his right to protection is not gone by reason of such delay (a). It seems that in *Rodgers v. Rodgers* (b); and *Estcourt v. Estcourt Hop Essence Co.* (c), the delay would have been condoned had it resulted in the production of satisfactory evidence of deception. On the other hand, where a plaintiff delayed his motion until December, having been in possession of sufficient evidence in May, the delay was fatal to the motion (d).

Where an injunction has been granted by the Court, there must, in order to deprive the party who has obtained the injunction of his right to move for committal upon the breach of it, be a case made out almost amounting to such a licence to the party enjoined to do the act enjoined against as would entitle him to maintain an action against others for doing that act (e).

Even if the delay has not been such as to disentitle the plaintiff to his injunction, it may yet obtain some indulgence for the defendant; as, for instance, the permission to dispose of the wares on which he expended money in consequence of the plaintiff's delay (f).

Or, the injunction may be granted and the account of profits or damages, by which it is usually accompanied, withheld (g).

(a) *Lee v. Haley*, L. R. 5 Ch. 155; *Care v. Myers*, Dig. 304.

(b) 31 L. T. N. S. 285.

(c) L. R. 10 Ch. 276.

(d) *Isaacson v. Thompson*, 41 L. J. Ch. 101.

(e) Per Sir G. Turner, L. J., in *Rodgers v. Nowell*, 3 De G. M. & G. 614. In *Cartier v. May*, Dig. 200, a delay of eighteen months was one of

the grounds on which the motion to commit was refused.

(f) *Clowes v. Hogg*, W. N. 1870, p. 268; S. C. on appeal, W. N. 1871, p. 40; *Anglo-Swiss Condensed Milk Co. v. Swiss Condensed Milk Co.*, W. N. 1871, p. 163.

(g) *Harrison v. Taylor*, 11 Jur. N. S. 408; *Amoskeag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298;

Delay in regard to motion to commit.

Indulgence to defendant, plaintiff having delayed.

Account or damages withheld.

Costs not  
given.

Lastly, the delay of the plaintiff may be punished by his being left to pay his own costs, though successful in his main contention (a). On the other hand, a defendant who has only defeated the plaintiff's claim by pleading the latter's delay, may fail to obtain thereby the costs of the proceedings occasioned by his own fraud (b).

### 8. Plaintiff's Misrepresentation.

8. Plaintiff's  
misrepresenta-  
tion.

"The administration of Equity is founded on perfect truth" (c), and "when the owner of a trade mark applies for an injunction to restrain the defendant from injuring his property by making false representations to the public, it is essential that the plaintiff should not, in his trade mark, or in the business connected with it, be himself guilty of any false or misleading representation; for if the plaintiff makes any material false statement in connection with the property which he seeks to protect, he loses, and very justly, his right to claim the assistance of a Court of Equity. He must come there with clean hands" (d).

It is impossible to define what misrepresentation will disentitle the plaintiff to relief; all that can be said is,

*McLean v. Fleming*, 96 U. S. Rep. 245; *Currer v. Bowker*, Dig. 581; and see *Beard v. Turner*, 13 L. T. N. S. 746.

(a) See *Millington v. Fox*, 3 My. & Cr. 338; *Beard v. Turner*, 13 L. T. N. S. 746; *Day v. Neale*, V. C. B., May 24, 1881; *Perks v. Hall & Co.*, W. N. 1881, p. 111; *In re Kuhn & Co.*, 53 L. J. Ch. 233; *Amoskeag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298.

(b) *Rodgers v. Rodgers*, 31 L. T. N. S. 285.

(c) Per Lord Romilly, M. R., in *Cocks v. Chandlee*; L. R. 11 Eq. 446.

(d) Per Lord Westbury, C., in *Leather Cloth Co. v. American Leather Cloth Co.*, 4 De G. J. & S. 137; and see *Edelsten v. Vick*, 11 Hare, 78; *Post*

*v. Marsh*, 16 Ch. D. 395; *Petridge v. Wells*, 13 How. Pr. 385, R. Cox, 180; *Palmer v. Harris*, 60 Penn. 156, R. Cox, 523; *Laird v. Wilder*, 9 Bush, 131, 15 Amer. Rep. 707; *Wolfe v. Burke*, 11 Sickles, 115; *Consolidated Fruit Jar Co. v. Dorflinger*, 6 Am. L. T. N. S. 511; *Manhattan Medicine Co. v. Wood*, 23 U. S. Pat. Gaz. 1925; *Seabury v. Grosvenor*, 14 Bl. C. C. 262; *Helmbold v. Helmbold Manufacturing Co.*, 53 How. Pr. 453; *Connell v. Reed*, 128 Mass. 477; *Burton v. Stratton*, 73 L. T. 349; *McNair v. Cleave*, 10 Phila. 155. Words which would be disentitled to protection in a court of justice by reason of their being calculated to deceive, are not to be registered under the Patents Act, 1883, § 73.

that "he that hath committed iniquity shall not have equity" (a).

The trade marks, labels, &c., of the plaintiff, who is complaining of fraud on the part of another, may themselves contain statements calculated to mislead and defraud the public, who are induced by such statements to buy goods which otherwise they would not buy. Thus, in *Pidding v. How* (b), the plaintiff sold tea which he termed "Howqua's Mixture," and which he put up in packets labelled with extravagant and false statements as to its origin and quality. Sir L. Shadwell, V.-C., declined to protect the plaintiff until he had established his title in a Court of Law, saying that it was a clear rule laid down by Courts of Equity not to extend their protection to persons whose case was not founded in truth.

Misstatements  
in plaintiff's  
marks.

In *Perry v. Truefitt* (c), the plaintiff sold "Perry's Medicated Mexican Balm," the secret of which he had bought from a Mr. Leathart. On his show-cards he falsely stated that the hair-mixture in question was made from a recipe of Von Blumenbach, and he also alleged in the same way that it was compounded from Mexican plants, which was not in the least borne out by evidence at the trial. Lord Langdale, M. R., agreeing with the observations of the Vice-Chancellor of England in *Pidding v. How* (b), did not think it a favourable case for the interposition of the Court, and ordered the matter to stand over, with liberty to bring an action.

*Perry v.*  
*Truefitt.*

In *The Leather Cloth Co. v. The American Leather Cloth Co.* (d), the House of Lords sustained the judgment of Lord Westbury, C. (e), and declined to protect the plaintiffs, who used a label or advertisement containing false statements as to the character and manufacture of their goods. Lord Westbury, C. (e), remarked, that he "could not

*Leather Cloth*  
*Co.' case.*

(a) *Palmer v. Harris*, 60 Penn. 156; R. Cox, 523. See *Blackwell v. Armistead*, 5 Am L. T. 85.

(b) 8 Sim. 477.

(c) 6 Beav. 66.

(d) 11 H. L. C. 523.

(e) 4 Do G. J. & S. 137.



receive it as a rule either of morality or of equity, that the plaintiffs were not answerable for a fraud because it might be so gross and palpable that no one was likely to be deceived by it. If there was a wilfully false statement, he would not stop to enquire whether it was too gross to mislead."

Puffing.

In short, the Court will not protect a trade mark, label, &c., which contains, or has attached to it, a serious misstatement calculated to deceive (*a*). Mere puffing, however, or exaggerated statements as to the value, &c., of patent medicines, and similar preparations, will not disentitle their owners, since every one knows how to estimate the value of such statements correctly (*b*). Thus, in *Holloway v. Holloway* (*c*), the assumption of the title of "Professor" was disregarded; in *Metzler v. Wood* (*d*) it was held that the plaintiffs were not disentitled either by a representation that the publication was the 600th edition of the work, it being shown to be a trade custom to call 250 copies an edition, or by a statement that the work was specially revised by the author, the fact being that a previous edition which the present one followed had been so revised. In *Hogg v. Kirby* (*e*), the defendant, who had brought out what he intended to be taken for a continuation of the plaintiff's magazine, set up in his defence the fact that the plaintiff's magazine untruly professed to be by "William Granger, Esq." Lord Eldon granted the injunction, and it is certainly improbable that

(*a*) In *Raggett v. Findlater*, L. R. 17 Eq. 29, costs were given against the plaintiff mainly on account of a mis-statement by him.

(*b*) *Holloway v. Holloway*, 13 Beav. 209; *Comstock v. White*, 18 How. Pr. 421; R. Cox, 232; *Smith v. Woodruff*, 48 Barb. 438; R. Cox, 373. In America puffing has been treated somewhat more severely: *Fowle v. Spear*, 7 Penn. L. J. 176; R. Cox, 67; *Heath v. Wright*, 3 Wall. Jr.; R. Cox, 151; *Petridge v.*

*Wells*, 13 How. Pr. 385; R. Cox, 180; *Petridge v. Merchant*, 4 Abb. Pr. 156; *Hobbs v. Français*, 19 How. Pr. 567; R. Cox, 287; *Phalon v. Wright*, 5 Phila. 464; R. Cox, 307; *Laird v. Wilder*, 9 Bush, 131; 15 Amer. Rep. 707; *Wolfe v. Burke*, 11 Sickels, 115. But see *Ellis v. Zeilen & Co.*, 42 Ga. 91.

(*c*) 13 Beav. 209.

(*d*) 8 Ch. D. 606.

(*e*) 8 Ves. 215.

any one could be injured by the use of a name previously unknown (*a*).

If the misrepresentation is in other respects such as to disentitle, the fact of its being made in a foreign language does not necessarily save the plaintiff from losing the rights which he would have had if no such statements had been made (*b*).

False statement in foreign language.

The use of the name of his predecessor by one who has succeeded him in business, when such use will not lead to any other supposition than that the business is the same (*c*), or the use of his own name, without more, by one whose name happens to be the same as that of another manufacturer (*d*), is not such a misrepresentation as to disentitle such a person to relief against fraud. But where a trader has been in the habit of labelling his goods (*e.g.*, a particular medicine) with statements which refer to himself personally, and his successor in business continues to use the same statements, "a Court of Equity will extend no aid to sustain a claim to a trade mark of an article which is put forth with a misrepresentation to the public as to the manufacturer of the article, and as to the place where it is manufactured, both of which particulars were originally circumstances to guide the purchaser of the medicine" (*e*).

Use of predecessor's name.

Collateral misrepresentations made by the plaintiff, as, for instance, in an advertisement in the newspapers, do not necessarily disentitle him to protection (*f*). Nor do misstatements of so trifling a character as not to mislead

Collateral misrepresentations.

(*a*) And see *Dale v. Smithson*, 12 Abb. Pr. 237; *R. Cox*, 282; *Meriden Britannia Co. v. Parker*, 39 Conn. 450; 12 Amer. Rep. 401.

(*b*) *Palmer v. Harris*, 60 Penn. 156; *R. Cox*, 523.

(*c*) *Leather Cloth Co.s' case*, 1 H. & M. 271; 4 De G. J. & S. 137; 11 H. L. C. 523; *Churton v. Douglas*, Johns. 174; *Hudson v. Osborne*, 39 L. J. Ch. 79; *Massam v. Thorley's Cattle Feed Co.*, 14 Ch. D. 748; *Fulton v. Sellers*, 4 Brows. 42. But

see *Sherwood v. Andrews*, 3 Am. J. Reg. N. S. 588; *Partridge v. Menck*, 2 Sandf. Ch. 622; and *Carmichel v. Latimer*, 11 R. I. 395.

(*d*) *Holloway v. Holloway*, 13 Beav. 209; *Burgess v. Burgess*, 3 De G. M. & G. 896.

(*e*) Per U. S. Supreme Court in *Manhattan Medicine Co. v. Wood*, 23 U. S. Pat. Gaz. 1925.

(*f*) *Curtis v. Bryan*, 2 Daly, 212; *R. Cox*, 434; and see *Ford v. Poster*, L. R. 7 Ch. 611.

purchasers (a), or statements not made till after the institution of the action (a).

Fraudulent speculation.

It is not the province of the Court, however, to protect speculations which aim at inducing the public to buy one thing when they think they are buying another, and therefore, where both plaintiffs and defendant were engaged in speculations of that character, although the Court refused, on the ground of the plaintiffs' delay, to grant the injunction they prayed, it declined to give costs to the defendant, who was *in pari delicto* (b). And on similar grounds relief will be refused to a plaintiff who has used his trade mark on goods of inferior quality to those with which the mark has become associated (c), or who has used the mark beyond the limits to which he was confined on the assignment of it to him (c).

*Hogg v. Maxwell.*

In *Hogg v. Maxwell* (d), the plaintiff registered, under the Copyright Acts, the title of an intended magazine in 1863, but did not bring out the work. In June, 1866, the defendant registered the same name. The plaintiff discovered this in August. He then hastened on his own publication, which was first announced on September 24, and published next day. In the meantime the plaintiff had, on the 19th, undertaken to advertise the defendant's intended magazine, but retracted the undertaking, and gave the defendant notice of his claim to the title on the 25th. Proceedings were taken by both parties with a view to an injunction, which was refused in both cases, the Court

(a) *Siebert v. Findlater*, 7 Ch. D. 801. Thus, in *Blackwell v. Armistead*, 5 Am. L. T. 85, a misstatement as to the date of commencement of the business, made in *bona fide* error by a junior partner, was condoned.

(b) *Estcourt v. Estcourt Hop Essence Co.*, L. R. 10 Ch. 276; and see *In re Saunton & Co.*, Dig. 625; *Samuel v. Berger*, 24 Barb. 163; R. Cox, 178; *Bloss v. Bloomer*, 23

Barb. 604; R. Cox, 200; *In re American Sardine Co.*, 3 U. S. Pat. Gaz. 495; *In re Dole Bros.*, 12 *ib.* 939; *In re Warbury & Co.*, 13 *ib.* 44; *Ex parte Marsching & Co.*, 15 *ib.* 294; *Ex parte Knapp*, 16 *ib.* 318; *Fairbanks v. Jacobus*, 14 Bl. C. C. 337, with which compare *In re Green*, 8 U. S. Pat. Gaz. 729.

(c) *Manhattan Medicine Co. v. Wood*, 4 Cliff. 461.

(d) L. R. 2 Ch. 316.



being of opinion, in *Hogg v. Maxwell*, that the plaintiff had got beforehand by improper means, which disentitled him to relief.

The Court will not protect persons in carrying on a Short weight. trade in which short weight is given systematically and knowingly (a). And in *Hennessy v. Wheeler* (b), the New York Court of Common Pleas refused relief to brandy merchants who sold their brandy in bottles containing quarts and pints of nominal measure, but really considerably less. But this decision was reversed on appeal on the ground that the bottles were not bought on the faith of their containing any particular quantity of brandy, and that no one was proved to have been deceived or was likely to be so.

### 9. Word "Patent" improperly used by Plaintiff.

"It is impossible not to see," says Sir G. Mellish, L.J., <sup>9. Improper use of word "patent."</sup> "that persons do try to use their right in trade marks for the purpose of getting a monopoly in particular articles, just as if they had a patent for the goods which they manufacture" (c). A special form of misrepresentation consists in the use by persons in their trade marks of words inducing the belief that they have a patent for the articles to which those trade marks are affixed, and the tendency which the use of such words has to procure for the persons using them an unfair monopoly, or to prolong a monopoly granted only for a limited time, causes it to be regarded with special disfavour. The importance of the point is forcibly pointed out by Sir W. P. Wood, V.-C., in *Morgan v. McAdam* (d). He says: "All those who are induced to buy these crucibles thus described as 'Patent Plumbago Crucibles,' are to a certain extent deceived, because

(a) See per Sir G. M. Giffard, L.J., in *Lee v. Haley*, L. R. 5 Ch. 155.

(b) 51 How. Pr. 457; 69 N. Y.

271.

(c) *Singer Manufacturing Co. v. Wilson*, 2 Ch. D. 434—56.

(d) 36 L. J. Ch. 228.

they are led to believe that the article is protected by a patent, and thus may be induced to purchase it from the plaintiffs, under the belief that there is a patent, and that the plaintiffs, or at least some limited number of persons, are the only persons authorized to sell it; and further, they are led to believe that if they should be minded to set up any manufactory of the same kind for themselves, they would be unable to do so in consequence of the plaintiffs being the possessors, either by way of licence or ownership, of a patent preventing the world at large from imitating the article which is sold by them under this particular designation" (a).

Plaintiff  
disentitled.

Where, therefore, the plaintiff has used in his trade mark the word "patent," or words to that effect, although, in point of fact, he has never had a patent for the goods to which the mark is applied, the Court will refuse to extend to him the protection which he has forfeited. Previously to Sir John Rolt's Act (b), liberty was given to the plaintiff to bring an action at Law (c); but since then the action has been simply dismissed, with or without costs (d). And the course would be the same if the words were first inserted in the trade mark, after the expiration of a patent which had existed (e). In *Sykes v. Sykes* (f), a patent had been taken out by the plaintiff's father. That patent was held to be invalid, on account of a defect in the specification, but the use of the word "patent" was not

(a) And see per the same learned judge, in *Flavel v. Harrison*, 10 Hare, 467.

(b) 25 & 26 Vict. c. 27.

(c) *Flavel v. Harrison*, 10 Hare, 467.

(d) *Morgan v. McAdam*, 36 L. J. Ch. 228; *Lamplough v. Balmer*, W. N. 1867, p. 293; *Leather Cloth Co. v. Lonsont*, L. R. 9 Eq. 352; *Nissey v. Roffey*, W. N. 1870, p. 227; and see *Ford v. Foster*, L. R. 7 Ch. 611. In *Stewart v. Smithson*, 1 Hilt. 119, R. Cox, 175, the Court of C. P.

of New York refused to recognise this as a defence; but the word "patent" has been refused registration in America in connection with an article made under an expired patent (*In re Richardson*, 3 U. S. Pat. Gaz. 120), and in *In re Consolidated Fruit Jar Co.*, 14 *ib.* 269, the name of a patentee was refused registration. But see *Ex parte Consolidated Fruit Jar Co.*, 16 *ib.* 679.

(e) *Edelsten v. Vick*, 11 Hare, 78

(f) 3 B. & Cr. 541.

held to disqualify the plaintiff from recovering at Law. The question does not seem, however, to have been fairly raised in that early case, and it has been held in America that marks containing a reference to a patent declared to be invalid could not be protected by injunction (a).

There has been some apparent difference of opinion in regard to the case in which the word "patent" has been inserted in the trade mark while the article was still patented, and has been retained there after the patent has run out. In such a case (b), Sir W. P. Wood, V.-C., held that the plaintiffs were entitled to recover, the blocks for the labels having been made during the existence of the patent, when the representation was perfectly true. Lord Kingsdown, in discussing this judgment (c), said that he agreed with it, if the word "patent" were only used as part of the designation of an article, but that he could not do so if the trade mark represented the article as protected by an existing patent. In a subsequent case (d), the Vice-Chancellor explained his meaning as being in harmony with that of Lord Kingsdown. "If originally you have a patent, and the article is in the market as a patent article, and you stamp all your goods which are sent out with these words 'patent pins,' or 'patent wire,' or whatever the particular article might be, at the end or the expiration of the patent, it is not necessary, as I thought, to call in the whole of the previous stamps, and remodel the whole of your stamps, and have a new form of packing your article, in order that you may inform the world that the patent, which did exist, has expired. Of course, it would be better, and those who are inclined to act with scrupulous honesty would take care, to put the date of their patent, which would obviate all difficulty (e), upon

Retention of  
word after  
expiration of  
patent.

(a) *Consolidated Fruit Jar Co. v. Dorflinger*, 6 Am. L. T. N. S. 511.

(b) *Edelsten v. Vick*, 11 Hare, 78.

(c) *Leather Cloth Co. v. American Leather Cloth Co.*, 11 H. L. C. 523.

(d) *Moryan v. McAdam*, 36 L. J.

Ch. 228.

(e) See *Consolidated Fruit Jar Co. v. Dorflinger*, 6 Am. L. T. N. S. 511; *Wilson v. Singer Manufacturing Co.*, 16 U. S. Pat. Gaz. 1091; *Fairbanks v. Jacobus*, 14 Bl. C. C. 337.



the articles which they designate as patented." In a later case (a), it was clearly established by the Court of Appeal that the principle enunciated by Lord Kingsdown is the rule of the Court, and that the use of the word "patent," so as to indicate an existing patent, is equally fatal, whether there has never been a patent for the article in question, or the patent which did exist has expired (b).

Word so used  
as not to  
deceive.

As has been seen, Lord Hatherley, when V.-C. (c), and Lord Kingsdown (d), were of opinion that when the word "patent" formed part of the name of an article, and did not operate so as to induce a belief in the existence of a patent, the trade mark in which the word appeared might be protected. A distinct decision to this effect was pronounced by Sir W. M. James, V.-C., in *Marshall v. Ross* (e), where "patent thread" was compared by the learned judge to "patent leather boots" (f). And where the plaintiffs had described themselves as "patentees" of an article of which they had secured the exclusive manufacture by registration, though not by letters patent, it was held that they were not disentitled (g). In *Lauferty v. Wheeler* (h), it was held that the plaintiff was not disentitled by reason of having described his goods as "Patent, Sept.," after being officially informed that his application for a patent had been allowed, but before the actual issue of letters patent. Similarly, it seems that a statement that a trade mark is registered before it in fact is so, does not disentitle the proprietor to sue, after registration has been effected (i), though it exposes the proprietor to a penalty (k).

(a) *Chearin v. Walker*, 5 Ch. D. 850. And see *Fairbanks v. Jacobus*, 14 Bl. C. C. 337.

(b) The penalties inflicted under § 105 of the Patents Act, 1883, for the improper use of the word "patent," are not, however, incurred by the continued use of the word upon goods for which a patent has previously been possessed.

(c) *Morgan v. McAdam*, 36 L. J. Ch. 228.

(d) *Leather Cloth Co's case*, 11 H. L. C. 523.

(e) L. R. 8 Eq. 651.

(f) See the observations on this case, in *Leather Cloth Co. v. Lonsont*, L. R. 9 Eq. 345. And see, too, *Ransome v. Graham*, 51 L. J. Ch. 897.

(g) *Cure v. Myers*, Dig. 304.

(h) 63 How. Pr. 488.

(i) See per Brett, L. J., in *Read v. Richardson*, 45 L. T. N. S. 54.

(k) See Patents Act, 1883, § 105.

The fact that the misrepresentation is so gross as hardly to be capable of deceiving will not exonerate the person making it from the consequences. Thus, the use on untanned leather cloth of the words "tanned patented" was a ground for refusing assistance (a). Grossness of misrepresentation no excuse.

Where a plaintiff described himself on his labels as "manufacturer and patentee," it was held that this was equivalent to describing the article as "patent," and the bill was dismissed, without costs (b). And in *Consolidated Fruit Jar Co. v. Dorflinger* (c), it was held that certain trade marks consisting of the words "Mason's Patent, November 30th, 1858," "Mason's Improved," and "The Mason Jar of 1858," were bad, the patent of 1858 being invalid by judicial decision. "Manufacturer and patentee."

When a plaintiff used on his stopper labels with the words "Royal Letters Patent," the explanation that he had for twenty-five years paid the stamp duty on "patent medicines," and that he was only continuing to use the labels he had had on hand when he discovered his medicines did not belong to that class, was not accepted as satisfactory, and his motion for an injunction to restrain an imitator was refused (d). *Lamplough v. Balmer.*

If, however, the plaintiff's trade is a perfectly honest trade, and the trade mark is a perfectly honest trade mark, the fact that the plaintiff has committed a purely collateral misrepresentation, by describing himself, though not in the trade mark itself, as "patentee," will not disentitle him to his remedy (e). Collateral use of word.

With respect to trade marks registered under the Patents Act, 1883, the improper use of the word "patent" will not in the future often form a subject for consideration, since that word will not be registered in connection with Word "patent" not registered.

(a) *Leather Cloth Co.s' case*, 4 Do G. J. & S. 137; 11 H. L. C. 523.

(b) *Nixey v. Roffey*, W. N. 1870, p. 227. And see Patents Act, 1883, § 105.

(c) 6 Am. L. T. N. S. 511.

(d) *Lamplough v. Balmer*, W. N. 1867, p. 293.

(e) *Forl v. Foster*, L. R. 7 Ch. 611.



such a trade mark (a), but the old rules will no doubt prevail if the word is used untruly, though not registered.

Patents Act.

By § 105 of the Patents Act, 1883 (b), it is provided that "any person who represents that any article sold by him is a patented article, when no patent has been granted for the same, or describes any design or trade mark applied to any article sold by him as registered, which is not so, shall be liable for every offence on summary conviction to a fine not exceeding £5." And it is also provided that "a person shall be deemed, for the purposes of this enactment, to represent that an article is patented, or a design or a trade mark is registered, if he sells the article with the word 'patent,' 'patented,' 'registered,' or any word or words expressing or implying that a patent or registration has been obtained for the article stamped, engraved, or impressed on, or otherwise applied to the article."

Merchandise  
Marks Act.

By the Merchandise Marks Act, 1862, § 7 (c), a penalty is imposed upon every one who shall mark, &c., upon any goods any word, &c., for the purpose of falsely indicating such goods, or the mode of manufacturing them, or the ornamentation, shape, or configuration thereof, to be the subject of any existing patent, privilege, or copyright.

Under § 9, however, the use of the word "patent" and words of that class is not punishable under the 7th section, when used in such combinations as "patent thread," in *Marshall v. Ross* (d), or "patent leather boots."

(a) See Instructions, par. 30.

(b) This replaces § 7 of 5 & 6 Will IV. c. 83. See *Myers v. Baker*, 3 H. & N. 802. In America a penalty is similarly assigned for the use of the word "Patented" on an unpatented article (U. S. Rev. St. § 4901. See *Wilson v. Singer Manufacturing Co.*, 16 U. S. Pat. Gaz. 1091; *Stimpson v. Pond*, 2 Curtis, 502); but this is only if there is an intent to defraud, and that question is for the

jury (*Walker v. Hawhurst*, 5 Bl. C. C. 494). In *U. S. v. Morris* (2 Bond, 23), Leavitt, J., held that the statute did not apply unless the goods were patentable; but in *Oliphant v. Salem Flouring Mills* (5 Sawy. 128), Deady, J. held that it applied whether the goods were patentable or not.

(c) 25 & 26 Vict. c. 88.

(d) L. R. 8 Eq. 651.



## INOPERATIVE DEFENCES.

Among the defences which have occasionally been set up in actions for infringement of trade mark, but without success, are the following :

Ignorance of the plaintiff's rights. This will not suffice to prevent the issue of the injunction (a); although it may have the effect of relieving the defendant from the necessity of accounting (b). Ignorance.

Absence of intention to sell the goods bearing the spurious mark is no defence (c). No intention to sell.

Absence of proof of actual deception or fraudulent intention is no defence, if in the opinion of the Court or jury there is such imitation as to be calculated to deceive (d). No actual deception or fraud.

It is no defence to prove that all the persons who bought from the defendant goods bearing the plaintiff's mark were well aware that they were not of the plaintiff's manufacture (e). Immediate purchasers not deceived.

Nor to show that the words, of the use of which the plaintiff complains, are ambiguous and capable of being understood by different persons in different ways (f). Words ambiguous.

Nor to say that the plaintiff's entire mark has not been copied (g). Only part of mark taken.

(a) *Burgess v. Hills*, 26 Beav. 244; *Geary v. Norton*, 1 De G. & S. 9; *Cartier v. Carlile*, 31 Beav. 292; *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Moet v. Couston*, 38 Beav. 578; *Orr-Ewing & Co. v. Grant, Smith & Co.*, 2 Hyde, 185; *Weed v. Peterson*, 12 Abb. Pr. N. S. 178; *Upmann v. Forester*, 24 Ch. D. 281; and other cases.

(b) *Edelsten v. Edelsten*, *ubi supra*; *Moet v. Couston*, *ubi supra*; *Rose v. Loftus*, 47 L. J. Ch. 576.

(c) *Upmann v. Forester*, 24 Ch. D. 281.

(d) *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Cope v. Evans*, L. R. 18 Eq. 138; *Orr-Ewing & Co. v. Grant, Smith & Co.*, 2 Hyde, 185; *Coats v. Holbrook*, 2 Sandf. 586, R. Cox, 20; *Taylor v. Carpenter*, 11 Paige, 292;

2 Sandf. 603; R. Cox, 45; *Coffeen v. Brunton*, 4 McLean, 516, 5 *ib.* 256; R. Cox, 82, 132; *Davis v. Kendall*, 2 R. L. 566; R. Cox, 112; *McLean v. Fleming*, 96 U. S. Rep. 245; *Sharer v. Shaver*, 54 Iowa, 208; and see Ch. IV., on Infringement.

(e) *Sykes v. Sykes*, 3 P. & Cr. 541; *Edelsten v. Edelsten*, *ubi supra*; *Rose v. Loftus*, 47 L. J. Ch. 576; *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15; *Balfour & Co. v. Kilburn & Co.*, 1 Hyde, 270.

(f) *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15, per Lord Selborne, C.

(g) *Ford v. Foster*, L. R. 7 Ch. 611; *Wotherpoon v. Currie*, L. R. 5 H. L. 508; *Shaver v. Shaver*, 54 Iowa, 208; and see cases at p. 125, *supra*.

Name used is defendant's own.

Nor to say that the name, to the use of which by the defendant the plaintiff objects, is the defendant's own, if he has used it so as to deceive (a).

Colourable authority.

Nor to produce a colourable authority to use the name of a person having the same name as that used by the plaintiff in his business (b).

Goods plaintiff's own of different quality.

Nor to say that the goods which the defendant is selling under the mark in question are goods manufactured by the plaintiff; if they are of a different quality from that of which the defendant represents them to be (c).

Equality in quality.

Nor to say that the spurious goods are equal in quality to the genuine ones, for the plaintiff's right is equally invaded (d).

Addition of defendant's name.

The defendant will not escape by showing that he has used his own name in conjunction with the mark or word which is alleged to be used in infringement of the plaintiff's rights (e).

(a) *Churton v. Douglas*, Johns. 174; *Burgess v. Burgess*, 3 De G. M. & G. 896; *Pullar v. Pullar*, Fry, J., April 9, 1883; *Sharer v. Shaver*, 54 Iowa, 208; *India-Rubber Comb Co. v. Rubber Comb and Jewelry Co.*, 45 N. Y. Super. Ct. 258; and see cases at p. 116.

(b) *Perry v. Truefitt*, 6 Boav. 66; *Croft v. Day*, 7 Beav. 84; *Moet v. Clybourn*, Dig. 533; *Dence v. Mason* (1), Dig. 534; 41 L. T. N. S. 573; *Williams v. Johnson*, 2 Bos. 1; *Phalon v. Wright*, 5 Phila. 464; *Perks v. Hall & Co.*, W. N. 1881, p. 111; *Sawyer v. Kellogg*, 19 U. S. Pat. Gaz. 1627, 20 *ib.* 1893; *Meriden Britannia Co. v. Parker*, 39 Conn. 450, 12 Amer. Rep. 401; *Wolfe v. Barnett*, 24 La. Ann. 97, 13 Amer. Rep. 111. But see *Beard v. Turner*, 13 L. T. N. S. 746; *Hallett v. Cumston*, 110 Mass. 29; *Ayer v. Rushton*, 7 Daly, 9; *Dence v. Brand*, W. N. 1881, p. 31.

(c) *Hennessy v. Kennett*, Dig. 556; *Hennessy v. White*, 6 W. W. & A. B. Eq. 216; *Hennessy v. Hogan*, *ib.* 225; *Gillott v. Kettle*, 3 Duer, 624.

(d) *Blofeld v. Payne*, 4 B. & Ad. 410; *Edelsten v. Edelsten*, 1 De G. J. & S. 185 (per Lord Westbury, C. "It is not necessary, for the injunction, to prove . . . 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"); *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15, per Lord Blackburn; *Coats v. Holbrook*, 2 Sandf. 586, R. Cox, 20; *Taylor v. Carpenter*, 11 Paige, 292; 2 Sandf. 603; R. Cox, 45; *Partidge v. Menck*, 2 Barb. 101; 1 How. App. Cas. 558; R. Cox, 72; *Cook v. Starkweather*, 13 Abb. Pr. N. S. 392; *Shaver v. Shaver*, 54 Iowa, 208; *Coffeen v. Brunton*, 5 McLean, 256; R. Cox, 132.

(e) *Wotherspoon v. Currie*, L. R. 5 H. L. 508; *Singer Manufacturing Co. v. Wilson*, 8 App. Cas. 376; *Siegert v. Findlater*, 7 Ch. D. 801; *Braham v. Bustard*, 1 H. & M. 447; *Ford v. Foster*, L. R. 7 Ch. 611; *Kinahan v. Bolton*, 15 Ir. Ch. 75; *Eno v. Stephens*, Dig. 609; *Rose v.*



Nor by showing that he has always placed his own address on the goods (a). Addition of address.

Nor by showing that the same mark has been used by other persons on goods of another class (b), or by less than three firms besides the plaintiff on goods of the same class (c), or by different firms abroad, if not in England (d). User by others.

Nor by showing that the plaintiff's trade mark has been infringed by others without his knowledge or acquiescence (e). Infringement by others.

It is no defence to say that the plaintiff uses more than one trade mark on the same goods (f), nor that his goods have been known by a variety of names (g). A plurality of marks or names.

Mere exaggerated statements of the merits of medical or other compounds on the part of the plaintiff, which do not amount to fraud, will not exonerate the defendant from the consequences of his own fraud (h). Nor will other statements by the plaintiff, which, though not absolutely correct, cannot mislead in any important respect (i), e.g., Puffing.

*Loftus*, 47 L. J. Ch. 576; *Field v. Lewis*, Dig. 280; *Reinhardt v. Spalding*, 49 L. J. Ch. 57; *Berliner Brauerei Gesellschaft Tivoli v. Knight, Stocks & Co.*, W. N. 1888, p. 70; *Lea v. Wolff*, 15 Abb. Pr. N. S. 1; *Frese v. Bachof* (2), 14 Bl. C. C. 432; *Boardman v. Meriden Britannia Co.*, 35 Conn. 402; *Siegert v. Ehlers*, Dig. 432; *Davis v. Kennedy*, 18 Grant Up. Can. Ch. 523; *Roberts v. Sheldon*, 8 Biss. 398; *Hier v. Abrahams*, 82 N. Y. 519; *Hegeman & Co. v. O'Byrne*, 9 Daly, 264; *Carroll v. Brtheiler*, 21 Alb. L. J. 503; *Fleischmann v. Schuckmann*, 62 How. Pr. 92. But compare *Cheavin v. Walker*, 5 Ch. D. 850; *Barrett v. Gomm*, 74 L. T. 388; *Barrett v. White*, North, J., May 12, 1883; *Mages Furnace Co. v. Le Barron*, 127 Mass. 115; *Thornton v. Crouley*, 47 N. Y. Super. Ct. 527.

(a) *Gray v. Taper Sleeve Pulley Works*, 24 U. S. Pat. Gaz. 602.

(b) *Hall v. Barrows*, 4 De G. J. & S. 150; *Ainsworth v. Walmsley*, L. R.

1 Eq. 518; *Colman v. Crump*, 70 N. Y. 573; *Hegeman & Co. v. O'Byrne*, 9 Daly, 264.

(c) *Dent v. Turpin*, 2 J. & H. 139; *Dunnachie v. Young & Sons*, Ct. Sess. Cas. 4th ser. X. 874; and cases at p. 97.

(d) *Berliner Brauerei Gesellschaft Tivoli v. Knight, Stocks & Co.*, W. N. 1888, p. 70.

(e) *Ford v. Foster*, L. R. 7 Ch. 611; *Taylor v. Carpenter*, 3 Story, 458; R. Cox, 14; *Filley v. Fassett*, 44 Mo. 173; R. Cox, 530.

(f) *Braham v. Bustard*, 1 H. & M. 447; *Singer Manufacturing Co. v. Wilson*, 3 App. Cas. 376; *Wheeler v. Johnston*, 3 L. R. Ir. 284.

(g) *Orr-Ewing & Co. v. Johnston & Co.*, 13 Ch. D. 434.

(h) *Holloway v. Holloway*, 13 Beav. 209; *Metzler v. Wood*, 8 Ch. D. 606; *Comstock v. White*, 18 How. Pr. 421. See cases at p. 192.

(i) *Siegert v. Findlater*, 7 Ch. D. 801.



an allegation that the plaintiff's mark was registered before registration had actually been effected (a).

Slight delay.

The defendant will not escape by alleging laches on the part of the plaintiff in prosecuting his action, if no greater delay has taken place than was requisite to enable necessary evidence to be obtained (b).

Infancy.

Infancy is no defence, for "if an infant practises a fraud, he is liable for the consequences" (c), and he will be in the same position as an adult with respect to the payment of costs (d).

Defendant's mark registered.

Registration of the defendant's mark at Stationers' Hall, or in the trade marks register (a), is no defence (e).

Interference with defendant's business.

Nor is it any defence to say that an injunction, if granted, would interfere with the defendant's business, or with that of other manufacturers, since they will be able to trade as they please, with the sole exception of using the plaintiff's trade mark (f).

### *Discovery and Inspection.*

Discovery.

The plaintiff in a trade-mark case sometimes thinks it advisable, for the purposes of his action, to obtain from the defendant a disclosure of certain particulars of his business, as, for instance, of the names of customers to whom the goods alleged to be marked with the plaintiff's trade mark have been sold, or, on whose account such goods have been conveyed.

Principles on which given.

The principles on which this advantage is given or withheld are thus stated by Lord Hatherley, C. (g): "The Court

(a) *Read v. Richardson*, 45 L. T. 127.  
N. S. 54.

(b) *Lee v. Haley*, L. R. 5 Ch. 155;  
*Cave v. Myers*, Dig. 304. See  
*McLean v. Fleming*, 96 U. S. Rep.  
245.

(c) Per Sir T. Plumer, V.-C., in  
*Cory v. Gertcken*, 2 Madd. 49.

(d) *Chubb v. Griffiths*, 35 Beav.

(e) *Reinhardt v. Spalding*, 49 L. J.  
Ch. 57.

(f) *Ransome v. Graham*, 51 L. J.  
Ch. 897. See *Cope v. Brans*, L. R.  
18 Eq. 138; *Bass v. Dawber*, 19  
L. T. N. S. 626.

(g) *Moore v. Craven*, L. R. 7 Ch.  
94.

does not, when discovery is a matter of indifference to the defendant, weigh in golden scales the question of materiality or immateriality; but where the nature of the discovery required is such that the giving of it may be prejudicial to the defendant, the Court takes into consideration the special circumstances of the case, and whilst, on the one hand, it takes care that the plaintiff obtains all the discovery which can be of use to him, on the other, it is bound to protect the defendant against undue inquisition into his affairs. The question of materiality must be tested by reference to the case made by the plaintiff's pleadings, and to what will be in issue at the hearing."

"The more strict the Court is in compelling a full answer, the more necessary it is that the Court should be vigilant in seeing that the process of the Court is not made use of in an oppressive manner" (a). Where, therefore, the L.JJ. were of opinion that the discovery asked was such as the plaintiff, even if he failed at the hearing, might yet afterwards use in a manner prejudicial to the defendant, and were not satisfied that there was any real prospect of its being of material service to the plaintiff at the hearing, they reversed the order of the Duchy Court of Lancaster, by which such discovery had been granted (b).

Not given where oppressive.

So in *Benbow v. Low* (c) the defendants exhibited interrogatories requiring the plaintiffs to state (*inter alia*) what quantities of soap had been sold by them bearing the name in dispute, between the dissolution of the original partnership and the date of the action, distinguishing between the quantities sold in each year, and between the quantities sold in England, and in the United States, and in the continent of Europe, and Bacon, V.-C.,

*Benbow v. Low.*

(a) Per Sir C. J. Selwyn, L.J., in *Lockett v. Lockett*, L. R. 4 Ch. 341. And see *Piggott v. Anglo-American Telegraph Co.*, 19 L. T. N. S. 46.

(b) *Carver v. Pinto Leite*, L. R. 7 Ch. 90. "If the Court sees that all fair and legitimate purposes will

be answered by a restricted discovery, it will so restrict it;" per Sir C. Hall, V.-C., in *Orr v. Diaper*, 4 Ch. D. 92, commenting on this case.

(c) 16 Ch. D. 93.

and the Court of Appeal held that the plaintiffs were justified in refusing to answer, as the question was framed, not for the ordinary purposes of discovery, but in order to get at the details of a part of the plaintiff's evidence.

Given when  
necessary.

On the other hand, "the Court, while it takes care that no oppressive use is made of its forms of procedure, must take care that parties are not allowed to refuse discovery which they ought to make" (a). Where, therefore, a defendant who, having been the agent in London of the plaintiff, an American sewing-machine maker, continued, after dismissal, to advertise himself as the plaintiff's agent, and to sell as "the Howe Sewing Machine" machines not made by the plaintiff, and refused to give discovery of all the machines sold by him, with the prices, profits, names of purchasers, and other particulars, on the ground that he would thereby disclose the names of his customers and the secrets of his trade, Sir J. Romilly, M.R., held that the discovery might be extremely material to the plaintiff, and ordered it to be given (b). Again, where the plaintiff obtained an injunction against the defendants, and the defendants offered to submit to an injunction and pay costs, and then moved to stay proceedings, the answer to the plaintiff's interrogatories not having yet been given, Sir W. P. Wood, V.-C., said that the plaintiff had a right to ascertain the facts in his own way, by the answer of the defendants to his interrogatories, and that until the defendants had put in their answer, it was impossible for the Court to say whether or not he had done rightly in rejecting the terms offered by the defendants. The motion was dismissed, with costs (c).

(a) Per Sir G. M. Giffard, L.J., in *Thompson v. Dunn*, L. R. 5 Ch. 576. And see *Renard v. Levinstein*, 10 L. T. N. S. 94; *Russell v. Crichton*, Ct. Sess. Cas., 1st ser., XV., 1270; *Union Paper Collar Co. v. Metropolitan Collar Co., Ltd.*, 3 Daly,

171; *Byass v. Sullivan*, 21 How. Pr. 50.

(b) *Hocoe v. McKernan*, 80 Beav. 547.

(c) *Stephens v. Brett*, 10 L. T. N. S. 281.



In *Leather Cloth Co. v. Hirschfeld* (a), a decree having been made directing the defendant to account for all goods sold by him with a particular stamp, it was decided by the same learned judge that the defendant was compellable to disclose the names of all persons to whom he had sold any such goods, and that if he could not say to which of his customers the stamped goods were sold, he was then (but not otherwise) compellable to disclose the names of all customers to whom he had sold goods which he would not swear positively were unstamped.

*Leather Cloth Co. v. Hirschfeld.*

In *Orr v. Diaper* (b) the plaintiffs discovered that the defendants, who were shippers, had exported large quantities of goods packed and marked in imitation of theirs, for certain persons unknown. Being unable to discover the infringers, they applied to the defendants for discovery, and this being refused, instituted an action against them, in which discovery was prayed. The defendants having demurred, on the ground that no relief was prayed or intended to be prayed against them, Sir C. Hall, V.-C., held that the fact that the plaintiffs required the information for the purposes of an action against the infringers was sufficient, without their intending to bring an action against the shippers, and granted the discovery.

Action for discovery.

By the Merchandise Marks Act, 1862 (c), any person who has sold, &c., any goods marked with a spurious trade mark, is bound, within forty-eight hours after delivery of a demand in writing, to give full information in writing of the name and address of the person from whom he obtained the goods, and of the time when he obtained them. In case of refusal, a justice of the peace may summon and fine the person refusing, and such refusal is *prima facie* evidence that the person refusing was acquainted with the illegal circumstances.

Discovery under Merchandise Marks Act.

Again, by sect. 21, the Court or a judge is empowered, Inspection.

(a) 1 H. & M. 295.

(b) 4 Ch. D. 92.

(c) 25 & 26 Vict. c. 88, § 6.

in a trade mark case, to make such order as such Court or judge shall think fit for inspection; and it is provided that any person who shall refuse or neglect any such order shall be guilty of a contempt of Court.

Inspection  
under Judicial  
tute Act.

In *Hennessy v. Rohmann* (a), Sir R. Malins, V.-C., granted inspection of cases and bottles used by the defendants. In *Smith v. Harris* (b), the plaintiff in a trade mark case alleged by his statement of claim that he had for many years used the word "Glenlivet" on his invoices, letters, billheads, and whiskey casks, and, on the defendant's application, he was ordered to produce for inspection the invoices, letters and billheads in his possession so marked, but not the casks.

Particulars.

In the last-mentioned case the defendant alleged by his statement of defence that the plaintiff had for many years been well aware of the word "Glenlivet" being widely used in the trade in connection with other makes of whiskey, and the Court of Appeal ordered (c) the defendant within an appointed time to deliver particulars of the names of the persons alleged to have used the word with the plaintiff's knowledge, and the times when and places where they had done so, and ordered that, if the defendant should not do so, the paragraph in the defence should be struck out.

### Account.

Account.

A most important part of the remedy given in Equity for the infringement of the rights of the owner of a trade mark is the account of the profits, by which such profits as have been dishonestly acquired by a defendant by means of the reputation of another are restored to the

(a) 36 L. T. N. S. 51. This was under Order LII., r. 3, of the Rules of Court lately abrogated.

(b) 48 L. T. N. S. 809.  
(c) Feb. 6th, 1884.

plaintiff, whose they ought to have been at first. The principle is the same as where a man is made to account for the profits which he has improperly received, arising from the fraudulent manufacture of a secret medicine (a), or the publication of a newspaper (b).

"The liability to account for the profits is incident to the injunction" (c), and "on authority and principle it is clear that if a man manufactures goods and knowingly marks them with the trade mark of another person, he is accountable for the profits so made" (d). Incident to injunction.

So long as the defendant is aware that he is using a trade mark which is not his, the fact that he does not know to whom the trade mark belongs which is on the goods he is selling, does not in the slightest degree affect the right of the owner to an injunction and an account of profits. And since the defendant cannot himself have placed on the goods another's trade mark without being aware that he was infringing someone's trade mark rights, though he may not have known exactly whose it was, he will be accountable in all cases in which he has himself placed the mark on the goods (e). Wherever another's mark is placed on the goods by the defendant.

But where the defendant has bought marked goods and re-sold them in ignorance that the trade mark on them was forged, although the plaintiff will be entitled to his injunction, he will not be entitled to an account, except in respect of any user by the defendant after he became aware of the prior ownership (f). On this principle, in *Ellin v. Slack* (g), a defendant who had bought and re-sold goods bearing a mark which infringed the plaintiff's trade mark, but without knowledge of the infringement, Not so, where he bought goods ready marked.

(a) *Green v. Folgham*, 1 S. & S. 398.

(b) *Gibbett v. Read*, 9 Mod. 459.

(c) Per Sir J. Romilly, M.R., in *Cartier v. Carlile*, 31 Beav. 292.

(d) Per Sir J. Romilly, M.R., in *Moet v. Couston*, 33 Beav. 578. See *Carver v. Bowker*, Dig. 581. The account only extends to goods actually sold under the spurious mark,

not to goods manufactured but not sold. See *Stonebraker v. Stonebraker*, 38 Md. 252.

(e) *Cartier v. Carlile*, *ubi supra*; *Moet v. Couston*, *ubi supra*. And see S. C. 10 L. T. N. S. 395.

(f) *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *Moet v. Couston*, 33 Beav. 578.

(g) 24 Sol. J. 290.



and who, on hearing of the infringement, had at once desisted from any further sales and offered to submit to a perpetual injunction with costs, was relieved from accounting.

Account  
sometimes  
useless.

In many cases the main object of the action is to obtain the injunction, the account being of very secondary importance (a), and occasionally the injury suffered by the plaintiff, and the profits received by the defendant, have been so small that the account has not formed part of the relief awarded, so that the old rule that the injunction was subordinate to the account (b) no longer holds good.

No account  
where laches.

As a plaintiff may be disentitled to his injunction by reason of his own laches, so he may be disentitled by the same reason to the account of profits. If he permits the defendant to continue his infringement for a prolonged period, he will not then be allowed to treat him as his salesman, and claim an account (c). But if the plaintiff has not been aware of the fact of the defendant's user, the length of that user will not deprive him of his right to an account (d).

Offer of sub-  
mission.

Where a defendant offered, among other things, to account for profits, but the plaintiff, declining the offer of submission, insisted upon his own terms, including an account, the Court granted the account, but only upon the plaintiff's request, and at his peril in respect of costs, in case it should turn out that the account furnished by the defendant of his own accord was accurate (e).

Subdivided  
account.

In *Dent v. Turpin* (f), where a defendant had infringed a trade mark, which had become by bequest the property of two different persons, and those persons brought distinct

(a) *Pierce v. Franks*, 15 L. J. Ch. 122; *Burgess v. Hately*, 28 Beav. 249; *Leather Cloth Co. v. American Leather Cloth Co.*, 4 De G. J. & S. 137; *McAndrew v. Bassett*, *ib.* 380; *Barnett v. Leuchars*, 13 L. T. N. S. 495; *Shipwright v. Clements*, 19 W. R. 599, &c.

(b) *Delondre v. Shaw*, 2 Sim. 237.

(c) *Beard v. Turner*, 13 L. T. N. S.

746; *Harrison v. Taylor*, 11 Jur. N. S. 408; *McLean v. Fleming*, 96 U. S. Rep. 245; *Amoskeag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298.

(d) *Sawyer v. Kellogg*, 19 U. S. Pat. Gaz. 1627; 20 *ib.* 1893.

(e) *Nunn v. D'Albuquerque*, 34 Beav. 595.

(f) 2 J. & H. 139.

actions against the defendant, the prayer in each case including an account and payment of such share of the profits as should be shown to be attributable to the individual plaintiff's share, it was held that such an account and payment could be granted.

As to the extent of the account, it will not be given for a period of more than six years before the commencement of the action, and it will not include every species of profit made by the defendant during that period, but only so much as is properly attributable to the use of the plaintiff's trade mark (a). If the defendant was at first ignorant that he was using a trade mark, the account will commence from the date when he became aware of that fact (b); and where the defendant had himself been guilty of misrepresentation, and the defendant's business was carried on upon so much larger a scale than the plaintiff's as to render it impossible to suppose that the use of the plaintiff's mark had alone brought the defendant his customers, the account was only given from the date of filing the bill, and not earlier (c).

Extent of account. —

Sometimes an account of profits is directed at the plaintiff's risk (d). Where an account had been directed of the sale and profits of a book published in infringement of the plaintiff's rights, notwithstanding an affidavit by the defendant that about half of 11,000 copies printed had been sold, and the account showed that 9000 copies had been sold, but that instead of a profit there had been a small loss, it was held that the affidavit had been shown to be untrustworthy, and that the plaintiff was justified in requiring the account to be taken, and was held to the costs thereby occasioned (e).

Account directed at plaintiff's risk.

The acceptance of an account of profits by the plaintiff operates as a condonation of the infringement, so that a

Election between account and damages.

(a) *Cartier v. Carlile*, 31 Beav. 292.  
 (b) *Moet v. Couston*, 33 Beav. 578; *Edelsten v. Edelsten*, 1 De G. J. & S. 185.  
 (c) *Ford v. Foster*, L. R. 7 Ch. 611.

(d) As an inquiry as to damages may be. See *Tonge v. Ward*, 21 L. T. N. S. 480.  
 (e) *Dicks v. Jackson*, Chitty, J., March 31st, 1884.



plaintiff must elect between the account and an inquiry as to damages, but cannot insist on both (a), though he may at the outset claim both, reserving his election till a later stage (b).

### *Damages.*

Damages.

It is in the option of a successful plaintiff in a trade-mark action to elect between an account of profits and an inquiry as to damages, although, as before stated, he cannot have both (c). Damages being the appropriate remedy at Common Law, while the account of profits was peculiar to Equity, the result, and probably the cause of the great majority of trade mark cases being brought into Equity, has been that an account has been commonly awarded and not damages. This has been the case notwithstanding that the Courts of Equity have had the power of giving relief in the shape of damages (d), since in most cases the account forms the most convenient remedy.

When given.

Some of the remarks made in reference to the account apply in respect of damages: thus, the defendant is liable in damages for the user of what he has reason to know, or suppose to be, a forged trade mark, though he may be ignorant of the owner; but not for user of a mark which he did not at all know to be forged (e); while, on the other hand, the plaintiff may be held to be disentitled to damages by reason of his own delay (f).

Special  
damage need  
not be proved.

For damages to be recovered it is not necessary that special damage should be proved; it is sufficient to show

(a) *Neilson v. Betts*, L. R. 5 H. L. 1.

(b) See *Leidersdorf v. Flint* (2), 50 Wisc. 401.

(c) *Neilson v. Betts*, L. R. 5 H. L. 1. See *Leidersdorf v. Flint* (2), 50 Wisc. 401.

(d) Thus, inquiries as to damages were given in *Chearin v. Walker*, 5 Ch. D. 850—61; and *Graveley v. Winchester*, Seton, 4th ed. 257.

(e) *Edelsten v. Edelsten*, 1 De G.

J. & S. 185; *Cartier v. Carlile*, 31 Beav. 292; *Moet v. Couston*, 33 Beav. 578; 10 L. T. N. S. 395. Thus, in *Weed v. Peterson*, 12 Abb. Pr. N. S. 178, it was held that, though an injunction must be granted with costs, yet, as the defendants had acted perfectly *bona fide*, no damages could be given.

(f) *Amoskeag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298.



that the plaintiff's right has been invaded, in which case some damages, even if only nominal, will be given (a).

The measure of damages which can be recovered when special damage is proved is not yet clearly settled by authority; but in *Leather Cloth Co. v. Hirschfeld* (b), it was held by Sir W. P. Wood, V.-C., 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 but for the defendant's unlawful use of 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. In America, however, it has been said that "every consideration of reason, justice, and sound policy demands that one who fraudulently uses the trade mark of another should not be allowed to shield himself from liability for the profit he has made by the use of the trade mark on the plea that it is impossible to determine how much of the profit is due to the trade mark and how much to the intrinsic value of the commodity. The fact that it is impossible to apportion the profit renders it just that he should lose the whole" (c), and the usual practice in America appears to be to assess damages at the amount of the profits which the plaintiffs would have made if they had sold the same quantity of the genuine goods as the defendants had sold of the spurious ones (d), or, at all events, at the amount of the actual profits reaped by the defendants from the infringement (e).

Where a defendant offered submission in terms which

Offer of submission.

(a) *Blofeld v. Payne*, 4 B. & Ad. 410; and see *Sykes v. Sykes*, 3 B. & Cr. 541; *Morison v. Salmon*, 2 Scott, N. R. 449; 2 Man. & G. 385; and cases at p. 149, n. (b).

(b) L. R. 1 Eq. 229. See *Davenport v. Rylands*, L. R. 1 Eq. 302.

(c) Per Crockett, J., in *Graham v. Plate*, 40 Cal. 593, 6 Amer. R. p. 689.

(d) *Hostetter v. Vowinkle*, 1 Dill. 329; *Faber v. Hovey*, Dig. 481.

(e) *Graham v. Plate*, ubi supra; *Peltz v. Eichele*, 62 Mo. 171.

were rejected by the plaintiff, the latter was allowed an inquiry as to damages at his own risk (*a*).

Merchandise  
Marks Act.

By § 22 of the Merchandise Marks Act, 1862 (*b*), a person who forges a trade mark, or applies a forged trade mark to goods for the purpose of sale, or in any other of certain specified ways attempts to pass off spurious goods as genuine, is liable in damages to every person aggrieved by such wrongful acts.

### Costs.

General rule  
as to costs—  
follow event.

The same general principles on which costs are given in other cases prevail in those in which a question of trade mark is at issue. Thus, the primary rule is that costs follow the event; that is to say, that where a plaintiff succeeds, he will get his costs (*c*); where he is unsuccessful, he will have to pay costs (*d*). And the fact that merely nominal damages have been awarded will not deprive a successful plaintiff of his right to his costs, since a question of his right has been involved (*e*).

Relief some-  
times granted  
without costs.

Costs, however, being in the discretion of the Court, the Court will, under some circumstances, grant the injunction, but without costs, as where the plaintiff has persisted in litigation which had become unnecessary (*f*), or where the successful plaintiff has been guilty of delay (*g*). So, again, where forwarding agents, who had been made the medium for importing spuriously marked cigars, had not participated in the fraud, had offered to give what information they

(*a*) *Tonge v. Ward*, 21 L. T. N. S. 480. See *Dicks v. Jackson*, Chitty, J., March 31st, 1884.

(*b*) 25 & 26 Vict. c. 88.

(*c*) *Chappell v. Davidson*, 2 K. & J. 123; *Parina v. Silverlock*, 1 K. & J. 509; 6 De G. M. & G. 214; 4 K. & J. 650; *Collins Co. v. Walker*, 7 W. R. 222; *Edelsten v. Edelsten*, 1 De G. J. & S. 185; *McAndrew v. Bassett*, 4 *ib.* 380.

(*d*) *Woollam v. Ratliff*, 1 H. & M. 259; *Williams v. Osborne*, 13 L. T. N. S. 408; *Morgan v. McAdam*, 36 I. J. Ch. 228; *Bass v. Dawber*, 19 L. T. N. S. 626; *Lucke v. Webster*,

M. R., April 4th, 1879.

(*e*) *Morison v. Salmon*, 2 Scott, N. R. 449; 2 Man. & G. 385. But in a similar case the Canadian Court gave no costs: *Bondier v. Depatie*, Montreal Q. B. May 29, 1883.

(*f*) *Millington v. Fox*, 3 My. & Cr. 338; *Moet v. Couston*, 33 Beav. 578; *Hudson v. Bennett*, 12 Jur. N. S. 519.

(*g*) *Millington v. Fox*, 3 My. & Cr. 338; *Beard v. Turner*, 13 L. T. N. S. 746; *Perks v. Hall & Co.*, W. N. 1881, p. 111; *Amoskeag Manufacturing Co. v. Garner* (2), 54 How. Pr. 298.



could, and had submitted to act as the Court should direct (a).

Under some circumstances the plaintiff may obtain his injunction and yet have to pay the costs of some defendants, as where a dock company was innocently in possession of spuriously marked goods (b). And again, where wine bearing a spurious brand was in the possession of wharfingers, it was held by the Court of Appeal that they were entitled to their costs of being made defendants to an action for infringement, notwithstanding that they had submitted to act as the Court should direct only upon having their charges and costs paid or provided for (c).

On the other hand, while the relief claimed by the plaintiff is refused, the defendant may still be left to pay his own costs, as where the plaintiff has lost his remedy by lapse of time (d), or improper use of the word "patentee" (e), or other similar reasons (f), the defendant's fraudulent intention being evident; or, more commonly, where the defendant's conduct, though not so clearly fraudulent as to entitle the plaintiff to an injunction, has yet been so suspicious and uncandid as to call for some punishment (g). Thus, where the Vice-Chancellor considered that the defendant had acted fraudulently, but thought himself bound by a decision of the Court of Appeal on the motion to dismiss the bill, he did so without costs (h). Where the defendant had filled with his own lime juice bottles brought

(a) *Upmann v. Elkan*, L. R. 7 Ch. 130. See *Moet v. Pickering*, 8 Ch. D. 372.

(b) *Upmann v. Elkan*, *ubi supra*.

(c) *Moet v. Pickering*, *ubi supra*.

(d) *Rodgers v. Rodgers*, 31 L. T. N. S. 285.

(e) *Nixey v. Raffey*, W. N. 1870, p. 227. And where a plaintiff company was held to be disentitled to an injunction by reason of the wrongful use of the word "patent," and the defendant, as having been the company's manager, was in some sense responsible for this, he was deprived of the costs which would

otherwise have been given him: *Leather Cloth Co. v. Lonsont*, L. R. 9 Eq. 345.

(f) *E.g.*, *Petridge v. Wells*, 13 How. Pr. 385; R. Cox, 180.

(g) *Edgington v. Edgington*, 11 L. T. N. S. 299; *Bass v. Dawber*, 19 L. T. N. S. 626; *Ainsworth v. Walmesley*, L. R. 1 Eq. 518; *Wylam v. Clarke*, W. N. 1876, p. 68; *Robineau v. Charbonnel*, W. N. 1876, p. 160; *Tallcot v. Moore*, 13 N. Y. Sup. Ct. 106; *Degraves v. Whiteman*, 5 Vict. L. R. Eq. 304.

(h) *Wotherspoon v. Currie*. See L. R. 5 H. L. 510.



to him for the purpose, though they were stamped with the plaintiff's name, and the plaintiff brought an action, making charges which amounted to fraud, but which the Court did not consider to be justified, though the defendant had done that which he was not entitled to do, and the defendant gave an undertaking not to repeat the offence, no order was made, and each party was left to pay his own costs (a). In some cases the costs of interlocutory proceedings will be made costs in the cause, as where, on motion for injunction, the plaintiff failed on the score of delay (b).

Apportionment of costs.

In some cases a portion only of the relief asked for has been granted, and the costs have either been apportioned in a manner corresponding to the amount of success achieved, or each party has been left to pay his own costs. Thus, where a plaintiff company succeeded on the question of imitation of labels and wrappers, but failed as to trade mark, the plaintiffs were given their costs up to the motion for injunction, each party having to bear his own after that (c). In *Day v. Neale* (d) no costs were given on either side, the plaintiffs having asked for an injunction in respect of several trade marks, in only two of which they had an exclusive right, and having delayed to take proceedings for more than two years, while the defendants were in the wrong as to the two marks. In *Metzler v. Wood* (e) the plaintiffs, who succeeded on the main question of imitation of the title of their publication, were deprived of half their costs, on the ground of their having made claims as to copyright which failed. Where a plaintiff succeeded in establishing a limited right in a word, and also that the defendant had acted fraudulently, but he failed to show a general right in the word, and that certain labels used by the defendant were deceptive, the defendant

(a) *Rose v. Loftus*, 47 L. J. Ch. 576; and see *Perks v. Hall & Co.*, W. N. 1881, p. 111.

(b) *Isaacson v. Thompson*, 41 L. J. Ch. 101. And see *Brook v. Evans*, 2 L. T. N. S. 740; *Wallis v. Wallis*,

4 Dr. 458.

(c) *Compagnie Laferme v. Hendrickx*, Dig. 512.

(d) V. C. B. May 24, 1881.

(e) 8 Ch. D. 608.

was ordered by the Irish Court to pay the general costs of the suit, but the plaintiff was ordered to pay and set off against his own costs the costs of all the affidavits of the defendant's witnesses (except that of the defendant himself), since they had been addressed to the part of the case on which the plaintiff failed (a). In a Bombay case (b), in which six marks were in question, and the defendants succeeded as to all but one, which they had offered to give up within six days after the commencement of the suit, it was held that the defendants must only pay their costs with regard to that mark, and one-sixth of the plaintiffs' costs up to and including the day on which the offer was made, and that all the remaining costs of both parties must be paid by the plaintiffs.

If a plaintiff makes charges which he is unable to substantiate, he may obtain an injunction with costs, and yet have to pay all costs occasioned by the making of that charge (c). In the same way, if a plaintiff insists upon having an account taken, after the defendant has given full information, the plaintiff will have to pay the costs of that account, if it turn out to have been unnecessary (d).

Costs of unfounded charges, &c.

When a defendant in a trade mark action submits to a perpetual injunction with costs, the mere fact of his having submitted constitutes no special ground, under R. S. C., 1883, Order LXV., r. 9, for directing the costs to be taxed on the higher scale, but in such a case the Court will refuse to punish him for submitting at once, and will leave the costs to be taxed on the lower scale (e).

Scale of costs when defendant submits.

A motion to commit for breach of an injunction is not unfrequently made without any intention of obtaining an order for actual committal, but the defendant can only be ordered to pay the costs of such a motion if the facts

Costs of motion to commit.

(a) *Wheeler v. Johnston*, 3 L. R. Ir. 284.

(b) *Wallace & Co. v. King & Co.*, Bombay High Ct., April 30, 1879.

(c) *Pierce v. Franks*, 15 L. J. Ch. 122; *Standish v. Whitwell*, 14 W. R.

512; *Wylam v. Clarke*, W. N. 1876, p. 68.

(d) *Nunn v. D'Albuquerque*, 34 Beav. 595.

(e) *Hudson v. Osgerby*, 50 L. T. N. S. 323.



would have warranted a committal (a). But where an order for committal was rescinded by the Court of Appeal, no costs were given the defendant, on account of the equivocal conduct of some of his agents (a). Where a motion to commit was dismissed on the ground of delay, as well as that the actual terms of the injunction had not been disobeyed, though its spirit had been, the Vice-Chancellor, while refusing the motion, enlarged the injunction and made the defendant pay the costs (b). In a case in which the Supreme Court of New York had fined a defendant for contempt, the Court of Appeals, while considering itself bound by the decision of the Supreme Court as to the fact of the breach, yet thought the decision so doubtful that it gave no costs of the appeal (c).

Costs of  
appeals.

The costs of appeals are usually governed by the same principle as those in the Courts of First Instance, and follow the event. Thus, in *McLean v. Fleming* (d), in which the U. S. Circuit Court considered the plaintiff to be entitled to an injunction and an account, but the Supreme Court reversed the decision with respect to the account, on the ground of the plaintiff's own laches, it was held that the plaintiff must have his costs in the Court below, but the defendant (appellant) his costs of the appeal. The costs of an unnecessary appeal must be paid by the appellant. Thus, where a respondent appeared at the hearing of an appeal, after having received notice from the appellant that no alteration would be asked in the order in the Court below with respect to his costs, which the appellant had been ordered to pay, that respondent was left to pay the costs of such appearance (e). And where, in an action for imitation of the name of the plaintiffs' journal, the plaintiffs brought on an appeal from the decision of the judge directing the motion for injunction to stand to the hearing, after the defendants had changed the name of their publi-

(a) *Dence v. Brand*, W. N. 1881,  
p. 81.

(b) *Cartier v. May*, Dig. 200.

(c) *Derlin v. Derlin*, 69 N. Y. 212.

(d) 96 U. S. Rep. 245.

(e) *Upmann v. Elkan*, L. R. 7 Ch.  
130.

cation, the plaintiffs were ordered to pay the costs of the appeal, notwithstanding that the defendants had refused to submit to an injunction, or to give an undertaking as to their original title (a).

One of the main objects which the Court has in view in the exercise of its jurisdiction is "to repress unnecessary litigation, and to keep litigation within those bounds which are essential to enable the parties to vindicate and establish their rights" (b). Although, therefore, a plaintiff whose rights have been attacked is not bound to rely on the assurance of his assailant that the act will not be repeated, but is entitled to the protection of an injunction (c), yet if he, immediately after the suit is commenced, is offered and may obtain all he seeks, and still thinks proper to go on with his suit, the Court may give him his decree, but will not give him the costs of the suit so unnecessarily prosecuted (d). The defendant is, however, the aggressor, since the litigation has been first occasioned by his unwarrantable interference with the plaintiff's rights in respect of his trade mark, and this is equally the case whether the aggression was made with knowledge or in ignorance of those rights of the plaintiff. The defendant must therefore offer all the plaintiff has a right to obtain, and the offer must include all the costs which have been occasioned by his improper conduct (e).

Costs in case of compromise.

(a) *Dale v. Smith*, W. N. 1882, p. 145.

(b) Per Lord Cottenham, C., in *Millington v. Fox*, 3 My. & Cr. 338.

(c) *Geary v. Norton*, 1 De G. & S. 9; *Routh v. Webster*, 10 Beav. 561; *Tonge v. Ward*, 21 L. T. N. S. 480; *Coats v. Holbrook*, 2 Sandf. 586; R. Cox, 20; *Railway v. Coleman*, 15 Grant, Up. Can. Ch. 50; *Guardian Fire and Life Assurance Co. v. Guardian and General Insurance Co., Ltd.* 50 L. J. Ch. 252.

(d) Per Sir J. Wigram, V.-C., in *Colburn v. Simms*, 2 Hare, 560, commenting on *Millington v. Fox*; and see *McAndrew v. Bassett*, 4 De G.

J. & S. 380; *Hudson v. Bennett*, 12 Jur. N. S. 519; *Upmann v. Elkan*, L. R. 12 Eq. 140, 7 Ch. 130; *Williams v. Osborne*, 13 L. T. N. S. 498.

(e) *Fradella v. Weller*, 2 R. & M. 257; *Kelly v. Hooper*, 1 Y. & C. 197; *Geary v. Norton*, 1 De G. & S. 9; *Burgess v. Hills*, 26 Beav. 244; *Burgess v. Hatly*, 26 Beav. 249; *Wallis v. Wallis*, 4 Dr. 458; *Collins Co. v. Walker*, 7 W. R. 222; *Moet v. Couston*, 33 Beav. 578; *Nunn v. D'Albuquerque*, 34 Beav. 595; *Coats v. Holbrook*, 2 Sandf. 586; R. Cox, 20; *Weed v. Peterson*, 12 Abb. Pr. N. S. 178.



Thus, where in a patent case an injunction was granted, the defendants having previously promised to commit no further infringement and to pay the costs of preparing the bill, Sir J. L. Knight Bruce, V.-C., gave the plaintiffs their costs at the hearing, since the defendants ought to have offered, on the injunction being obtained, to pay all costs up to that time (a). The same result followed where a defendant, who had offered to pay the taxed costs as between party and party, but refused to pay them as between solicitor and client, put in his answer, and then the plaintiff offering to accept the costs as between party and party, declined to pay the costs of the answer (b). But if an innocent infringer withdraws all marked articles from sale, and offers an undertaking immediately upon being served with the writ, and the plaintiff afterwards moves for an injunction, the motion will be refused with all costs, less the costs of the writ, which will have been incurred before the defendant's offer (c).

Notice to  
infringer.

It has been thought that a person whose trade mark has been infringed should give notice to the infringer of his intention to take proceedings, so as to give him an opportunity of explaining his conduct or submitting (d); and if he does so, and a fair offer is made, he should not hasten to incur needless expense (e), or he may be punished in respect of costs. Lord Romilly, M.R., was, however, of opinion (f) that the defendant having been the aggressor,

(a) *Geary v. Norton, ubi supra*. See *Lochgelly Co. (Limited) v. Lumphinnans Iron Co.*, Ct. Sess. Cas. 4th Ser. VI. 482.

(b) *Kelly v. Hooper*, 1 Y. & C. 197.

(c) *Caruncho v. Highmoor*, 27 Sol. J. 199.

(d) *Chappell v. Davidson*, 2 K. & J. 123; *Wallis v. Wallis*, 4 Dr. 458; *Twentsche Stoom Bloekery Goor v. Ellinger & Co.*, 26 W. R. 70.

(e) *Williams v. Osborne*, 13 L. T. N. S. 498. And see the opinion of

Jessel, M. R., cited in *Upmann v. Forester*, 24 Ch. D. 281, and *In re Kuhn & Co.*, 53 L. J. Ch. 288.

(f) In *Burgess v. Hately*, 26 Beav. 249. In *Field v. Lewis*, Dig. 280, Wood, V.-C., granted an injunction with costs, though no notice had been given before bill filed. And see *Coats v. Holbrook*, 2 Sandf. 586; *R. Cox*, 20; and *Sawyer v. Kellogg*, 19 U. S. Pat. Gaz. 1627; 20 *ib.* 1893.

the plaintiff would be justified in filing his bill, without making any application to the defendant; and in *Upmann v. Elkan* (a) he indicated his adherence to the same view, saying that he did not mean to lay down that the person whose trade mark had been imitated might not file a bill without making any inquiry at all. In the very recent case of *Upmann v. Forester* (b), Chitty, J., actually decided in accordance with this opinion, giving costs to a plaintiff who had moved for an injunction without giving any previous notice, though the defendant had acted perfectly innocently, and would have submitted if notice had been given him. And he stated that this was also the opinion of Jessel, M.R. (c). The reason assigned by Chitty, J., for this decision appears to be that, if the plaintiff were to give notice to the defendant, and the defendant were to submit, the plaintiff would lose his costs; but it might be thought that the plaintiff would be sufficiently secured in this respect by the rule above stated, that an offer of submission must, to be effectual, include an offer of all costs occasioned to the plaintiff, and that no injustice would be done to the plaintiff, but a very possible injustice to an innocent defendant might be minimised, by requiring notice to be given.

A plea of infancy will not excuse an infant infringer from paying the costs which his conduct has occasioned (d). Infancy does not excuse from costs.

A person who has induced another person to manufacture for him goods marked with the trade mark of a third person is liable to repay to the person he has made the instrument of his fraud the costs of legal proceedings brought about by the infringement, including any sum which that person may have reasonably paid to compromise the matter (e). Costs occasioned to a third party by defendant's fraud.

(a) L. R. 12 Eq. 140; L. R. 7 Ch. 180.

(b) 24 Ch. D. 231.

(c) See per Jessel, M.R., in *In re Kuhn & Co.*, 58 L. J. Ch. 238,

and *Barrett v. Gomm*, 74 L. T. 388.

(d) *Cory v. Gertken*, 2 Madd. 49; *Chubb v. Griffiths*, 35 Beav. 127.

(e) *Dixon v. Pawcus*, 8 Ell. & Ell. 537.



Costs in registration cases.

When an application for the registration of a trade mark is opposed and brought before the Court, the costs are usually ordered to be paid by the unsuccessful party, as having been occasioned by his wrongful claim or opposition. Thus, where a claim was made to register and use a trade mark, which would have been an infringement of an existing mark, the persons who wrongly claimed the mark were ordered to pay the costs of cross-adjourned summonses, as well as of an action for an injunction which had been rendered necessary by the claim (a). And in *In re Rosing* (b), the Cutlers' Co. of Sheffield, who had opposed an application in what they believed to be the interest of the public (and whose opposition succeeded in the Court of Appeal), were ordered by V.-C. Bacon to pay the costs of their opposition, which failed before him.

No costs.

If, on the other hand, each party is partially successful, no costs will be given on either side (c).

Costs paid by successful applicant.

Where an applicant took advantage of the precise wording of the Act to obtain registration as a part of his trade mark of words to the exclusive use of which he was not entitled, and the application was unsuccessfully opposed, Jessel, M.R., held that, notwithstanding the success of the applicant, he must still pay the costs of the application, as he was taking advantage of the Act to do that which the Act did not intend him to do (d).

Costs of comptroller.

Where the comptroller (formerly the registrar) is served with notice of an application to the Court, he is entitled to appear at the hearing of the application, and to receive his costs of so doing, since it is proper that he should know what order is made (e).

When he opposes.

Where the comptroller opposes an application, and his

(a) *Davis v. Tylor*, M. R., April 24th, 1879. 621; *Monson v. Boehm*, 28 Sol. J. 361.  
 (b) Dig. 621. (d) *In re Maignen*, 28 W. R. 759.  
 (c) *In re Jelley, Son & Jones*, 51 L. J. Ch. 639; *In re Rosing*, Dig. (e) This has been repeatedly so laid down; e.g., *In re Orr-Ewing* (2), 28 W. R. 412.

opposition fails, he will not usually be required to pay the costs of the successful applicant (a); but it seems that costs may be given against him if he opposes in a case in which the Court pronounces the applicant's mark not only to be distinct from the mark which the comptroller supposes it to resemble, but to be so distinct that the comptroller was acting wrongly in objecting (b). And in one case (c) in which the comptroller's objection succeeded no costs were given him, because he had not merely submitted the claim to the Court, but had actively disputed it and filed evidence.

Since, by the terms of the old Rule 16 (d), an opposed application did not stand for the determination of the Court until the comptroller informed the applicant that the opponent had given security, no costs incurred before that point in the proceedings, but only those incurred after it, could formerly be given by the Court or be included in an order to pay costs (e); but the Court has now full power over the costs in all cases which come within § 90 of the Patents Act, 1883.

If a person registers as his property a trade mark to which he is not entitled, he will have to pay the costs of the necessary application to remove it from the register (f), though there may be exceptional cases in which this rule will not be followed, as if the mark was originally his property, but has become common through the common piracy of the trade, and they have delayed to apply for removal for some time after his registration, and have then done so without notice to him, he being a foreigner (g).

(a) *In re Rotherham*, 14 Ch. D. 585.

(b) *In re Patent Plumbago Crucible Co.*, M. R., August 1st, 1879.

(c) *In re Jones Bros.*, V.-C. H., July 10th, 1880.

(d) Now repeated in § 69 of the Patents Act, 1883.

(e) *In re Brandreth*, 9 Ch. D. 618.

(f) *In re Hyde & Co.*, 7 Ch. D. 724; *In re Palmer* (3), 24 Ch. D. 504; *In re Kuhn & Co.*, 53 L. J. Ch. 238.

(g) *In re Kuhn & Co.*, 53 L. J. Ch. 238.

Extent of costs.

Costs of application to remove.



## CHAPTER VIII.

### CASES ANALOGOUS TO THOSE OF TRADE MARK.

Cases not strictly trade mark cases.

IN addition to the cases in which there has been an infringement of trade mark properly so called, a variety of cases have been decided in which the Court has restrained the practice of fraud by one person at the expense of another, the means adopted to perpetrate the fraud resembling to some extent the infringement of a trade mark, but yet being distinguishable therefrom.

Cases of true trade mark.

A trade mark is a highly technical matter, and for there to be an infringement of trade mark there must be a valid trade mark in existence; that is to say, there must not only be such a device in existence as is capable of forming a trade mark, but it must be actually attached to vendible articles in the market (a), or must (at least, if first used since the Trade Marks Act of 1875) be properly registered under the Patents Act, 1883 (b).

Cases not of true trade mark.

Where, however, there has been a representation that one thing is another, by means of which one person has secured custom intended for another, so that both the purchaser and the genuine trader have been defrauded, there the Court will interfere and protect the right of both parties to trade freely without fraudulent deceptions, although the fraud has taken another form than that of imitating a trade mark.

(a) *McAndrew v. Bassett*, 4 De G. J. & S. 380; *Maxwell v. Hogg*, L. R. 2 Ch. 307. See also *In re Leonard*

& *Ellis*, 32 W. R. 530.

(b) See the Patents Act, 1883, § 77.

An important class of cases of this description consists of Trade name. cases in which there has been a wrongful assumption by one person or firm of the trade or firm name under which a reputation has been gained by another person or firm, and which has therefore become a very important part of the goodwill of the business of such person or firm (a), although when used as a name, and not as a mark on vendible goods, it is not used as a trade mark. The imitation of such a name falsely represents not merely a certain class of goods, but the entire business to be that of one not the true proprietor.

“In this country,” says Lord Chelmsford (b), “we do not recognise the absolute right of a person to a particular name, to the extent of entitling him to prevent the assumption of that name by a stranger. The right to the exclusive use of a name in connection with a trade or business is familiar to our law; and any person using that name, after a relative right of this description has been acquired by another, is considered to have been guilty of a fraud, or at least of an invasion of another’s right, and renders himself liable to an action, or he may be restrained from the use of the name by injunction.” But a man who has never carried on business under a particular name cannot, even though he has some kind of right to use that name, interfere with its being used by another. Thus, where the plaintiff was the mortgagee of the goodwill of a business, including the right to use the name under which the business was carried on, but had never exercised his right so to do (c).

No exclusive right in name apart from business.

There is another kind of trade name besides the trade name which is synonymous with firm name, viz., the trade name which is applied, not to the firm by whom the goods are manufactured and sold, but to the goods themselves; Name by which goods identified.

(a) Per Wood, V.-C., in *Churton v. Douglas, Johns*, 174. R. 2 P. C. 441.  
 (b) *Du Boulay v. Du Boulay*, L. 660. (c) *Beazley v. Soares*, 22 Ch. D. 660.



and it was with immediate reference to a trade name of this description (a), though the principles laid down by him are equally applicable to both classes of trade names, that Lord Blackburn (b), after referring to frauds committed by the infringement of trade marks, went on to say:—"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 or on the packages in which they are contained, so as to be a trade mark, properly so called, or within the recent statutes. 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, as applicable to goods not the plaintiff's, may be the means of passing off those goods as and for the plaintiff's, just as much as the use of a trade mark; and I think the law (so far as not altered by legislation) is the same. And I think it settled by a series of cases 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 which originally established them, even though the name of that firm be changed so that they are no longer strictly correct."

Fraud not  
necessary to  
be proved.

It was formerly sometimes supposed, and was held by the late Master of the Rolls and the Court of Appeal in *Singer Manufacturing Co. v. Wilson* (c), that for an action to restrain the use of a trade name to be successful fraud must be proved; on the ground that when a trade mark was once affixed to the goods it passed with the goods from hand to hand, thus silently repeating to each successive purchaser the original misrepresentation of the original infringer, while the improper use of a name not affixed to the goods was not the necessary consequence of

(a) "Singer" sewing machines.

(b) In *Singer Manufacturing Co.*

v. *Loog* (3), 8 App. Cas. 15.

(c) 2 Ch. D. 484.

being in possession of marked goods, but was the individual act of each person who used it in respect of the goods; so that there might be held to be an infringement of a trade mark when, in analogous circumstances, there would be no infringement of a trade name. And when the case of *Singer Manufacturing Co. v. Wilson* was remitted by the House of Lords to the Court of First Instance (a), on the ground of insufficiency of evidence, some of the law peers seem to have thought that different principles of law might possibly be applicable to trade marks and trade names. But Lord Cairns, C. (b), 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 be thus 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. (if that is the legitimate effect of the advertisements, which is a separate question) must, in my opinion, be as injurious in principle, and may possibly be quite as injurious in operation, as the same representation made upon the articles themselves." And in *Singer Manufacturing Co. v. Loog* (c), Lord Blackburn took the view that the law of trade marks and trade names when not affected by legislation was the same.

Whether there is or is not property in a trade name, as Lord Blackburn suggested (d), it is a fraud on the part of one person to attract to himself the custom intended for another, by a false representation, direct or indirect, that the business carried on by himself is identical with that of the other person by whose ability and exertions the name

False representation sufficient.

(a) 3 App. Cas. 376.

(b) 3 App. Cas. 389.

(c) 8 App. Cas. 15. As to the differences between trade marks and trade names in Massachusetts, see *Bowman v. Floyd*, 85 Mass. 76.

(d) And see per the Court of Session in *Singer Manufacturing Co. v. Kimball & Morton*, Ct. of Sess. Cas. 3rd Ser. XI. 267; also *Boulnois v. Peake*, 13 Ch. D. 513 n.



has acquired the reputation it possesses (a). The question is not whether the defendants' business is represented as being similar to the plaintiffs', but whether it is represented as being that very identical business (b). If such a false representation has been made, whatever may have been the motive of the persons making it, when proceedings are taken in consequence of it, "all the Court requires is to be satisfied that the names are so similar as to be calculated to produce confusion between the two—so calculated to do it that, when it is drawn to the attention of those adopting the name complained of that that would be the result, it is not honest for them to persevere in their intention, though originally the intention might not have been otherwise than honest" (c).

Act originally  
innocent  
may become  
fraudulent.

"The question is this," said Cotton, L. J., in the Court of Appeal (d), "whether the defendant has represented that the goods manufactured by him were manufactured by the plaintiffs, or whether he has done anything calculated so to represent. I quite agree that it is unnecessary that a fraudulent intention in issuing the circulars complained of should be established. If the natural consequence of those things, even in circumstances not known to him, is that they will represent the goods to be those of another person, it is wrongful, and, as this Court says, a fraud in him to continue the user after those circumstances are brought to his knowledge. We must consider whether he has represented, or done that which is reasonably calculated to give that misrepresentation." In the same spirit, Wood, V.-C., had laid down long previously (e) that if the plaintiffs had represented to the defendants that the course which the latter had been taking was calculated to deceive

(a) *Lee v. Haley*, L. R. 5 Ch. 155.

(b) *Cruttwell v. Lye*, 17 Ves. 335;  
*Churton v. Douglas*, Johns. 174;  
*Civil Service Supply Association v. Dean* 13 Ch. D. 512.

(c) Per James, L. J., in *Hendricks v. Montagu*, 17 Ch. D. 638.

(d) In *Singer Manufacturing Co. v. Loog* (3), 18 Ch. D. 417.

(e) In *Williams v. Osborne*, 13 L. T. N. S. 498. And see *McAndrew v. Bassett*, 4 De G. J. & S. 380, and *Magee Furnace Co. v. Le Barron*, 127 Mass. 115.



the public, and, "after such representation, the defendants persisted in continuing the use of the name in the same manner, then, on the plaintiffs bringing the case before the Court, the Court would be justified in saying that that which was not fraudulent at first became so by the defendants' persisting in the same course, and that therefore the plaintiffs would be entitled to the relief they claimed."

When the name which is alleged to have been imitated is that of a company, and is composed of such words as are in ordinary use in the language, very clear evidence indeed of probability of deception will be required for an action for infringement to be successful. Thus, where a bill was filed by the London and Provincial Law Assurance Society against the London and Provincial Joint Stock Life Assurance Company (a), the injunction was refused, an action at law being directed; and in suits by the Colonial Life Assurance Company against the Home and Colonial Assurance Company, Limited (b), and by the London Assurance Company against The London and Westminster Assurance Corporation, Limited (c), the injunction was simply refused. In *Lee v. Haley* (d), the plaintiffs were coal merchants, trading under the name of The Guinea Coal Company, and having their business premises at No. 22, Pall Mall. The defendant had been in their service as manager, and on leaving them set up in business at Beaufort Buildings,

Name of company.

(a) *London and Provincial Law Assurance Society v. London and Provincial Joint Stock Life Assurance Co.*, 17 L. J. Ch. 87. In *Purser v. Brain*, 17 L. J. Ch. 141, it was held that the circulars of "The London Patent Manure Co." were clearly fraudulent imitations of those of "The London Manure Co.," but the case was sent to a jury for the purpose of deciding whether the plaintiffs' user of their title had been sufficiently long. And in *Lawson v. Bank of London*, 18 C. B. 84, a case at Common Law, the plaintiff was defeated on the ground

of a want of averment in the declaration that he was a banker or had ever carried on that business; but Willes, J., remarked that "he was not prepared to say that the defendant would not be liable if the cause of complaint were properly alleged."

(b) *Colonial Life Assurance Co. v. Home and Colonial Assurance Co.*, 33 Beav. 548.

(c) *London Assurance Co. v. London and Westminster Assurance Corporation*, 32 L. J. Ch. 664.

(d) L. R. 5 Ch. 155.

Strand, under the name of the Pall Mall Guinea Coal Company. From Beaufort Buildings he removed to No. 48, Pall Mall. In that case fraud was held to be proved, and the injunction was granted, but the Court being of opinion that the only reasonable chance of successful deceit depended upon the residence of the defendant in Pall Mall, the injunction against the user by the defendant of his trade name as above was restricted to Pall Mall. Where a plaintiff company sold white lead in kegs marked "Brooklyn White Lead Company," or "Co.," and the defendant, who had formerly marked his "Brooklyn White Lead, pure, 100 lbs.," changed the name to "Brooklyn White Lead and Zinc Company," it was held that, though he was entitled to continue to mark his goods "Brooklyn White Lead and Zinc," he had no right to add "Company" or "Co." (a).

(a) *Brooklyn White Lead Co. v. Masury*, 25 Barb. 416; R. Cox, 210. And see *Churton v. Douglas*, Johns. 174. In *Hendricks v. Montagu*, 17 Ch. D. 638, an injunction was granted at the instance of "The Universal Life Assurance Society" to restrain the use of the name "The Universe Life Assurance Association, Ltd.," on the ground of similarity; in *Simpson v. Anglo-Indian Tea Co., Ltd.*, V. C. B., May 4th, 1883, the defendant company was not allowed to trade under the same name as the plaintiff; in *Guardian Fire & Life Assurance Co. v. Guardian & General Insurance Co., Ltd.*, 50 L. J. Ch. 252, it was held that the defendant company's name was likely to deceive, but that the name of the "Guardian Horse, Vehicle and General Insurance Co." might fairly be taken; in *Capital & Counties Bank, Ltd. v. Capital & County Deposit Bank*, Chitty, J., Feb. 9th, 1884, an injunction was granted to restrain the use of the latter name; in *Holmes, Booth & Haydens v. Holmes, Booth & Atwood Manufacturing Co.*, 37 Conn. 278, the

defendants were restrained from using the names of Holmes and Booth. In *Newby v. Oregon Central Railway Co.*, 1 Dedy, 609, it was held that the original Oregon Central Railway Co. would be entitled to restrain the assumption of its name by a new company, though a single bondholder in the former company was not entitled to sue until the company had refused to do it. And see *Braham v. Beachim*, 7 Ch. D. 848 ("Radstock Colliery Proprietors"); *Campbell v. Hollins*, Dig. 548 ("Minton & Co."); *Batchellors v. Batchellor Manufacturing Co.*, 12 Amer. Rep. 414 n.; and *McGowan Bros. Pump & Machine Co. v. McGowan*, 2 Cinc. 313. In the following cases injunctions were refused:—*London & County Banking Co. v. Hampshire & North Wilts Bank*, Dig. 618, in which the defendant company was proposing to take the name of "The Capital & Counties Bank"; *Merchant Banking Co. of London v. Merchants' Joint Stock Bank, Ltd.*, 9 Ch. D. 560; *Army & Navy Co-operative Society, Ltd. v. Junior Army & Navy Stores, Ltd.*, Dig. 640;



In *Australian Mortgage, Land, & Finance Co. v. Australian & New Zealand Mortgage Co. (a)*, the Court of Appeal pointed out the difficulty of monopolizing the exclusive use of a name which correctly described the nature of a company's business, or the locality of its operations. And in *India & China Tea Co. v. Teede (b)*, it was held that a firm of tea merchants were entitled to assume the name of "The India & China Packet Tea Co." notwithstanding that the name of the plaintiff company was as above, the name assumed by the defendants being simply descriptive, and there being no evidence of deception. In the American case of *Gray v. The Taper Sleeve Pulley Works (c)*, the defendants were held not to be entitled to trade under the name they had assumed, which had been previously used by the plaintiffs, though they were entitled to make and sell "taper-sleeve pulleys."

Descriptive name of company.

By § 20 of the Companies Act, 1862 (d), it is enacted that "no company shall be registered under a name identical with that by which a subsisting company is already registered, or so nearly resembling the same as to be calculated to deceive, except in a case where such subsisting company is in the course of being dissolved, and testifies its consent in such manner as the registrar requires; and if any company, through inadvertence or

The Companies Act, 1862.

*Australian Mortgage, Land & Finance Co. v. Australian & New Zealand Mortgage Co.*, W. N. 1880, p. 6; *Midland Electric Light & Power Co. v. Brush Midland Electric Light & Power Co.*, 26 Sol. J. 465; and see *Condy v. Mitchell*, 87 L. T. N. S. 268, 766 ("Condy's Fluid Co."); *Massam v. Thorley's Cattle Food Co.*, 14 Ch. D. 748 ("Thorley's Cattle Food Co."); *Ottoman Cahvey Co. v. Dane*, 95 Ill. 208, in which the plaintiff company was held not entitled to restrain the defendants from trading under the same name in Illinois, notwithstanding that the

defendants were incorporated in Michigan and the plaintiffs in Illinois, the defendants having been the first to trade under the name in Illinois; and *McNair v. Cleave*, 10 Phila. 155, in which the plaintiffs, trading as the "Galaxy Publishing Co.," were held not to be entitled to the exclusive use of the name because it represented, contrary to the fact, that they were incorporated as a company.

(a) W. N. 1880, p. 6.

(b) W. N. 1871, p. 241.

(c) 24 U. S. Pat. Gaz. 602.

(d) 25 & 26 Vict. c. 89.

otherwise, is, without such consent as aforesaid, registered by a name identical with that by which a subsisting company is registered, or so nearly resembling the same as to be calculated to deceive, such first-mentioned company may, with the sanction of the registrar, change its name" (a). This section does not authorise a company to use or register a name so nearly resembling one previously used by another company as to be calculated to deceive, even though the name of the earlier company has not itself been registered (b); and, on the other hand, since the section only affects the registration of the name of a company, the rights of a company to a name which has been registered cannot be attacked *under the section*, whatever may be the rights outside the section of another company which has previously used the name (c).

Name of individual.

If the trade name which has been imitated is that of an individual, and this has been assumed by another person of different name, little is required to prove the fraud. In fact, the assumption of another's name is almost sufficient proof if taken alone (d). But in *Olin v. Bate* (e), the plaintiff Olin failed to succeed in restraining the defendant Bate from carrying on the same profession (the medical) in the same town as himself under the name of Olin, the defendant having so done before the plaintiff came to the town in question. And where "Liebig's Extract of Meat" had come to be the proper designation of an article first invented by Baron Von Liebig, Field, J., and the Court of Appeal declined to restrain a manufacturer of the article

(a) As to the registration of names of companies under the U. S. Trade Marks Acts, see *In re Rowe & Post*, 9 U. S. Pat. Gaz. 496; *In re India Rubber Comb Co.*, 8 *ib.* 905; *India Rubber Comb Co. v. Meyer*, 8 *ib.* 905; *India Rubber Comb Co. v. Rubber Comb & Jewelry Co.*, 45 N. Y. Super. Ct. 258; *In re Rubber Clothing Co.*, 10 U. S. Pat. Gaz. 111, and Appendix E., *infra*.

(b) *Hendricks v. Montagu*, 17 Ch. D. 638.

(c) *Merchant Banking Co. of London v. Merchants' Joint Stock Bank, Ltd.*, 9 Ch. D. 560.

(d) Per Sir G. J. Turner, L.J., *In Burgess v. Burgess*, 3 De G. M. & G. 896. See *Bisping v. Wattles*, 28 How. Pr. 206; R. Cox, 818.

(e) 98 Ill. 55; 88 Amer. Rep. 78.



from styling his preparation " ' Baron' Liebig's Extract of Meat," and placing on the pots a photograph of the Baron (a).

Sometimes the plaintiff's name is itself an assumed or fanciful one; thus the use of the name "Christy's Minstrels" has been restrained (b); and that of the name "The Oldfield Lane Doctor" (c); and in *Isaacson v. Thompson* (d) the plaintiff kept a millinery establishment, as "Madame Elise," which being imitated by the defendant, an injunction would have been awarded, had not the plaintiff's own delay disentitled her to relief.

Assumed name.

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 obtain an injunction against such use of the name (e), but he must prove clearly the fraudulent intent, and "it is a question of evidence in each case whether there is false representation or not" (f).

Man's own name.

Such evidence was supplied in one case (g) by a removal by the defendant into the neighbourhood in which the plaintiff was carrying on his business, and the addition of "and Co." to the name, "H. Fullwood," the plaintiff's trade name being "R. J. Fullwood & Co"; and in another case (h), in which the same person was plaintiff,

Evidence of fraud.

(a) *Liebig's Extract of Meat Co., Ltd. v. Anderson*, W. N. 1882, p. 147; *ib.* 1883, p. 185.

(b) *Christy v. Murphy*, 12 How. Fr. 77; R. Cox, 164; *Montague v. Moore*, Seton, 4th ed. 238.

(c) *Milner v. Reed*, Dig. 328.

(d) 41 L. J. Ch. 101.

(e) *Churton v. Douglas*, Johns. 174; *Burgess v. Burgess*, 3 De G. M. & G. 896; *Fullwood v. Fullwood*, W. N. 1873, pp. 93, 185; *Fullwood v. Fullwood* (2), 9 Ch. D. 176; *Holloway v. Holloway*, 18 Beav. 209; *Pullar v. Pullar*, Fry, J., April 9th, 1883; *Holmes v. Holmes*, 87 Conn. 278; 9 Amer. Rep. 324; *Gillis v. Hall*, R. Cox, 596; *Devlin v. Devlin*, 69 N. Y. 212; *Shaver v. Shaver*, 54 Iowa, 208; *India Rubber Comb Co. v. Rubber Comb & Jewelry Co.*, 45 N. Y. Super. Ct. 258. See *Christie*

*v. Christie*, L. R. 8 Ch. 499; *McGowan Bros. Pump & Machine Co. v. McGowan*, 2 Oinc. 313.

(f) Per Turner, L. J., in *Burgess v. Burgess*, *ubi supra*.

(g) *Fullwood v. Fullwood*, W. N. 1873, pp. 93, 185.

(h) *Fullwood v. Fullwood* (2), 9 Ch. D. 176. And see *Glen & Hall Manufacturing Co. v. Hall*, 16 Sickels, 226. Where Robert Minton Taylor, formerly a member of the firm of Minton, Hollins & Co., set up for himself as Robert Minton Taylor & Co., and, on being threatened with legal proceedings, undertook to trade only as Robert Minton Taylor, it was held that a purchaser of R. M. Taylor's business could not carry it on under the style of "The Minton Brick and Tile Co.": *Campbell v. Hollins*, Dig. 548.

by a representation that the business of M. Fullwood and E. Fullwood, trading as "E. Fullwood & Co.," had been established in 1785 and was carried on at Hoxton, those facts being true of the business of R. J. Fullwood & Co., but not of that carried on by the defendants. In a third case (a), the defendant, who had sold his business and the goodwill, including the name, "John Douglas & Co.," recommenced business, and employing the three managing men of his former business, styled his new business "John Douglas & Co.," and sent round circulars informing the public that his firm was so well known that it was unnecessary to say anything about it; thus, in fact, "representing himself to be the owner of that which he had sold." So, too, it was held to be fraud for a person who had recently come into the neighbourhood of the "Carriage Bazaar" in Baker Street, and set up a "Carriage Repository," to change that name to the "New Carriage Bazaar," with some incorrect additions (b). But where the plaintiff had changed his name to Frank Leslie, and his son had, by his orders, assumed the same name, and the plaintiff had afterwards brought out "Frank Leslie's Illustrated News," and other publications of the titles of which his new name formed part, it was held that there was no ground for restraining the publication by the son of "Frank Leslie Junior's Sporting and Dramatic Times" (c). On the other hand, where Dr. Trust had changed his name to Gouraud, but his sons had not changed their name, the latter were restrained from selling a preparation with a statement that it was prepared by Dr. Gouraud's sons, there being a representation which, though not strictly false, was yet calculated to mislead (d).

(a) *Churton v. Douglas, Johns*. 174. But see the American cases of *Howe v. Searing*, 10 Abb. Pr. 264; *R. Cox*, 244; *Reeves v. Denicke*, 12 Abb. Pr. N. S. 92; and *Booth v. Jarrett*, 52 How. Pr. 169.

(b) *Boulnois v. Peake*, 18 Ch. D.

518 n. And see *Cave v. Myers*, Dig. 804, and *Glen & Hall Manufacturing Co. v. Hall*, 16 Sickels, 226.

(c) *England v. New York Publishing Co.*, 8 Daly, 375.

(d) *Gouraud v. Trust*, 10 N. Y. Sup. Ct. 627.



Again, a fraudulent intention may be shown to exist by the production of deceptive circulars so framed by the defendant as to represent his business to be identical with, or a continuation of that carried on by the plaintiff; and such a fraud will be restrained (a). Thus in *Mogford v. Courtenay* (b), the defendant issued a circular of which the effect was to represent that he was carrying on the business which he had previously carried on in partnership with the plaintiff, although under the partnership articles the entire goodwill vested in the plaintiff on dissolution.

Deceptive circulars.

So, too, one person will not be allowed to defraud another by opening letters addressed to him, and executing orders intended for him (c). Where, however, various acts of misrepresentation by the defendant were alleged, pointing to an intention to simulate the plaintiff, but only one case was made out, in which the defendant had opened a letter addressed to the plaintiff, answered it in his own name, and endeavoured to obtain the custom offered by that letter to the plaintiff, it was held that, though this raised grave suspicion of the defendant's motives, yet it was not sufficient ground for an injunction. The defendant, however, was refused his costs (d).

Opening letters.

Nor will fraud be permitted to be perpetrated under cover of a partnership got up for the purpose of fraud (e). Thus, in *Clayton v. Day* (f) an ironmonger's assistant

Fraudulent partnership.

(a) *Churton v. Douglas*, Johns. 174; *Stevens v. Paine*, 18 L. T. N. S. 600; *Purser v. Brain*, 17 L. J. Ch. 141; *Christie v. Christie*, L. R. 8 Ch. 499; *Burrows v. Foster*, 1 N. R. 156; *Graveley v. Winchester*, Seton, 4th ed. 257; *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191.

(b) 45 L. T. N. S. 303.

(c) *Schelle v. Brakell*, 11 W. R. 796; Seton, 4th ed. 258; *Witt v. Corcoran*, *ib.* 257; *England v. Curling*, 8 Beav. 129.

(d) *Edgington v. Edgington*, 11 L. T. N. S. 299.

(e) *Croft v. Day*, 7 Beav. 84;

*Moet v. Clybourn*, Dig. 538; *Schweitzer v. Atkins*, 37 L. J. Ch. 847; *Dence v. Mason*, Dig. 584; 41 L. T. N. S. 578; *Dence v. Brand*, W. N. 1881, p. 81; *Holmes v. Holmes*, 37 Conn. 278; 9 Amer. Rep. 824.

(f) 26 Sol. J. 43, 76 L. T. 79. But in America a fictitious partnership has been permitted to give to one of two partners, who had become the successor to the partnership business, a right to use the same trade name which had been formerly used by the partnership, and which consisted of the united names of the two former partners,

named Day, and a general shop-keeper named Martin, were not allowed to carry on the business of blacking manufacturers under the name of "Day and Martin," though they were left free to trade as "Martin and Day."

Vendor of  
business may  
recommence  
business.

On the sale of the goodwill of a business, the vendor, in the absence of a special stipulation on the point, retains the right of recommencing business, even in his own name, however similar that may be to the trade name of the business the goodwill of which has been sold; provided that he scrupulously abstains from doing anything to induce the public to believe that his new business is in fact the old one which he has sold. If, however, he does anything calculated to induce the belief that his new business is not merely similar to, but is identical with the old one, the purchaser of the old business is entitled to restrain him by injunction (a).

Dissolution of  
partnership.

On the dissolution of a partnership, if the whole concern and the goodwill are sold, the trade name is sold with them (b). But if the partners merely divide the partnership assets, and there are no express stipulations in the articles as to the disposal of the trade name, then each is at liberty to use the old name just as the partnership did before (c); at all events, if no injury will be thereby caused to a partner whose name the firm have used (d). Where there are express stipulations in a deed, the parties are of course

although, apart from the fictitious partnership, he would have been prevented from so doing by the Massachusetts Gen. Stat. c. 56, which requires the consent of a former partner, or of his personal representative, to the continued use of his name in the business, and such consent was refused: *Hallett v. Cumston*, 110 Mass. 29.

(a) *Cruttwell v. Lye*, 17 Ves. 385; *Churton v. Douglas*, Johns. 174; *Johnson v. Helleley*, 34 Beav. 68; *Hudson v. Osborne*, 39 L. J. Ch. 79. *Tudor v. Tudor*, W. N. 1873, p. 72,

depended on an express stipulation in the deed under which the plaintiff retired from the business.

(b) *Banks v. Gibson*, 84 Beav. 566. See *Hoffman v. Duncan*, Seton, 4th ed. 256; *Witt v. Corcoran*, *ib.* 257.

(c) *Ib.* See *Clark v. Leach*, 32 Beav. 14; *Dence v. Mason*, Dig. 534; *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Levy v. Walker*, 10 Ch. D. 436; *Rogers v. Taintor*, 97 Mass. 291.

(d) *Scott v. Rowland*, 20 W. R. 508; *Levy v. Walker*, 10 Ch. D. 436.



bound. Thus, in *Day v. Finch* (a) a member of the dissolved firm of "Benjamin Finch & Co.," who had agreed to carry on business after the dissolution in his own name only, was restrained from continuing to use the words "and Co." after the name "Benjamin Finch." If, again, on the dissolution of partnership, one partner takes over the whole concern by arrangement, he must compensate the other partner for his interest in the trade name (b), and the retiring partner is at liberty to set up a similar business in his own name, even on adjoining premises (c).

In *Scott v. Scott* (d), R. & W. Scott carried on business *Scott v. Scott.* in partnership in Nithsdale, and in Glasshouse Street, Regent Street, as "R. & W. Scott." The partnership being dissolved, the agreement for the dissolution contained no stipulation by either party not to continue the business, but neither of the parties was to use the name of the firm, except so far as might be necessary for winding up the partnership affairs. W. Scott retiring from the business, and setting up for himself in the neighbourhood of Nithsdale, R. Scott retained the London premises of the late firm, and made them over with his business to the defendants Scott & Nixon. The inscription used by the late firm over their house at Glasshouse Street having been "R. & W. Scott of Nithsdale," the defendants replaced this by "Scott & Nixon, late R. & W. Scott, of Nithsdale." Upon this W. Scott filed a bill against them, and on motion for injunction, the injunction was granted to restrain the defendants from permitting that inscription to remain, and from representing their business to be in continuance of that carried on by the late partnership of R. & W. Scott (e).

The injury caused by the defendants to the plaintiffs is Representa-

(a) 25 Sol. J. 354. And see 197; *Mogford v. Courtenay*, 45  
*Tudor v. Tudor*, W. N. 1873, p. L. T. N. S. 303.  
 72. (d) 16 L. T. N. S. 143.  
 (b) *Banks v. Gibson*, 34 Beav. 566. (e) See *Selby v. Anchor Tube Co.*,  
 (c) *Bond v. Milbourn*, 20 W. R. W. N. 1877, p. 191.

tions that  
plaintiff has  
retired.

even greater than in an ordinary case of misappropriation of a trade name, when the representations made by the defendants go to show that the plaintiffs have retired from business, and that the defendants have succeeded to the business formerly carried on by them. Thus, where the defendants had acquired a lease of works at which the plaintiffs had formerly manufactured bricks, but not of the mines from which the brick-clay used by the plaintiffs had been obtained, and then issued cards and circulars, styling themselves "E. J. & J. Pearson (late Harpers & Moore)," and otherwise representing themselves to have succeeded to the business of the plaintiffs, who were, as a matter of fact, carrying on their business on other works, the defendants were restrained by injunction from their misrepresentations (a); and Sir W. P. Wood, V.-C., expressed an opinion that, on application by the owner of the mines of fire-clay used by the plaintiffs, but not by the defendants, the issue of an injunction would have been almost a matter of course.

Former firm  
or employer  
may be stated.

A person who has been a member or employé of a firm of reputation, and who sets up in business on his own account, is entitled, unless he has contracted not to do so (b), to derive what benefit he may from a fair statement of the fact of his former employment (c), which is usually expressed by the addition after his own name of the name of his former firm or employer, with the words "late of," or

(a) *Harper v. Pearson*, 3 L. T. N. S. 547; also *Scott v. Scott*, 16 L. T. N. S. 143; *Stevens v. Paine*, 18 L. T. N. S. 600; *Reeves v. Denicke*, 12 Abb. Pr. N. S. 92; *Gouraud v. Trust*, 10 N. Y. Sup. Ct. 627. And as to a representation of one business being a continuation of another, see *Churton v. Douglas*, Johns. 174; *Burrows v. Foster*, 1 N. R. 156; *Witt v. Corcoran*, Seton 4th ed. 257; *Graveley v. Winchester*, *ib.* 257; *Montague v. Moore*, *ib.* 238; *Selby v. Anchor Tube Co.*, W. N. 1877,

p. 191; *Reeves v. Denicke*, 12 Abb. Pr. N. S. 92; *England v. Curling*, 8 Beav. 129.

(b) *Wolmershausen v. O'Connor*, 36 L. T. N. S. 921.

(c) See per Sir W. P. Wood, V.-C., in *Leather Cloth Co. v. American Leather Cloth Co.*, 1 H. & M. 271; also *Clark v. Leach*, 32 Beav. 14; *Emerson v. Badger*, 101 Mass. 82; and cases *infra*. But see *Selby v. Anchor Tube Co.*, W. N. 1877 p. 191.



“late with.” But such statement must be made in an unambiguous way, and not in such a manner as to induce the belief that the tradesman in question is selling the goods of his former firm or employer. For the purposes of the plaintiff’s right to relief it is a matter of indifference whether or not the defendant has acted with a fraudulent intention; if what he has done is, though unintentionally, calculated to deceive “the unwary, the heedless, the incautious portion of the public” (a), the plaintiff is entitled to protection just as much as if there were intentional fraud.

In *Glenny v. Smith* (b), the defendant, who had been in the plaintiff’s service, opened a shop in Oxford Street, where he placed his own name over the door, but on the brass plates and on the awning the words, “from Thresher & Glenny,” “from” being in much smaller letters than the plaintiff’s name. It further appeared that the defendant’s own name over the door was quite hidden when the awning was let down. Sir R. T. Kindersley, V.-C., granted an injunction (c).

In *Hookham v. Pottage* (d), the parties had been in partnership at Oxford, the defendant having been formerly the plaintiff’s manager, and afterwards taken into partnership by him. On the dissolution of the partnership it was arranged that the plaintiff was to continue the business, the defendant receiving from the plaintiff such an amount as should be found to be due to him. The plaintiff, in continuing the business, styled himself “Hookham & Co.,” and the defendant setting up close to him, put over his shop, “S. Pottage, from Hookham & Pottage.” There was some evidence of deception, and Sir R. Malins,

(a) V.-C. Kindersley, in *Glenny v. Smith*, 2 Dr. & Sm. 476.

(b) *Ubi supra*.

(c) See, too, *Burgess v. Burgess*, 3 De G. M. & G. 896; *Dence v. Mason*

(1), Dig. 534; and *Colton v. Thomas*, 2 Brewster, 308; R. Cox, 507.

(d) L. R. 8 Ch. 91. And see *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191.

V.-C., granted an injunction, which decision was upheld by the Court of Appeal.

Other cases.

In *Foot v. Lea* (a), an older case, the Master of the Rolls in Ireland was of opinion that there was no attempt to deceive on the part of the defendant, who had used show-boards and labels on which his own name was followed by "late of Lundy Foot & Co.," the latter name being of equal size with the defendant's, and he accordingly refused the injunction, with leave to bring an action at law. In *Williams v. Osborne* (b), Sir W. P. Wood, V.-C., was of a similar opinion, and dismissed the bill, and, on account of the extreme haste with which it had been filed, with costs. In a more recent case (c), the defendants, who had been forewomen in the plaintiff's shop in Paris, used on their window blinds in Bond Street, the words "Ex 1<sup>ères</sup> de la," in small letters, followed by "Maison Boissier de Paris," in large letters, to signify their former employment; and although V.-C. Malins declined to restrain the use of those words, notwithstanding that they were not generally understood in London as equivalent to "from," he left the defendants to pay their own costs.

Name of establishment.

Deception of the same kind will be restrained when what is imitated is not a name of an individual or firm, but a designation of the place at which the business of an individual or firm is carried on, and by which it is known and recognised. Thus, "Osborne House" (d), "The Carriage Bazaar," &c. (e). But in such cases the plaintiff must prove that there is something distinctive in the appellation which he has given to his establishment, since no relief can be given him if that appellation is merely descriptive, as "The Antiquarian Book Store" (f), "The

(a) 13 Ir. Eq. 490.

(b) 13 L. T. N. S. 498.

(c) *Robineau v. Charbonnel*, W. N. 1876, p. 160.

(d) *Hudson v. Osborne*, 39 L. J.

Ch. 79.

(e) *Boulnois v. Peake*, 13 Ch. D.

513 n.

(f) *Chojnski v. Cohen*, 89 Cal.

501; R. Cox, 598.



Mammoth Wardrobe" (a), "The Tower Palace" (b), and he must also prove that the result of the defendant's acts is to represent that his business is identical with that carried on by the plaintiff, as in *Cave v. Myers* (c), where the defendant, whose shop was in a corner house close to the establishment of the plaintiffs, Messrs. Cave, adopted for his shop the name of "Cavendish House," and had it so painted up that "Cave" appeared on the side of the street in which was the plaintiffs' shop, and the remainder round the corner, and *Genin v. Chadsey* (d), where the plaintiff was the proprietor of "The Captain's Live-and-Let-Live Oyster and Dining Saloon," and the defendant set up "G. W. Chadsey & Co.'s Great Eastern Live-and-Let-Live Dining Saloon." On the other hand, it was held (e) that "Great I X L Auction Company" was not likely to be mistaken for "I X L General Merchandise Auction Store," and where the defendant had put up a sign with the words "Depôt of the Cherry Pectoral Company," and inside his premises a notice, "Ayer's Cherry Pectoral, One Dollar; Rushton's Cherry Pectoral, Fifty Cents. Which will you have?" it was held that the defendant had done no more than trade in fair competition with the plaintiff, as he was entitled to do (f).

In *Walker v. Alley* (g) it was decided that the name Sign-board and sign of "The Golden Lion" was so connected with the plaintiff's dry goods business that it could not be taken by another trader; and the Chancellor of Upper Canada said that "where it is clear to the Court that the defendant himself intended an advantage by the use of a particular

(a) *Gray v. Koch*, 2 Mich. N. P. 119.

(b) *Armstrong v. Kleinhaus*, 1 Ky. L. Rep. 112.

(c) Dig. 304.

(d) Cited in *Dixon Crucible Co. v. Guggenheim*, R. Cox, 587. And see *Hoby v. Grosvenor Library Co.*, 28 W. R. 386 ("Grosvenor Library"); *Wheeler v. Johnston*, 3 L. R. Ir.

284 ("Cromac Springs"); and *Glen & Hall Manufacturing Co. v. Hall*, 16 Sick. 226, 19 Amer. Rep. 278 ("No. 10, South Water Street, Rochester, New York.")

(e) *Lichtenstein v. Mellis*, 8 Oreg. 464.

(f) *Ayer v. Rushton*, 7 Daly, 9.

(g) 13 Grant Up. Can. Ch. 366.

sign or mark in use by another, and believes, he has obtained it, or, in other words, that the defendant himself thought the use of it was calculated to advertise him at the expense of the plaintiff, and this was his object in using it, and where such has been the effect of the user, I think the Court should say to him, 'Remove that sign; its use by you may, as you intend, damage the plaintiff. It cannot be necessary or valuable to you for any other purpose. You have your choice of many signs which, as a mere attraction, or to give your store a marked designation, must answer a fair business purpose equally well.'"

No right in  
name of  
private house.

Apart from a business of some kind, no exclusive right can be acquired in the name of a house, any more than in the name of a person, and no right of action arises from the annoyance occasioned by a person re-naming his residence after the neighbouring residence of another householder (a).

Hotel.

The same principle which governs the names of business establishments has been extended to hotels, and a proprietor of one already established has been held entitled to protection against the setting up of hotels in the same neighbourhood under a similar title. Thus, "The Irving House" (b), "The What Cheer House" (c), and "The McCardel House" (d), have been protected. In *Mossop v. Mason* (e), the purchasers of "The Western or Mason's Hotel" were protected in their exclusive right to the name, as against the vendor, who had re-occupied his former premises after the purchasers had been driven out by a fire; and in *Woods v. Sands* (f) it was held that the founder of "Woods' Hotel," who had sold and afterwards re-purchased his interest in it, had recovered by the re-

(a) *Day v. Brownrigg*, 10 Ch. D. 294.

(b) *Howard v. Henriques*, 3 Sand. S. C. 725; R. Cox, 129.

(c) *Woodward v. Lazar*, 21 Cal. 418; R. Cox, 300; *Gamble v. Stephen-*

*son*, 10 Mo. App. 581.

(d) *McCardel v. Peck*, 28 How. Pr. 120; R. Cox, 312.

(e) 18 Grant Up. Can. Ch. 453.

(f) Dig. 467.



assignment his exclusive right in the name, and the use of it by another person was prohibited. In *Booth v. Jarrett* (a), the founder of "Booth's Theatre," who had gained a reputation for it by his skill in acting, and had named it after himself, attempted, without success, to prevent the continued use of the name by a person into whose possession the theatre had subsequently come, the name having passed to the defendant with the building and goodwill. On the other hand, the Scotch Court of Session has held that the proprietor of "The Station Hotel" was not entitled to interfere with the use of the name "The Royal Station Hotel" for another hotel in the same neighbourhood, the plaintiff's name not being distinctive, and the defendant's name being sufficiently distinguished by the insertion of the word "Royal" (b).

In the same way, the proprietor of the "Prescott House" Hotel was held entitled to restrain the use of the name by a coach proprietor upon his coaches, an agreement between the latter and a former owner of the hotel being treated as having been in the nature of a revocable license, which had been revoked upon the sale of the hotel to the plaintiff (c). And not only the proprietors of such establishments have been protected in respect of the names by which they have been known, but other persons who have contracted with such proprietors for the exclusive conveyance of visitors to and from their hotels, have been held entitled to restrain the use by others not so authorised upon their vehicles and servants' clothing of the name of the establishment with which they were connected (d).

Name of hotel on conveyances.

So, again, the name of a line of steamships (e), of Similar cases.

(a) 52 How. Pr. 169.  
 (b) *Charleston v. Campbell*, Ct. of Sess. Cas. 4th Ser. IV. 149.  
 (c) *Deiz v. Lamb*, 20 N. Y. Super. Ct. 537.  
 (d) *Stone v. Carlan*, 13 Mo. L. R.

860; R. Cox, 115; *Marsh v. Billing*, 7 Cush. 322; R. Cox, 118. And compare *Knott v. Morgan*, 2 Keen, 218.  
 (e) *Winsor v. Clyde*, 9 Phila. 513 ("Keystone Line").

collicries (a), of particular waggons (b), has been protected.

Name not used in ordinary business.

Closely connected with the cases which concern the rights of an individual or firm in the trade name under which his or their business is carried on, are the cases in which it has been sought by one person to restrain the unauthorised use of his name by another, though he does not himself use that name over a shop, or, in fact, as a trade name usually so called.

Where articles are produced under a certain name.

Where a person produces certain articles, and a representation is made by another that articles not the production of that person are in fact produced by him, there is an injury to the right of property in the name, which has in fact, though not used as a trade mark, yet come to be the producer's means of selling the articles produced.

Poet.

Thus, a poet is entitled to protection for the name which sells his poems for him. In *Lord Byron v. Johnston* (c), the defendant, who had advertised for sale poems which he represented to be by the plaintiff, but as to which he declined to swear to his belief in their genuineness, was restrained by injunction.

Humourist.

In *Clemens v. Such* (d), a humorous writer, whose works were published under the *nom de plume* of "Mark Twain," was held to be entitled to restrain the unauthorised use of that designation by another person.

Legal author.

So, again, a legal author is entitled to prevent the issue as his of works or editions not of his production. In *Archbold v. Sweet* (e) the plaintiff was the author of a book on a legal subject, of which he had sold the copyright to the defendant. The plaintiff refusing to re-edit the book, the defendant had it edited by another, and the plaintiff thereupon came forward to complain of the inaccuracies which he alleged to be contained in the new

(a) *Eraham v. Beachin*, 7 Ch. D. 848 ("Radstock Collieries").

(b) *Shaver v. Shaver*, 54 Iowa, 208 ("Shaver Waggon").

(c) 2 Mer. 29.

(d) Dig. 429.

(e) 1 M. & Rob. 162.



edition. Lord Tenterden, C. J., after remarking on the close analogy between that case and those in which an inferior article was sold in the name of a well-known manufacturer, the injury being in the latter case to the sale of the goods, in the former to the character of the author, laid down to the jury that if the new edition, in the form in which it was put forth, would be understood by purchasers who paid reasonable attention to its contents to be by the plaintiff, their verdict must be in his favour.

So, again, a painter will be protected from having <sup>Painter.</sup> exhibited as his a picture which he has not painted (a), and a medical man who compounds medicines from having <sup>Medical man.</sup> spurious medicines sold as his (b).

In all such cases the plaintiff must, of course, show that <sup>Deception must be probable.</sup> deception is probable, or he cannot succeed in obtaining the relief he seeks. Thus, where an artist painted a picture, and another person exhibited a diorama imitated from it, it was held that there could be no deception or injury, though if the plaintiff's picture had been a diorama the case would have been different (c). So where a person who wrote songs under the name of Claribel sought to restrain the publication of a song described as "written by Claribel," no mention being made of the composer's name, though the music given was not that of Claribel, it was decided that the words "written by" did not imply that the music was also composed by Claribel, and the injunction was refused (d).

The decision in *Clark v. Freeman* (e) has been much <sup>Clark v. Freeman.</sup> discussed with respect to the right a man has in his name. In that case the plaintiff, Sir James Clark, was an eminent

(a) *Martin v. Wright*, 6 Sim. 297. 1868, p. 94; and see *Seeley v. Fisher*, 11 Sim. 581; and *Archbold v. Sweet* 1 M. & Rob. 162.  
 (b) *Clark v. Freeman*, 11 Beav. 112.  
 (c) *Martin v. Wright*, 6 Sim. 297.  
 (d) *Barnard v. Pillow*, W. N.  
 (e) 11 Beav. 112.

physician, who filed a bill to restrain the advertisement and sale by the defendant of certain pills termed by him "Sir J. Clarke's Consumption Pills," the advertisements being so framed as to be calculated to induce the public to buy the pills as being of the plaintiff's invention. Lord Langdale, M. R., refused to grant the injunction, on the ground that there was no injury to property, but apparently not without some doubt, since he gave leave for the case to be mentioned again to him if cases in support of the bill could be produced. He did not, however, think the cases mentioned to him (a) sufficient to warrant him in granting the injunction, but at the same time he remarked that "if Sir James Clark had been in the habit of manufacturing and selling pills, it would have been very like the other cases in which the Court had interfered for the protection of property." The principle on which Lord Langdale's decision was based was that the Court would not interfere where the name pirated by the defendant had not become known to the public in connection with a manufactured article, but was merely a name under which an individual had acquired a certain reputation (b). It is evident, however, that the sale of quack medicines under the name of an eminent physician would tend to destroy his reputation and the confidence of his patients in him, and thereby to cause him a far more severe pecuniary loss than would be incurred by the sale of a few boxes of pills or copies of a book being lost to him. Later judges have, therefore, been of opinion that the case in question "might have been decided in favour of the plaintiff, on the ground that he had a property in his own name" (c).

(a) *Lord Byron v. Johnston*, 2 Mer. 29; and *Routh v. Webster*, 10 Beav. 561.

(b) See *Delondre v. Shaw*, 2 Sim. 237.

(c) Per Sir H. M. Cairns, L.J., in *Maxwell v. Hogg*, L. R. 2 Ch.

307. In *Springhead Spinning Co. v. Riley*, L. R. 6 Eq. 561, Sir R. Malins, V.-C., went even farther. Lord Westbury, C., however, spoke of the decision at all events without disapprobation: *Leather Cloth Cos.' case*, 4 De G. J. & S. 137.



Whatever rights a man may, irrespective of contract, have in his own name, so as to be able to prevent the unauthorised use of it by another, it is always open to him to modify those rights by contract, whether by way of permitting others to use his name in a certain manner (*a*), or by way of restraining his own use of it to a certain extent (*b*). Thus, where a publisher had sold to the defendants the copyright of an annual, entitled "Beeton's Christmas Annual," he himself entering into their service, it was held that the defendants were entitled to continue the annual publication under that same name, even after the plaintiff had ceased to remain in their employ, and had become unwilling for his name to be used by them in connection with a work not of his production (*c*). But it seems that, although a contract by which a man binds himself to limit in some way his use of his own name can be enforced, a contract so binding him cannot be made by the representative of his estate in bankruptcy, and if such a contract has been entered into, the bankrupt will be entitled to disregard it (*d*).

Contracts in respect of names.

The name of the editor of a publication, appearing upon the title page, forms no part of the title. Sir J. Romilly, M. R., refused, therefore, to restrain the proprietors of a paper, who had agreed with their editor not to alter the title of their paper without mutual consent, from omitting the publication on the title-page of the editor's name as such (*e*).

Name of editor.

It is clear that a man has a right to prevent the unauthorised use of his name by another person, apart from

Where name is used so as to injure.

(*a*) *Ward v. Beeton*, L. R. 19 Eq. 207. See *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Hallett v. Cumston*, 110 Mass. 29; *Weed v. Peterson*, 12 Abb. Pr. N. S. 178; *Coe v. Bradley*, 9 U. S. Pat. Gaz. 541.

(*b*) *Ainsworth v. Bentley*, 14 W. R. 630; *Ward v. Beeton*, *ubi supra*; *Peltz v. Eichele*, 62 Mo. 171; *Coe v.*

*Bradley*, 9 U. S. Pat. Gaz. 541.

(*c*) *Ward v. Beeton*, *ubi supra*.

(*d*) *Helmbold v. Helmbold Manufacturing Co.*, 53 How Pr. 453; and see *Walker v. Mottram*, 19 Ch. D. 355.

(*e*) *Crookes v. Petter*, 6 Jur. N. S. 1131.

any special manufacture, where such use of it might involve him in legal or other difficulties. Thus, in *Routh v. Webster* (a) a bill was filed to restrain the provisional directors of a joint-stock company, called "The Economic Conveyance Company," from using the plaintiff's name in their prospectuses as a trustee of the company without his authority. The defendants setting up by way of defence that what had been done had been done inadvertently, and stating their intention of discontinuing their misrepresentations, the Master of the Rolls granted the injunction, holding that the defendants were not entitled "to use the name of any person they pleased, representing him as responsible in their speculations, and to involve him in all sorts of liabilities, and then to be allowed to escape the consequences by saying they had done it by inadvertence," and also that the plaintiff was in nowise bound to surrender his right to the injunction, trusting to the assurances of the defendants as to their intentions for the future. This decision has been generally approved as an "authority for preventing the improper use of a man's name against his will; not for the restraint of a libel, for no libel was involved" (b).

Trade libel.

Where, however, a man's name has been used against his will in such a manner as to be libellous, or where statements have been made disparaging the goods sold under his name or trade mark, or threatening persons dealing in his goods, a more difficult question is raised, and one which has not always been answered in the same way. With respect to libels, Lord Cottenham, C., said (c) that the

(a) 10 Beav. 561.

(b) Per Lord Cairns, C., in *Prudential Assurance Co. v. Knott*, L. R. 10 Ch. 142. In *Webster v. Webster*, 3 Swanst. 490 n, the injunction was refused because there was no injury to be apprehended. In *Tudor v. Tudor*, W. N. 1873, p. 72, there was an express contract. See *Bullock v. Chapman*, 2 De G. & Sm. 211;

*Dixon v. Holden*, L. R. 7 Eq. 488; *Reid v. Sibbald*, 18 Journ. of Juris. 392; and cases *infrd.*

(c) *Fleming v. Newton*, 1 H. L. C. 376. This case was a Scotch one, and the Lord Chancellor was speaking with reference to the Scotch Libel Act, but his remarks are equally applicable to cases arising in England, and under Order



Libel Act "appointed a jury as the proper tribunal for trial of injuries to the person by libel or defamation; and that the liberty of the press consisted in the unrestricted right of publishing, subject to the responsibilities attached to the publication of libels, public or private." The principle that the publication of a libel was a crime, and that the Court of Chancery had no jurisdiction to prevent the commission of crimes, except in such cases as those relating to the protection of infants, was laid down by Lord Eldon in 1818 (a), and after that time Equity judges frequently stated that it was not within the proper scope of their authority to restrain the publication of libels (b). There were indeed cases in which it was thought that where an injury was occasioned or threatened to a right of property by a libellous statement, the Court had jurisdiction to interfere to protect that right of property (c), but, practically speaking, cases which involved the consideration of libellous statements were left to the Courts of Common Law (d).

The Judicature Act, 1873, however, introduced a new element into the discussion by enacting (§ 25, subs. 8) that "an injunction may be granted by an interlocutory order of the Court in all cases in which it shall appear to the

Effect of the  
Judicature  
Act, 1873.

XXXVI., rule 2, of the new Rules of 1883, a defendant in a libel case can still insist upon a jury.

(a) *Gee v. Pritchard*, 2 Swanst. 413.

(b) *Martin v. Wright*, 6 Sim. 297; *Seeley v. Fisher*, 11 Sim. 581; *Clark v. Freeman*, 11 Beav. 112; *Emperor of Austria v. Day*, 2 Giff. 628, 3 De G. F. & J. 217 (in particular per Turner, L.J.); *Mulkern v. Ward*, L. R. 13 Eq. 619; *Browne v. Freeman*, W. N. 1873, p. 178; *Prudential Assurance Co. v. Knott*, L. R. 10 Ch. 142; *Fisher v. Apollinaris Co.*, *ib.* 297. The same view has been taken in India: *Shepherd v. Trustees of the Port of Bombay*, Ind. L. R. 1 Bomb. 132; and in America:

*Mauger v. Dick*, 55 How. Pr. 132.

(c) This was especially the view of Malins, V.-C. See *Dixon v. Holden*, L. R. 7 Eq. 488; *Springhead Spinning Co. v. Riley*, L. R. 6 Eq. 561; *Rollins v. Hinks*, L. R. 13 Eq. 355; *Axmann v. Lund*, L. R. 18 Eq. 330. And see also *Emperor of Austria v. Day*, 3 De G. F. & J. 217; *Maxwell v. Hogg*, L. R. 2 Ch. 307; *James v. James*, L. R. 13 Eq. 421.

(d) For the principles by which the Courts of Common Law were guided, see *Wren v. Weild*, L. R. 4 Q. B. 730; *Western Counties Manure Co. v. Lawes Chemical Manure Co.*, L. R. 9 Ex. 218.

Court to be just or convenient that such order should be made"; and in *Thorley's Cattle Food Co. v. Massam* (a), Vice-Chancellor Malins suggested that this enactment had conferred upon the Court more extensive powers than those which it previously possessed, and that an injunction might have been granted by virtue of those powers to restrain an injurious and unjust statement. Numerous cases have since been decided with respect to the effect of the section, in some of which expressions were employed which were calculated to lead to the belief that the power to grant injunctions where it was thought to be "just or convenient" conferred a power to grant injunctions in cases in which no legal remedy previously existed (b). It is now, however, settled—and this is not opposed to the observations before referred to—that the right view is that the section has enlarged the powers of the Court, not by enabling the Court to grant relief in cases where none was obtainable before in any of the Superior Courts, but by way of giving each branch of the High Court power to grant relief in cases which could previously be brought only in the same or a different form before some other branch of the Court (c), so that, as Cotton, L. J., said in the latest case of *North London Railway Co. v. Great Northern Railway Co.* (d), "where there is a legal right which was, independently of the Act, capable of being enforced either at law or in equity, there, whatever may have been the previous practice, the High Court may interfere by injunction in protection of that right."

Conditions  
necessary for  
injunction.

The injunction may be granted to restrain the continued publication of a libel which has been found to be so by the verdict of a jury (e), or it may be granted to restrain the

(a) 6 Ch. D. 582.

(b) See *Beddow v. Beddow*, 9 Ch. D. 89; *Quartz Hill Consolidated Gold Mining Co. v. Beall*, 20 Ch. D. 501.

(c) *Day v. Brownrigg*, 10 Ch. D. 294; *Ward v. Drat*, L. J., N. of C.

1878, p. 67; *Gaskin v. Balls*, 13 Ch. D. 324; *Dicks v. Brooks*, 15 Ch. D. 22 (per Bacon, V.-C.).

(d) 11 Q. B. D. 30.

(e) *Saxby v. Easterbrook*, 3 C. P. D. 339; *Hinrichs v. Berndes*, W. N. 1878, p. 11.



publication of statements which have not been submitted to a jury (a). But where the Court is asked to grant an injunction, especially on an interlocutory application, without the assistance of a jury, the jurisdiction which it possesses so to do is one which must be exercised very carefully (b), and it ought not to be exercised unless the statements of which complaint is made are proved to be untrue (c), unless they are injurious to the plaintiff (d), unless it is proved that the defendant intends to continue to make them (e), and unless (in cases of privilege) express malice is also established (f). Thus, in *Halsey v. Brotherhood* (g) the defendant had threatened intending purchasers from the plaintiff, alleging that the plaintiff was manufacturing in infringement of his, the defendant's, patent rights, and Jessel, M. R., and the Court of Appeal held that an injunction could not be granted unless the defendant persisted in making the statements after they had been proved to be false. And in *Anderson v. Liebig's Extract of Meat Co., Ltd.* (h), Chitty, J., refused to restrain the company (who were taking proceedings to stop the plaintiff from selling his goods as "Baron Liebig's Extract of Meat" and using on the pots a photograph of the Baron) from circulating letters among the plaintiff's customers, stating that he was using the name and photograph without authority, on the ground that the company was

(a) As in *Thomas v. Williams*, 14 Ch. D. 864.

(b) See *Quartz Hill Consolidated Gold Mining Co. v. Beall*, 20 Ch. D. 501.

(c) *Halsey v. Brotherhood*, 15 Ch. D. 514; 19 *ib.* 386; *Burnett v. Tate*, 45 L. T. N. S. 743; *Anderson v. Liebig's Extract of Meat Co., Ltd.*, *ib.* 757; *Quartz Hill, &c., Co. v. Beall*, *ubi supra*; *Benbow v. Low* (1), 23 Sol. J. 819; *Roper's, &c., Co. v. Copeman's, &c., Associatim, Ltd.*, 28 *ib.* 218. And see *Clover v. Hoyden*, L. R. 17 Eq. 190.

(d) *Dicks v. Brooks*, 15 Ch. D. 22; and see *Brook v. Evans*, 2 L. T. N.

S. 740; *Bullock v. Chapman*, 2 De G. & Sm. 211.

(e) *Quartz Hill, &c., Co. v. Beall*, *ubi supra*.

(f) *Quartz Hill, &c., Co. v. Beall*, *ubi supra*. See *Burnett v. Tate*, 45 L. T. N. S. 743.

(g) 15 Ch. D. 514; 19 *ib.* 386. See the New York case of *Wolfe v. Burke*, 11 Sick. 115. The precise question raised in *Halsey v. Brotherhood* is now settled by § 32 of the Patents Act, 1883, but the general question of injunctions to restrain trade libels remains.

(h) 45 L. T. N. S. 757.

not shown to be acting otherwise than *bond fide*, or to be stating that which was untrue.

When granted.

On the other hand, where the necessary facts are present, an injunction will be granted, as in *Thorley's Cattle Food Co. v. Massam* (2) (a), where it was established that the plaintiffs and defendants were both in possession of and entitled to use the same secret recipe in their respective businesses, and Malins, V.-C., and the Court of Appeal granted an injunction to restrain the defendants from publicly advertising that they alone were acquainted with the secret.

Misrepresentations by subsequent manufacturer.

The same principle on which misrepresentations by an original manufacturer with respect to the goods and business of a subsequent manufacturer are restrained, applies with even greater force to similar misrepresentations by the latter, and while it is open to any one to manufacture an unpatented article with the process of manufacture of which he has become acquainted, and also to describe it by the name applied to it by the original inventor, so soon as that name shall have become *publici juris*, that is to say, descriptive of a specific article, but not of a specific maker, yet at the same time such subsequent manufacturer is not entitled to carry on an unfair competition in trade with the original maker or his successors in business, by means of assertions or representations that his own article is the only genuine one, or that the article of the original maker or his successors is spurious (b).

"Original."

And where such an assertion or representation is embodied in the title of the later manufacturer's article by its being styled the "original," an appellation which would naturally suggest the idea of the article in question being the make of the original manufacturer, such fraudulent representation will usually be restrained (c).

(a) 14 Ch. D. 763; and see *Hill v. 421; Thomas v. Williams*, 14 Ch. D. 864.  
*Hort-Davies*, 21 Ch. D. 798.

(b) *James v. James*, L. R. 13 Eq. (c) *Cocks v. Chandler*, L. R. 11



But in the entire absence of evidence as to deception, Sir W. P. Wood, V.-C., refused to grant an injunction in a similar case (a), and from the result of later litigation between the same parties (b), it is clear that the presumption against a person who styles an article of his own manufacture, but not of his invention, "the original," may be rebutted. In *Dence v. Mason* (1) (c) the defendant was restrained from styling himself the original maker of the "essence of beef," Malins, V.-C., holding that even if he had been the first to actually compound the article, which was not satisfactorily proved, he was not entitled to make such statements as those complained of, since he was in the employ of the plaintiff's predecessor in business at the time when he said he made it for the first time. In *Fullwood v. Fullwood* (2) (d) the defendants attempted to represent their business to be the original one, by assuming for it the date of establishment of the business which was really the first.

In other cases the attempt to deceive has been made in different forms; thus, in an early case (e), the defendant attempted to attract to himself the custom intended for the plaintiffs by an ingenious variation of their labels, his own labels being *facsimiles* of those of the plaintiffs, with only the difference that whereas theirs contained the sentence "Manufactured by Day and Martin," his bore the words "Equal to Day and Martin's," the "Equal to" being in very small type. So, in an American case (f), a dentist formerly employed by the Colton Dental Association, on

Deceptive labels and notices.

Eq. 446; *Lazenby v. White*, 41 L. J. Ch. 354. And see *Hagg v. Darley*, 47 L. J. Ch. 587.

(a) *Browne v. Freeman*, 12 W. R. 305.

(b) *Browne v. Freeman*, W. N. 1873, p. 178. This was, however, before the cases under the Judicature Act, 1873, which see *supra*.

(c) Dig. 534; 41 L. T. N. S. 573.

(d) 9 Ch. D. 176. And see *Green v.*

*Rooke*, W. N. 1872, p. 49; *Wheeler v. Johnston*, 3 L. R. Ir. 284; *Whitney v. Hickling*, 5 Grant Up. Can. Ch. 605; *Mossop v. Mason*, 18 *ib.* 453; *Blackwell v. Wright*, 73 N. Car. 310; *Woods v. Sands*, Dig. 467.

(e) *Day v. Binning*, C. P. Cooper, 489; 1 Leg. Obs. 205.

(f) *Colton v. Thomas*, 2 Brewster, 308; R. Cox, 507.

setting up in business for himself, described himself in his notice as "formerly operator at the Colton Dental Rooms," "formerly operator at the" being printed very small. And in another American case (a) a former partner in a firm of dentists trading as "Morgan and Schuyler," continued to carry on business at the old premises as "B. F. Schuyler, successor to Morgan and Schuyler," the words preceding the old firm name being in such small letters as to be almost invisible.

*Franks v. Weaver.*

Again, in *Franks v. Weaver* (b), the plaintiff sold a medicine which he had invented, and which he termed "Franks' Specific Solution of Copaiba," in bottles enclosed in wrappers, on which were printed directions for use, and testimonials. The defendant, an agent of the plaintiff, sold a preparation of his own, labelled "Chemical Solution of Copaiba." The label went on to state that the plaintiff had invented the "Specific Solution," and then gave the testimonials printed by the plaintiff as commendatory of the plaintiff's medicine, and also the same directions for use as those given by the plaintiff. In *Sedon v. Senate* (c), a person who had sold a medicine to another, set up a new medicine under a similar description, and in his advertisement adopted verses which had been attached to the original medicine. In all these cases injunctions were granted.

Directions for use.

With respect to directions for the use of the article, it seems that, as Malins, V.-C., said in *Massam v. Thorley's Cattle Food Co.* (1) (d), if the article produced by one person is the same as that produced by another, and the former is quite at liberty to produce the same article, then the directions used by the latter are the correct directions for the use of the former's article, and he can only repeat

(a) *Morgan v. Schuyler*, 79 N. Y. 490.

(b) 10 Beav. 297. And see *Siegert v. Findlater*, 7 Ch. D. 801; *Siegert v. Ehlers*, Dig. 432; *Dunbar v. Glenn*, 42 Wisc. 118.

(c) 2 V. & B. 220. And see

*Wotherspoon v. Gray*, Ct. Sess. Cas. 3rd Ser. II. 38, where the interdict was refused.

(d) 6 Ch. D. 574, 581. And see per Cotton, L.J., in *In re Leonard & Ellis*, 32 W. R. 530.



them. In fact, if he could not give the appropriate directions for using the article which he is entitled to make, his liberty to manufacture would be unduly interfered with. The decision in the above case was, however, reversed by the Court of Appeal (a) on the general question of representation, the imitation of the directions being referred to as an indication of fraudulent intention, and any trader who uses the same directions as another ought to take great care to prevent the possibility of deception.

To describe articles formerly patented by the name of the former patentee is not necessarily fraudulent, since the name may be used as indicative of a principle of construction (b); but in an American case (c) an injunction was granted to restrain the defendant from marking goods of his own make as being made under the plaintiff's subsisting patent, notwithstanding an allegation by the defendant that the patent was invalid.

The imitation of a peculiar manner of making up and packing goods may, in combination with other circumstances, be held to prove a fraudulent intention, and it seems that, even in the absence of other circumstances of fraud, if the imitation is very significant, and the evidence very conclusive, an injunction will be awarded (d).

The manner in which the Court interferes by way of injunction to prevent unfair competition in trade is well illustrated by a case which has always attracted a good deal of attention, that of the omnibus companies (e). In that case the plaintiffs were the proprietors of a line

(a) 14 Ch. D. 748.

(b) *Wheeler & Wilson Manufacturing Co. v. Shakespear*, 39 L. J. Ch. 36; *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15; and other cases in Ch. 4.

(c) *Washburn & Moen Manufacturing Co. v. Haish*, 16 U. S. Pat. Gaz. 465.

(d) See *Edelsten v. Vick*, 11 Hare, 78; *Woollam v. Ratcliff*, 1 H. & M. 259; *Anglo-Swiss Condensed*

*Milk Co. v. Swiss Condensed Milk Co.*, W. N. 1871, p. 163; *McLean v. Fleming*, 96 U. S. Rep. 245; *Frese v. Bachof* (1), 13 Bl. C. C. 234; S. C. (2), 14 *ib.* 432. See also *Orr v. Diaper*, L. R. 4 Ch. D. 92.

(e) *Knott v. Morgan*, 2 Keen, 213. See also *Stone v. Carlan*, 13 Mo. L. R. 360; R. Cox, 115; *Marsh v. Billings*, 7 Cush. 322; R. Cox, 118; *Deiz v. Lamb*, 29 N. Y. Super. Ct. 537.

of omnibuses painted in a particular manner, with the words "Conveyance Company" and "London Conveyance Company" upon them. The defendant ran omnibuses similarly painted, and dressed his servants in a livery imitated from that of the plaintiffs' employes. On his being required to alter this, he made some mere colourable alterations, but really left the matter as it stood at first. Lord Langdale, M. R., on the case coming before him on motion to dissolve an interlocutory injunction, said that he had not the least doubt that the defendant intended to represent his omnibuses to the public as those of the plaintiffs. He said "it was not to be said that the plaintiffs had any exclusive right to the words 'Conveyance Company' or 'London Conveyance Company,' or any other words, but they had a right to call upon that Court to restrain the defendant from fraudulently using precisely the same words and devices which they had taken for the purpose of distinguishing their property, and thereby depriving them of the fair profits of their business by attracting custom on the false representation that carriages, really the defendant's, belonged to and were under the management of the plaintiffs." This case was not at all a case of trade mark, though reference has been made to it as such; the Master of the Rolls expressly denied any exclusive right in the words painted on the vehicles, and personally altered the terms of the injunction so as to avoid creating such a right. In the language of Sir W. P. Wood, V.-C. (a), "the defendant might have had those words painted on a yellow omnibus without objection, and so of the other resemblances; the wrong lay in their accumulation, not in any one of them alone." The value of the case really consists in the example it affords of the way in which the aggregation of a number of circumstances, individually comparatively harmless, may produce a result injurious to an individual and obnoxious to the law; and

(a) *Woollam v. Ratcliff*, 1 H. & M. 259.



also of the manner in which the law will interfere to protect the interests of honest trade.

Where A. had surreptitiously obtained possession of Etchings. some etchings by B., and had advertised them for exhibition, and a catalogue of them, Lord Cottenham, C., held that there was a title to relief alike on the ground of injury to property and on that of breach of trust (a).

As to the cases which have been decided in respect of Trade secrets. trade secrets, the general rule may be stated as being that any person who has, without the use of unfair means, become acquainted with the mode of compounding a secret unpatented preparation, may make and sell the compound, provided he does not lead the public to suppose that his preparation is the manufacture of the original discoverer or of his successors in business, and he may even call the compound made by himself by the same name as that given by the original discoverer to his, so long as he does not sell his own goods as and for those of another (b). On the other hand, where the knowledge of the secret process has been acquired by means of a breach of trust, neither the person who has committed the breach of trust, nor anyone to whom he has imparted his discovery, will be allowed to make use of the information so surreptitiously acquired (c).

Again, "there is no doubt whatever that where a party who has a secret in a trade employs persons under contract express or implied, or under duty express or implied, those Contract not to use or divulge another's secret.

(a) *Prince Albert v. Strange*, 1 Mac. & G. 25.

(b) *James v. James*, L. R. 13 Eq. 421; *Liebig's Extract of Meat Co. v. Hanbury*, 17 L. T. N. S. 298; *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Carter v. Goetze*, 2 Keen 581; *Singleton v. Bolton*, 3 Doug. 293; *Williams v. Williams*, 3 Mer. 157; *Canham v. Jones*, 2 V. & B. 218. And see the comments on that case, in *Morison v. Moat*, 9 Hare, 241. But of course, when the name has become a trade

mark, no one but the proprietor can use it. The question is whether the name is descriptive of the article or distinctive of the manufactory. See *Massam v. Thorley's Cattle Food Co.* (2), 14 Ch. D. 748.

(c) *Williams v. Williams*, 3 Mer. 157; *Yoratt v. Winyard*, 1 Jac. & W. 394; *Tipping v. Clarke*, 2 Hare, 383; *Morison v. Moat*, 9 Hare, 241, 21 L. J. Ch. 248; *Estcourt v. Estcourt Hop Essence Co.*, L. R. 10 Ch. 276.

persons cannot gain the knowledge of that secret and then set it up against their employer" (a), and, stating it generally, where one person has entered into a contract, express or implied (b), with another person, to keep that other person's secret, and not to divulge it, nor to use it for his own advantage, he will be restrained by an injunction from so divulging or using the secret in question (c); and so will a person who is acting in collusion with him (d); and a contract by which, on the sale of a trade secret, the vendor has bound himself not to use that secret, is not invalid as being in restraint of trade (e).

Name of  
secret manu-  
facture.

Where the defendant is availing himself of a breach of faith or of contract by means of the use of a certain designation for his goods, in such a case the defendant will be restrained from the use of such designation, although the plaintiff may have no exclusive right in the same, apart from such special circumstances (f).

Cannot be used  
in ignorance  
of true recipe.

No one will be allowed to use the name of a well-known article, with the secret recipe of which he is unacquainted, upon goods of his own make, so as to represent the spurious

(a) Per Lord Cranworth, L. J., in *Morison v. Moat*, 21 L. J. Ch., 248.

(b) See *Tipping v. Clarke*, 2 Hare, 383; *Weston v. Hemmons*, 2 Vict. L. R. Eq. 121.

(c) *Sedon v. Senate*, 2 V. & B. 220; *Bryson v. Whitehead*, 1 S. & S. 74; *Green v. Folgham*, *ib.* 398; *Tipping v. Clarke*, 2 Hare, 383; *Morison v. Moat*, 9 Hare, 241; 21 L. J. Ch. 248; *Hagg v. Darley*, 47 *ib.* 567; *Whitney v. Hickling*, 5 Grant Up. Can. Ch. 605; *Weston v. Hemmons*, 2 Vict. L. R. Eq. 121; *Peabody v. Norfolk*, 98 Mass. 452. But see *Newbery v. James*, 2 Mer. 446, in which Lord Eldon declined to issue an injunction, on the ground that the Court could have no means of judging as to its infringement.

(d) *Peabody v. Norfolk*, 98 Mass. 452.

(e) *Bryson v. Whitehead*, 1 S. & S. 74; *Hagg v. Darley*, 47 L. J. Ch. 567; *Jarvis v. Peck*, 10 Paige 118. And see *Leather Cloth Co. v. Lonsont*, L. R. 9 Eq. 352; and *Allsopp v. Wheatcroft*, L. R. 15 Eq. 59. In *Vickery v. Welch*, 19 Pick. 523, the Sup. Ct. of Mass. held that a person who had agreed to sell a secret process, ought to have covenanted to communicate the secret to the purchaser and to no one else.

(f) *Morison v. Moat*, 9 Hare, 241. And see *Green v. Folgham*, 1 S. & S. 398; *James v. James*, L. R. 13 Eq. 421; *Estcourt v. Estcourt Hop Essence Co.*, L. R. 10 Ch. 276; *Weston v. Hemmons*, 2 Vict. L. R. Eq. 121. In *Canham v. Jones*, 2 V. & B. 218, and *Green v. Rooke*, W. N. 1872, p. 49, L. J. Notes of Cases, 1872, p. 54, no fraud was proved.



goods to be genuine (a); but it seems that if a person has an equal right to the use of the name with the person who is acquainted with the secret in accordance with which the goods are manufactured, the latter, at all events, cannot restrain him from the use of the mark, whatever remedy may be open to the public (b). If the person of whom complaint is made is acquainted with the secret process, and has been accustomed to use it, the objection to his use of the name does not arise (c), and such a person will not be restrained from using it at the suit of a person who has no right to use the recipe in the district in which the defendant trades (d).

After the death of an inventor of a secret process, his son, who had learnt the secret in his employ, continued to make the article, but did not take out administration to the father, and it was held that without becoming his father's personal representative, he could acquire no right to prevent the use of the secret by another (e). Secret passes with owner's personal estate.

The manner in which the Court deals with a secret process is well exemplified by the case of *Green v. Folgham* (f): *Green v. Folgham.* There the grandfather of the plaintiffs and defendant possessed the secret of a recipe for an ointment called "Dr. Johnson's Ointment for the Eyes." This secret he settled on his daughter at her marriage, and directed that at the death of the survivor of her and her husband it should be sold for the benefit of the children. The daughter communicated the secret to her eldest son and destroyed the recipe. On a bill being filed against the eldest son by the younger children, Sir

(a) *Cotton v. Gillard*, 44 L. J. Ch. 90; *Ansell v. Gaubert*, Dig. 163.

(b) *Weston v. Ketchum* (1), 39 N. Y. Super. Ct. 54; S. C. (2) 51 How. Pr. 455.

(c) *Witthaus v. Braun*, 44 Md. 303; and see *Helmbold v. Helmbold Manufacturing Co.*, 53 How. Pr.

458.

(d) *Manhattan Medicine Co. v. Wood*, 4 Cliff. 461; 23 U. S. Pat. Gaz. 1925.

(e) *Hovenden v. Lloyd*, 18 W. R. 1132. And see *Singleton v. Bolton*, 3 Doug. 293.

(f) 1 S. & S. 398.

J. Leach, V.-C., decreed an account of the profits made by the defendant since his mother's death by the sale of the ointment, a reasonable allowance being made him for his time and trouble in preparing and vending the same. And the Vice-Chancellor went on to remark that if the secret could be made a subject of sale, the plaintiffs would be next entitled to ask from the Court that a sale should be directed accordingly. But inasmuch as the Court had no possible means either to communicate the secret to a purchaser with certainty, or to protect him in the enjoyment of it, a sale was, he said, impracticable (a). But, he continued, although the Court could not direct a sale, it had the power of taking a course which, in point of advantage, would be equivalent to the plaintiffs. It could enquire what would be the value of the secret to sell, provided it could be made the subject of sale; and the annual profits which had actually been made by the sale of the ointment from the death of the mother would be a fair criterion by which that value might be estimated. And the Vice-Chancellor accordingly decreed the value to be ascertained at law, as at the date of the decree.

Fraudulent  
secret.

In connexion with this subject it should be mentioned that when, as is frequently the case, the article manufactured by the secret process is a quack medicine, or an article intended to deceive the public, the Court will not struggle to protect the secret or to punish those who invade it (b).

Literary  
production.

The rights which are possessed by the owner of a magazine, newspaper, or other literary publication, are of a very similar character to those which a person has in the goodwill of a business carried on by him. Just as a name affixed to a shop conveys to customers the idea of a certain degree of excellence, with which the articles sold by the

(a) See *Newbery v. James*, 2 Mer. 157; *Estcourt v. Estcourt Hop Essence Co.*, L. R. 10 Ch. 276.

(b) *Williams v. Williams*, 3 Mer.



person using that name are associated in their minds; so the title prefixed to a periodical, or its general appearance, conveys to those who take it up the impression that the contents of that publication will be found to be up to the standard to which former editions of the simulated publication have attained. Like goods bearing a trade mark, literary publications carry with them wherever they go the guarantee for their quality, and the representations conveyed by their titles are made to all into whose hands they may come, not merely to the original purchaser. With the doctrine of trade marks that of the titles of literary works has also progressed, so that in this case also that which was formerly protected on the general ground of repression of fraud is now protected as property, and "a publisher or author has either in the title of his work, or in the application of his name to the work, or in the particular marks which designate it, a species of property similar to that which a trader has in his trade mark, and may, like a trader, claim the protection of a Court of Equity against such a use or imitation of the name, mark, or designations as is likely, in the opinion of the Court, to be a cause of damage to him in respect of that property" (a).

The earliest of the cases with respect to the titles of *Hogg v. Kirby*. publications was *Hogg v. Kirby* (b), before Lord Eldon, C., in 1803. The plaintiff was the proprietor of a monthly magazine, called "The Wonderful Magazine," which was in fact edited by the plaintiff, though the defendant's name was used as that of the publisher. At the completion of the fifth number, the defendant refused to allow the longer use of his name, and the arrangement was accordingly discontinued, and the accounts between the parties finally settled. The plaintiff then put out a notice stating that he would publish the sixth number, which he

(a) Per Miller, J., in *Robertson v. Berry*, 50 Md. 591.

(b) 8 Ves. 215. And see the early Scotch cases of *In re Edinburgh*

*Correspondent Newspaper*, Ct. Sess. Cas. 1st Ser. I. 407 n., and *Constable & Co. v. Brewster*, *ib.* III. 215.

did, but on the following day a new magazine was published by the defendant, under the same title as the old one, but with the addition of "New Series Improved, printed for Kirby & Scott," and it was announced that it was intended to issue this monthly. The plaintiff then instituted a suit to check the piracy, and was able to point to several circumstances, in addition to the title, which indicated an intention of inducing the belief that the work was in fact a continuation of the plaintiff's. Lord Eldon, in his judgment, after alluding to the circumstance that the plaintiff's counsel had argued the case on the several grounds of copyright, fraud, and contract, said that he should state the question to be, "not whether the defendant's work was the same as the plaintiff's, but, in a question between those parties, whether the defendant had not represented it to be the same," in fact, resting the case upon fraud on the part of the defendant. His Lordship held that the defendant's intention did appear to be to represent his work as a continuation of the plaintiff's, "taking the credit which had been acquired by that to his own" (a), and the injunction was accordingly granted, but in such terms as to extend only to the pretence of the defendant's work being a continuation of the plaintiff's (b).

*Spottiswoode v. Clarke.*

In *Spottiswoode v. Clarke* (c), where the plaintiff published "The Pictorial Almanack," the defendant, "Old Moore's Pictorial Almanack," there being certain similarities between the wrappers of the two works, Lord Cottenham, denying that trade marks had anything to do with the case, said that it was difficult to believe that no fraud

(a) See *Longman v. Winchester*, 16 Ves. 269, in which Lord Eldon explained his decision in the present case.

(b) In *Strahan v King*, Dig. 539, the proprietors of the "Contemporary Review" sought to restrain their publishers and a former assistant editor from issuing the "Nineteenth Century," alleging among other

things that the defendants were representing the latter to be the plaintiffs' Review; the Vice-Chancellor, however, held that the charges failed, and refused to grant an injunction. And see *Clowes v. Hogg*, W. N. 1870, p. 268; *ib.* 1871, p. 40.

(c) 2 Ph. 154.



was intended, but that if such were the case, the attempt was very clumsy. And he felt so much doubt as to the legal right that, on the balance of convenience, he dissolved the injunction which had been granted by the Vice-Chancellor of England, giving the plaintiff leave to bring an action, and ordering the defendant to keep an account.

In both of the above cases fraud was the *ratio decidendi*, the actions of the defendants being examined with a view to the discovery of their motives and intentions. But at the present date the rule is that even though one person may have adopted in ignorance and *bonâ fide* a name coincident or nearly coincident with that employed by another person, yet he is bound to discontinue the use of that name so assumed as soon as he is made acquainted with the fact of its earlier employment, and the previous employer of the name is entitled to obtain an injunction against him, unless by his own laches or other default he has lost the rights which he otherwise would have had. The principle enunciated by Sir W. P. Wood, V.-C., in *McAndrew v. Bassett (a)*, would be equally applicable to the case of a title of a periodical, that is to say, that although A. may have innocently used the title employed by B., yet if he continues to trade upon B.'s reputation after being made aware of his error, he does so fraudulently.

Title of periodical.

The modern doctrine was thus stated by the L. JJ. in the "Sporting Life" case (b): "It appears to us that there is nothing analogous to copyright in the name of a newspaper, but that the proprietor has a right to prevent any other person from adopting the same name for any other similar publication." And in *Clement v. Maddick (c)*, the principle was even more plainly stated by Sir J. Stuart, V.-C. The plaintiffs were the publishers of "Bell's Life," the defendants the originators of a "Penny Bell's Life."

Fraudulent intention need not be proved.

(a) 33 L. J. Ch. 561. And see *Williams v. Osborne*, 13 L. T. N. S. 498; and *Singer Manufacturing Co. v. Loog* (3), 8 App. Cas. 15 (per

Lord Blackburn).

(b) *Kelly v. Hutton*, L. R. 3 Ch. 708.

(c) 1 Giff. 98.

The Vice-Chancellor said: "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. That is a view of the law to which I cannot accede. Lord Cottenham, in the case of *Millington v. Fox* (a), has declared that where a trade mark has been innocently and even unconsciously made use of to the injury of another, the owner of the trade mark is entitled to the protection of this Court."—"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," and where deception is probable, an injunction will be granted (b).

(a) 3 My. & Cr. 338.

(b) Thus, injunctions were granted in the following cases:—*Edmonds v. Benbow*, Dig. 33 ("The Real John Bull" imitated by "The Old Real John Bull"); *In re The Edinburgh Correspondent Newspaper*, Ct. of Sess. Cas. 1st Ser. I. (new ed.) 407 n. ("The Edinburgh Correspondent," name copied); *Constable & Co. v. Brewster*, Ct. of Sess. Cas. 1st Ser. III. 215 (new ed. 152) ("The Edinburgh Philosophical Journal" by "The New Series of the Edinburgh Philosophical Journal"); *Prowett v. Mortimer*, 2 Jur. N. S. 414 ("The John Bull and Britannia" by "The True Britannia"); *Ingram v. Stiff*, 5 Jur. N. S. 947 ("The London Journal" by "The London Daily Journal"); *Chance v. Sheppard*, Dig. 317 ("The Bedfordshire Express and General Advertiser for the Counties of Cambridge, Hertfordshire, Huntingdonshire, and Middlesex" by "The Bedfordshire Express and General

Advertiser for the County"); *Corns v. Griffiths*, W. N. 1873, p. 93 ("The Iron Trade Circular—Ryland's" by "The Iron Trade Circular—edited by Samuel Griffiths"); *Metzler v. Wood*, '8 Ch. D. 606 ("Hemy's Royal Modern Tutor for the Pianoforte" by "Hemy's New and Revised Edition of Jousse's Royal Standard Pianoforte Tutor"); *Hutchings v. Sheard*, W. N. 1881, p. 20 ("The Violin School, by J. D. Loder" by "J. D. Loder's Celebrated Violin School, edited, revised, and enlarged by T. Westrop"); *Matsell v. Flanagan*, 2 Abb. Pr. N. S. 459; R. Cox. 367 ("The National Police Gazette" by "The United States Police Gazette"); *Potter v. McPherson*, 28 N. Y. Sup. Ct. 559 ("Payson, Dunton, and Scribner's National System of Penmanship" by "Independent National System of Penmanship"). And see *Keene v. Harris*, 17 Ves. 338; *Walter v. Head*, 25 Sol. J. 742, 757 (imitations of "The Times"),



While, however, the fact that the defendant has adopted a title calculated to deceive is sufficient to entitle the plaintiff to his remedy, without it being necessary for him to go into the defendant's motives, he must prove the probability of deception, and if he cannot do this, he will fail, even though there may be circumstances pointing to a fraudulent intention. Thus, where the proprietors of the "Era," one of the principal writers in which paper used the pseudonym of "Touchstone," sought to restrain the publication of "Touchstone, or the New Era," and alleged certain further resemblances between the two papers, the Court of Appeal rescinded the injunction which had been granted, on the ground that no deception could occur (a). And where the plaintiff sought to restrain the defendant from using the name "Post Office Directory," and it was shown that the name had been used by others than the plaintiff, and that the defendant had had the assistance of post office servants, it was held that no injunction could be granted (b).

But deception must be probable.

Although the title of a periodical publication as a newspaper, magazine, or almanack, most closely resembles a trade mark, on account of its repeated and continued use from time to time upon articles of a certain class, the protec-

Titles of literary works protected generally.

and *American Grocer Publishing Association v. Grocer Publishing Co.*, 32 N. Y. Sup. Ct. 398 (imitations of "The American Grocer").

(a) *Ledger v. Ray*, Dig. 550. And no injunctions were granted in *Bradbury v. Beeton*, 39 L. J. Ch. 57 ("Punch" and "Punch and Judy"); *Dicks v. Yates*, 18 Ch. D. 76 ("Splendid Misery, or East End and West End, by C. H. Hazlewood," and "Splendid Misery, by the author of Lady Audley's Secret, Vixen, &c."); *Dale v. Smith*, W. N. 1882, p. 145 ("The Plumber and Decorator and Journal of Gas and Sanitary Engineering" and "The Decorator, Plumber, and Gasfitter's Journal"); *Cowen v. Hulton*, 46 L. T. N. S. 897 ("The Newcastle

Daily Chronicle" and "The Sporting Chronicle and Prophetic Bell"); *Snowden v. Noah*, Hopk. 347, R. Cox, 1 ("The National Advocate" and "The New York National Advocate"); *Bell v. Locke*, 8 Paige, 75, R. Cox, 11 ("The Democratic Republican New Era" and "The New Era"); *Stephens v. De Cunto*, 7 Robertson, 343, R. Cox, 442 ("La Cronica" and "El Cronista"); *Osgood v. Allen*, 1 Holmes, 185 ("Our Young Folks, an Illustrated Magazine for Boys and Girls," and "Our Young Folks' Illustrated Paper"); *Tallcot v. Moore*, 13 N. Y. Sup. Ct. 106 ("The Little Red Book" and "The Red and White Book.")

(d) *Kelly v. Byles*, 13 Ch. D. 682.

tion afforded by the Court is extended to the title of any kind of literary production. Thus, the publishers of "The Birthday Scripture Text Book" succeeded in obtaining an injunction against persons who had brought out "The Children's Birthday Text Book," Lord Romilly, M. R., remarking that the defendants were not entitled to publish a work "with such a title, or in such form as to binding or general appearance as to be a colourable imitation of that of the plaintiffs" (a). And so, where the title of a song was imitated in such a manner as to be calculated to induce the public to buy the spurious publication in mistake for the genuine, the continuance of the fraud was restrained (b).

Incidents of title of publication.

The right which exists in the title of a publication is a right of property (c), a chattel interest (d), capable of assignment (e) or bequest (f), passing, in the event of its proprietor's bankruptcy, to his trustee, but incapable of seizure by a sheriff (g), and which, in the event of a dissolution of partnership between joint proprietors, must be sold for the purpose of the proceeds of the sale being included in the assets of the partnership (h).

No copyright in title.

Although the term copyright has been sometimes applied to the right in the title of a publication (i), there "cannot

(a) *Mack v. Petter*, L. R. 14 Eq. 431. See *Weldon v. Dicks*, 10 Ch. D. 247.

(b) *Chappell v. Sheard*, 2 K. & J. 117; *Chappell v. Davidson*, *ib.* 123. But in *Isaacs v. Daly*, 39 N. Y. Super. Ct. 511, it was held that no injunction could be granted to restrain the use of the word "Charity" as the name of a play, the word being one of general application, and the use by the defendant *bonâ fide*.

(c) *Clement v. Maddick*, 1 Giff. 98; *Kelly v. Hutton*, L. R. 3 Ch. 708.

(d) Per Wood, L. J., in *Kelly v. Hutton*, *ubi supra*.

(e) *Longman v. Tripp*, 2 Bos. & P. N. R. 67; *Ex parte Foss*, 2 De G. & J. 230; *Kelly v. Hutton*, L. R.

3 Ch. 708; *Clowes v. Hogg*, W. N. 1870, p. 268; *ib.* 1871, p. 40; *Ward v. Beeton*, L. R. 19 Eq. 207; *Snowden v. Noah*, Hopk. 347; R. Cox, 1.

(f) *Keene v. Harris*, 17 Ves. 338. In *McCormick v. McCubbin*, Ct. Sess. Cas. 1st Ser. I. 541 (New Ed. 496) it was held by the Court of Session that the executors of the proprietor of a half share in a newspaper were entitled to proceed to a sale of his share.

(g) *Ex parte Foss*, 2 De G. & J. 230.

(h) *Bradbury v. Dickens*, 27 Beav. 53; *Dayton v. Wilkes*, 17 How. Pr. 510; R. Cox, 224.

(i) E.g. per Lord Romilly, M. R. in *Mack v. Petter*, L. R. 14 Eq. 431, per Malins, V.C., in *Weldon v. Dicks*, 10 Ch. D. 247, per Bacon,



in general be any copyright in the title or name of a book" (a), but copyright and trade mark are things "totally distinct" (b), and registration under the Copyright Acts gives no further right to protection than exists independently of such registration (c).

Just as a trade mark must, in order to be entitled to protection, be affixed to a vendible article in the market (d), so a title of a publication must be actually used. The mere intention, previous to publication, of using a particular name as the title of a literary work, even if followed by the registration of the proposed title as copyright, the advertisement of the forthcoming work, or the actual preparation of its contents, confers no right to protection, for, "in the case of advertisement, followed by publication, the party publishing has given something to the world, and there is some consideration for the world's giving him a right; but in the case of mere advertisement, he has neither given, nor come under any obligation to give anything to the world, so that there is a total want of consideration for the right which he claims" (e). Where, on the other hand, a book has been once published under a particular title, it seems that the right in the title remains, notwithstanding that the book has been long out of print, and has, in fact, been treated as obsolete (f).

Must be actual user.

V. C., in *Dicks v. Yates*, 18 Ch. D. 76.

(a) Per James, L. J., in *Dicks v. Yates*, 18 Ch. D. 76. And see *Kelly v. Hutton*, L. R. 8 Ch. 708; *Correspondent Newspaper Co. v. Saunders*, 11 Jur. N. S. 540; *Osgood v. Allen*, 1 Holmes 185.

(b) Per Jessel, M. R., in *Dicks v. Yates*, 18 Ch. D. 76.

(c) *Maxwell v. Hogg*, L. R. 2 Ch. 307. In the American case of *Jollie v. Jaques*, 1 Bl. C. C. 618, it was, however, held that the right to the title of a work, the copyright of

which turned out to be invalid, must fall with the copyright. See *Osgood v. Allen*, 1 Holmes 185; *Isaacs v. Daly*, 39 N. Y. Super. Ct. 511; *Scoville v. Toland*, 6 West. L. J. 84; and *Hirsch v. Jonas*, 3 Ch. D. 584.

(d) Or registered, since the Trade Marks Act of 1875.

(e) Per Sir G. J. Turner, L. J., in *Maxwell v. Hogg*, L. R. 2 Ch. 307. And see *Correspondent Newspaper Co. v. Saunders*, 11 Jur. N. S. 540.

(f) *Weldon v. Dicks*, 10 Ch. D. 247.

## CHAPTER IX.

### GOODWILL.

Value of goodwill.

So early as the time of Lord Hardwicke (a) it was fully recognised that the goodwill of a trade might be of considerable value, and by the beginning of the present century it was said at the bar (b) to be a matter of common experience that contracts for the sale of a goodwill were enforced by actions at Law at every sittings.

Connexion between goodwill and trade marks.

The connexion between goodwill and trade marks is very intimate. Thus, where in a suit for specific performance of a contract for sale of a business (c), one of the subjects of the contract was "goodwill, &c.," Sir J. Romilly, M.R., said that those words united such things as were necessarily connected with and belonged to the goodwill, many of which were easily pointed out; for instance, the use of trade marks. Such things would be included in the words "et cætera," and would be included in the conveyance. The sale of a business carries with it the goodwill and trade marks (d), and the sale of a business

(a) *Giblett v. Read*, 9 Mod. 459.

(b) *Bunn v. Guy*, 4 East, 190.

(c) *Cooper v. Hood*, 26 Beav. 293.

(d) *Shipwright v. Clements*, 19 W. R. 599. And see *Hall v. Barrows*, 4 De G. J. & S. 150. In *Young v. Jones Bros. & Co.*, 3 Hughes 274, the American Court held the contrary. In *Churton v. Douglas*, Johns. 174, V.-C. Wood went so far as to say that the question of trade mark was in fact the same as the question of firm name, which, it was obvious, was an important part of the good-

will, and in *Young v. Jones Bros. & Co.*, *ubi supra*, it was said that "rights in the trade mark are analogous to rights in the goodwill of a partnership." See, too, *England v. Curling*, 8 Beav. 129; *Dickson v. McMaster & Co.*, 18 Ir. Jur. 202; *Congress & Empire Spring Co. v. High Rock Congress Spring Co.*, 57 Barb. 526, R. Cox, 599; *Dixon Crucible Co. v. Guggenheim*, 2 Brewster, 321, R. Cox, 559; *Sohier v. Johnson*, 111 Mass. 238; *Witthaus v. Braun*, 44 Md. 303; *Ex*



and goodwill carries with it the right to the trade name (a), and the words "assets and effects of every kind and nature," in a bill of sale of a business, cover the trade marks used in the business (b). Again, a trade mark cannot exist in gross and apart from the goodwill of the business with which it has been connected (c).

This close connexion was fully recognised in the Trade Marks Registration Act, 1875 (d), by the second section of which it was provided that a registered trade mark should be assigned and transmitted only in connexion with the goodwill of the business concerned in such particular goods or classes of goods, and should be determinable with such goodwill. By the third section the right of the registered proprietor to the exclusive use of the trade mark was made subject to the provisions in respect of its connexion with the goodwill. These provisions are now repeated in sections 70 and 76 of the Patents Act, 1883 (e),

"Goodwill, I apprehend," said Sir W. P. Wood, V.-C., in the important case of *Churton v. Douglas* (f), "must mean every advantage, every positive advantage, if I may so express it, as contrasted with the negative advantage of the late partner not carrying on the business himself, that has been acquired by the old firm in carrying on its business, whether connected with the premises in which the business was previously carried on, or with the name of the late firm, or with any other matter carrying with it the benefit of the business."—"Very frequently the goodwill of a business or profession, without any interest in

Connexion recognised by Registration Act of 1875, and Patents Act, 1883.

What constitutes goodwill

*parte Young*, Dig. 537; *Fulton v. Sellers*, 4 Brews. 42; *Hazard v. Caswell*, 47 N. Y. Super. Ct. 537.

(a) Per James, L. J., in *Levy v. Walker*, 10 Ch. D. 436.

(b) *Morgan v. Rogers*, 26 U. S. Pat. Gaz. 1113.

(c) *Cotton v. Gillard*, 44 L. J. Ch. 90; *Dixon Crucible Co. v. Guggenheim*, 2 Brewster 321, R. Cox, 559; *Derringer v. Plate*, 29 Cal. 292, R. Cox, 324; *Witthaus v. Braun*, 44

Md. 303; *Taylor v. Bemis*, 4 Biss. 406; *Kidd v. Johnson*, 100 U. S. Rep. 617; *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54; *S. C.* (2), 51 How. Pr. 455; *Morgan v. Rogers*, 26 U. S. Pat. Gaz. 1113.

(d) 38 & 39 Vict. c. 91.

(e) 46 & 47 Vict. c. 57.

(f) Johns. 174. And see per Hugans, J., in *McGowan Bros. Pump & Machine Co. v. McGowan*, 2 Cinc. 313.

land connected with it, is made the subject of sale, though there is nothing tangible in it" (a). And it carries with it the benefit of such matters as a covenant by a servant not to carry on a similar business within prescribed limits (b).

Formerly  
treated as  
always local.

Previously to the case of *Churton v. Douglas* (c), the language of various eminent judges as to what constituted "goodwill" had rather tended to connect the goodwill with the premises on which the business was carried on, than with the business carried on there, probably because that language, though in general terms, was directed to the circumstances of the case then in course of decision (d). Thus, Lord Eldon, C., in *Cruttwell v. Lye* (e), describes goodwill as "nothing more than the probability that the old customers will resort to the old place" (f). Sir J. Leach, M.R., describes it (g) as "an advantage attaching to the possession of the house" in which the business had been carried on; and Lord Langdale, M.R. (h), as "the chance or probability that custom will be had at a certain place of business in consequence of the way in which that business has been previously carried on" (d). In *King v. Midland Railway Co.* (i), Giffard, V.-C., gave effect to this view by holding that the assignees in liquidation of a mortgagor, whose business premises were taken by a railway company, were entitled to no part of the purchase money, as having been paid in respect of the goodwill of the business, as against the mortgagee of the premises, whose debt exceeded the

(a) Per Pollock, C. B., in *Potter v. The Commissioners of Inland Revenue*, 10 Ex. 147.

(b) *Jacoby v. Whitmore*, 49 L. T. N. S. 335.

(c) Johns, 174.

(d) See *Churton v. Douglas*, *ubi suprd.*

(e) 17 Ves. 335.

(f) In this case Sir A. Piggott, in the course of his argument, said that "goodwill" was "the advan-

tage belonging to a house long accustomed to carry on a particular trade." See, too, Sir T. Plumer, V.-C., in *Harrison v. Gardner*, 2 Madd. 198.

(g) In *Chissum v. Dewes*, 5 Russ. 29.

(h) In *England v. Downs*, 6 Beav. 269.

(i) 17 W. R. 113. See *Rutter v. Daniel*, 30 W. R. 724, 801; *Mitchell v. Read* (2), 26 N. Y. Sup. Ct. 418.



purchase money; but that the goodwill was incident to the mortgaged premises and passed with them.

The judgment in *Churton v. Douglas* has now established <sup>Not so now.</sup> that the dictum of Lord Eldon in *Cruttwell v. Lye* (a) must be read as meaning that goodwill is the probability that the old customers will buy the old goods from the old firm or their successors in business, whether the means of identification be the place of business or otherwise (b). The customers of a large wholesale house cannot be supposed to pay much attention to the exact site of the establishment, and "there may even be a species of goodwill which may be the subject of bargain and sale, although not dependent on the business being carried on in any particular place; for instance, in the case of what are called quack medicines" (c).

While, however, there may be a species of goodwill not <sup>Local connexion important.</sup> intimately connected with a particular spot, in many trades there can hardly be any goodwill apart from the premises on which business has been carried on. Thus, "it is quite plain that the goodwill of a public-house passes with the public-house. In such a case the goodwill is the mere habit of the customers resorting to the house. It is not what is called a personal goodwill" (d). Such a goodwill carries with it the public-house licences, since without them the business cannot be carried on (e). And wherever there is a connection between the goodwill and a particular locality it will be of great consequence, and a house of little value in itself, at a rack rent, may have a peculiar value

(a) 17 Ves. 335.

(b) And compare *Labouchere v. Dawson*, L. R. 13 Eq. 322; *Cooper v. Metropolitan Board of Works*, 25 Ch. D. 472.

(c) Brett, J., in *Llewellyn v. Rutherford*, L. R. 10 C. P. 456. The goodwill of a newspaper is another example. See *Boon v. Moss*, 70 N. Y. 465, and the observations of Lindley, L. J., in his work on Part-

nership. See, too, *Potter v. The Commissioners of Inland Revenue*, 10 Ex. 147, and *Huwer v. Dannenhoffer*, 82 N. Y. 499.

(d) Per Jessel, M. R., in *Ex parte Punnett*; *In re Kitchin*, 16 Ch. D. 226. See *Mitchell v. Reud* (2), 26 N. Y. Sup. Ct. 418.

(e) *Rutter v. Daniel*, 30 W. R. 724, 801.

attached to it from the fact of a long-established business having been carried on there (a).

Another view of goodwill.

Looked at from another point of view, the goodwill may be said to be the money value of what has just been described as the goodwill (b)

Goodwill in learned professions.

While the value of most businesses is determined partly by the personal qualifications of the proprietor, partly by those of his subordinates, partly (sometimes principally) by local situation, partly, it may be, by yet other considerations, there is one class of business in which the personal character and ability of the head of the establishment are of paramount and almost exclusive importance. That class comprehends the medical and legal, or "learned" professions.

Division into personal and local.

Adverting to this distinction, Sir J. Cross, in *Ex parte Thomas* (c), divided goodwill into personal and local, adding that there might be a goodwill partly personal and partly local (d). But the employment of the word "local" as descriptive of one of the two principal heads under which goodwill falls seems open to objection, on the ground that it tends to produce the misconception exposed and removed by Vice-Chancellor Wood, in *Churton v. Douglas* (e), and to unduly narrow the meaning to be assigned to "goodwill," which, as has been seen, comprehends, not merely the advantage of local situation, but every positive advantage connected with an established trade.

Division into goodwill of profession and of trade.

The two classes of goodwill may more satisfactorily be distinguished, from the classes of pursuit to which they respectively relate, as the goodwill of a profession on the

(a) *Parsons v. Hayward*, 31 L. J. Ch. 666; *Llewellyn v. Rutherford*, L. R. 10 C. P. 456. See *Cooper v. Metropolitan Board of Works*, 25 Ch. D. 472, per Cotton, L. J.

(b) *Austen v. Boys*, 2 De G. & J. 626; *Llewellyn v. Rutherford*, (Brett, J.), *ubi supra*.

(c) 2 Mont. D. & De G. 294; and

see *Ex parte Punnett*, 16 Ch. D. 226.

(d) This division corresponds to that of trade marks into personal and local, made by Sir J. Romilly, M. R., in *Hall v. Barrows*, 32 L. J. Ch. 548, which, however, was not indorsed by Lord Westbury, C. See 4 De G. J. & S. 150.

(e) *Johns*, 174.



one hand, and that of a trade on the other. It is, indeed, true that the goodwill of a trade, the more usual kind, possesses so many characteristics which that of a profession has not, that the latter has been thought to be hardly entitled to the name of goodwill at all (a), and in *Arundell v. Bell* (b), Sir G. Jessel, M. R., went so far as to say that "there is nothing analogous to the goodwill in an ordinary trade, which you can sell, in the case of a partnership of living solicitors;" but, on the other hand, there are points of resemblance in which both classes are governed by the same general rule, and there is a convenience in following an established phraseology.

In *Bunn v. Guy* (c), the Lord Chancellor was impressed by the difference between the goodwill of a profession and that of a trade, and caused the opinion of the Court of King's Bench to be taken as to whether a contract by a practising attorney (among other things) to relinquish his business and recommend his clients to two other attorneys for valuable consideration, and not to practise within certain limits, and to permit them to use his name for a certain time, was good at Law, so that the vendor could recover in an action. The answer was that the contract was good in Law.

Contract by attorney to transfer goodwill enforced

This decision did not long remain uncriticised. In *Bozon v. Farlow* (d), Sir W. Grant, M. R., refused to grant specific performance of an agreement for the sale of an attorney's business, the terms of the agreement not being sufficiently specified to enable the Court to give the purchaser the proper return for his money, and he took the opportunity of questioning the propriety of a sale of an attorney's business, which depended so much on the in-

Decision doubted.

(a) See *Austen v. Boys*, 2 De G. & J. 626, and *Bain v. Munro*, Ct. Sess. Cas. 4th Ser. V. 416, per Lord Curriehill.

(b) 52 L. J. Ch. 537.

(c) 4 East, 190, in 1803. See

the medical cases of *Rawlinson v. Clarke*, 14 M. & W. 187; *Smith v. Smith*, 4 Wend. 468; *Butler v. Burleson*, 16 Vt. 176.

(d) 1 Mer. 459.

cumbent's own character. And in *Farr v. Pearce* (a), Sir J. Leach, V.-C., strongly supported the personal character of a profession as contrasted with a commercial business.

Sale of  
solicitor's  
practice.

Where, however, a solicitor had actually sold his practice for valuable consideration, and undertaken not to practise as a solicitor in Great Britain for twenty years, Lord Langdale, M. R., granted an injunction to restrain him from so practising, and from endeavouring to induce any persons who were the clients of the former and then present firm to cease to employ that firm (b).

*Thornbury v.  
Bevill.*

In a case (c) which was "not quite a case of dissolution of partnership, but something between a dissolution of the partnership and a purchase of an attorney's business and firm name," Sir J. L. Knight-Bruce, V.-C., having refused specific performance of the alleged contract, on the ground of non-acceptance by the plaintiff, said that, "notwithstanding the case of *Bunn v. Guy* (d), from which he did not mean to express dissent, decided as it was by judges of high authority, he was not prepared to say that it was fit that a Court of Equity should enforce an agreement between two solicitors that one on retiring from the business should permit the other to carry on the business in his name. Whether such an agreement were or were not within the strict policy of the law, it might be doubtful whether the Court of Chancery ought to assist it."

Partnership  
between  
solicitors  
dissolved.

But where, on a dissolution by two solicitors of a *bond fide* partnership between them, it was agreed that one should carry on the business under the old firm name, paying the other certain annuities, it was held by Sir W. P. Wood, V.-C., that the agreement contained nothing illegal or contrary to public policy (e),

Rights on  
dissolution.

Again, on a dissolution of a professional partnership, a

(a) 3 Madd. 74.  
(b) *Whittaker v. Howe*, 3 Beav.  
383.  
(c) *Thornbury v. Bevill*, 1 Y. &

C. Ch. 554.  
(d) 4 East, 190.  
(e) *Aubin v. Holt*, 2 K. & J. 66.



retiring partner is not entitled to compensation in respect of his share in the goodwill (*a*), and a surviving partner may continue the business (*b*).

In *Spicer v. James* (*c*), a country attorney having died <sup>Goodwill of deceased solicitor.</sup> intestate, his administrator carried on the business until the intestate's son came of age, when he handed over the business to the son. The son becoming insolvent, a bill for an account of profits, and insisting that a sum was due to the intestate's estate in respect of the goodwill, was filed against the administrator by a creditor of the son, but was dismissed by Sir J. Leach, M. R., on the ground that the goodwill of an attorney's business was not a subject of administration. So, in *Arundell v. Bell* (*d*), the Court of Appeal decided that the estate of a solicitor, who had retired from a partnership and shortly afterwards died, was not entitled to any allowance in respect of his interest in the goodwill of the business, and Jessel, M. R., said that "as a general rule there is nothing in the nature of a partnership asset to be sold which can fairly be termed goodwill in an ordinary partnership between solicitors."

Where, however, the widow of a surgeon-dentist, being <sup>Estate of professional man interested in proceeds of goodwill.</sup> one of his executors, sold the goodwill of his business with an introduction to patients, Vice-Chancellor Knight-Bruce held that either the whole, or, at all events, some part of the price paid belonged to the testator's estate (*e*). But in the similar Scotch case of *Bain v. Munro* (*f*), it was held by the Lord Ordinary and Court of Session that the price which was paid was in fact the price of the widow's recommendation, and that she was entitled to retain it for her own benefit.

The goodwill of a professional business may, in short, be <sup>Goodwill of professional business.</sup> sold, and a breach of a contract to sell may be a ground for

(*a*) *Austen v. Boys*, 2 De G. & J. 626; *Farr v. Pearce*, 3 Madd. 74.

(*b*) *Farr v. Pearce*, 3 Madd. 74. And see *Milner v. Reed*, Dig. 328.

(*c*) Collyer on Partnership, 2nd

ed. p. 104.

(*d*) 52 L. J. Ch. 537.

(*e*) *Smale v. Graves*, 3 De G. & S. 706.

(*f*) Ct. Sess. Cas. 4th Ser. V. 416.

Recapitulation.

damages, but the authorities are against the enforcement of the specific performance of such a contract, though when the sale is complete; the terms of the sale will be carried into execution. Such a goodwill, in the case of a partnership, survives to the surviving partner, and is not a subject of compensation to an outgoing partner. Special stipulations will, however, be enforced. Such a goodwill will not be considered in the administration of the proprietor's estate unless actually sold; but if that has been done, the price paid or some part of it may be attributed to the estate.

Goodwill of a trade.

"The goodwill of a trade," said Tindal, C. J. (a), "is a subject of value and price. It may be sold (b), bequeathed (c), or become assets in the hands of the personal representatives of a trader" (d). A sale may be conditional (e), and may be effected by a mortgagee (f). Though incapable, by reason of its incorporeal nature, of seizure by a sheriff (g), goodwill is "goods and chattels within the Bankruptcy Acts (h), and may be dealt with by the trustee in bankruptcy just as the bankrupt's other property" (i). It is also "property" within the Stamp Acts (k).

Universally valuable.

The valuable character of goodwill is not confined to a few trades, but is recognised throughout the commercial world. Thus, among the cases on this subject which have come before the Courts, instances are to be found in

(a) In *Hitchcock v. Coker*, 6 Ad. & E. 438—51.

(b) See *Darbey v. Whitaker*, 4 Dr. 139; *Churton v. Douglas*, Johns. 174; *Cooper v. Hood*, 26 Beav. 293; *Hudson v. Osborne*, 39 L. J. Ch. 79; *Shipwright v. Clements*, 19 W. R. 599; *Howe v. Searing*, 10 Abb. Pr. 264; R. Cox, 244.

(c) See *Kcene v. Harris*, 17 Ves. 338; *Robertson v. Quiddington*, 28 Beav. 529.

(d) See *Worral v. Hand*, Peake 105; *Dakin v. Cope*, 2 Russ. 170; *Chissum v. Dewes*, 5 Russ. 29; *McCormick v. McCubbin*, Ct. Sess.

Cas. 1st Ser. I. 541.

(e) *Boon v. Moss*, 70 N. Y. 465.

(f) *Ex parte Punnett; In re Kitchin*, 16 Ch. D. 226.

(g) *Ex parte Foss*, 2 De G. & J. 230.

(h) *Longman v. Tripp*, 2 Bos. & P. N. R. 67; *Ex parte Foss*, *ubi suprd.*

(i) See *Hudson v. Osborne*, 39 L. J. Ch. 79; *Hegeman & Co. v. Hegeman*, 8 Daly 1.

(k) *Potter v. The Commissioners of Inland Revenue*, 10 Ex. 147. And see *Morgan v. Perhamus*, 36 Ohio St. 517.



which the traders were public-house keepers (*a*), brewers (*b*), bankers (*c*), tailors (*d*), mercers (*e*), dyers (*f*), milliners (*g*), upholsterers (*h*), pencil-makers (*i*), tobacco-brokers (*k*), snuff-makers (*l*), paper-makers (*m*), provision merchants (*n*), cheesemongers (*o*), glass-blowers (*p*), glass-stainers (*q*), manufacturing chemists (*r*), commission agents (*s*), iron-masters (*t*), carriers (*u*). The goodwill of a newspaper or magazine, consisting of the right to use the title under which reputation has been acquired by a publication, is another instance of valuable goodwill (*x*).

“The name of a firm,” says Sir W. P. Wood, V.-C., in *Churton v. Douglas* (*y*), “is a very important part of the goodwill of the business carried on by the firm. A person says, ‘I have always bought good articles at such a house of business; I know it by that name, and I send to the house of business identified by that name for that purpose.’ There are cases every day in this Court with reference to

Firm name  
part of good-  
will.

(*a*) *Costlake v. Till*, 1 Russ. 376; *Spratt v. Jeffery*, 10 B. & C. 249; *Ex parte Thomas*, 2 Mont. D. & De G. 294; *Tweed v. Mills*, L. R. 1 C. P. 39; *Llewellyn v. Rutherford*, L. R. 10 C. P. 456; *Ex parte Punnett*; *In re Kitchin*, 16 Ch. D. 226.

(*b*) *Cooper v. Watson*, 3 Doug. 418; *Wade v. Jenkins*, 2 Giff. 509; *Hall v. Hall*, 20 Beav. 139.

(*c*) *Smith v. Everett*, 27 Beav. 446.

(*d*) *Newling v. Dobell*, 38 L. J. Ch. 111; *Parsons v. Hayward*, 31 L. J. Ch. 686.

(*e*) *Morris v. Moss*, 25 L. J. Ch. 194.

(*f*) *Bryson v. Whitehead*, 1 S. & S. 74.

(*g*) *Shackle v. Baker*, 14 Ves. 468.

(*h*) *Chissum v. Dewes*, 5 Russ. 29.

(*i*) *Banks v. Gibson*, 34 Beav. 566.

(*k*) *Davies v. Hodgson*, 25 Beav. 177.

(*l*) *Hammond v. Douglas*, 5 Ves. 539.

(*m*) *Potter v. The Commissioners of Inland Revenue*, 10 Ex. 147.

(*n*) *Scott v. Mackintosh*, 1 V. & B. 503.

(*o*) *Hudson v. Osborne*, 39 L. J. Ch. 79.

(*p*) *Featherstonhaugh v. Fenwick*, 17 Ves. 298.

(*q*) *Scott v. Rowland*, 20 W. R. 508.

(*r*) *Turner v. Major*, 3 Giff. 442.

(*s*) *Macdonald v. Richardson*, 1 Giff. 81.

(*t*) *Cooper v. Hood*, 26 Beav. 293; *Hall v. Barrows*, 4 De G. J. & S. 150.

(*u*) *Cruttwell v. Lye*, 17 Ves. 335.

(*x*) *Giblett v. Read*, 9 Mod. 459;

*Keene v. Harris*, 17 Ves. 338; *Long-*

*man v. Tripp*, 2 Bos. & P. N. R.

67; *Ex parte Foss*, 2 De G. & J.

230; *Marshall v. Watson*, 25 Beav.

501; *Bradbury v. Dickens*, 27 Beav.

53; *McCormick v. McCubbin*, Ct.

Sess. Cas. 1st Ser. I. 541; *Snowden*

*v. Noah*, Hopk. 347; *R. Cox*, 1;

*Dayton v. Wilkes*, 17 How. Pr. 510;

*R. Cox*, 224.

(*y*) *Johns*. 174.

the use of the name of a particular firm, connected generally, no doubt, with the question of trade mark. But the question of trade mark is in fact the same question. The firm stamps its name on the articles. It stamps the name of the firm which is carrying on the business on each article, as a proof that they emanate from the firm; and it becomes the known firm to which applications are made, just as much as when a man enters a shop in a particular locality. And when you are parting with the goodwill of a business, you mean to part with all that good disposition which customers entertain towards the house of business identified by the particular name or firm, and which may induce them to continue giving their custom to it. You cannot put it anything short of that. That the name is an important part of the goodwill of a business is obvious, when we consider that there are at this moment large banking firms, and brewing firms, and others, in this metropolis, which do not contain a single member of the individual name exposed in the firm" (a).

Sale of goodwill.

Goodwill is a subject of sale (b), and may fetch a considerable price. There was formerly a doubt whether a contract for the sale of a goodwill would be specifically enforced in Equity (c), but this question was set at rest by Sir R. T. Kindersley, V.-C., in *Darbey v. Whitaker* (d). "It is said there can be no specific performance of a

(a) And see *Lewis v. Langdon*, 7 Sim. 421; *Banks v. Gibson*, 34 Beav. 636; *Bond v. Milbourn*, 20 W. R. 197; *Scott v. Rowland*, 20 W. R. 508; *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Lery v. Walker*, 10 Ch. D. 436; *Beazley v. Soares*, 22 Ch. D. 660; *Rogers v. Taintor*, 97 Mass. 291; *Solier v. Johnson*, 111 Mass. 238; *Peterson v. Humphrey*, 4 Abb. Pr. 394; R. Cox, 212; and *Howe v. Searing*, 10 Abb. Pr. 264; R. Cox, 211.

(b) See, among other cases, *Bunn v. Guy*, 4 East, 190; *Smale v. Graves*, 3 De G. & S. 706; *Cooper v. Hood*,

26 Beav. 293; *Bradbury v. Dickens*, 27 Beav. 53; *Churton v. Douglas*, Johns. 174; *Ex parte Pennett*; *In re Kitchin*, 16 Ch. D. 226; *Buckingham v. Waters*, 14 Cal. 246; *Williams v. Wilson*, 4 Sandf. Ch. 379.

(c) *Baxter v. Connolly*, 1 Jac. & W. 580. And see *Costlake v. Till*, 1 Russ. 376; *Bozon v. Farlow*, 1 Mer. 459; *Cassidy v. Metcalf*, 1 Mo. App. 593.

(d) 4 Dr. 139. As to the relation between the lease of a trader's premises and the goodwill of his business, see *Dougherty v. Van Nostrand*, Hoff. 68.



contract to purchase a goodwill. No doubt you cannot have a specific performance of a contract to purchase a goodwill alone, unconnected with business premises, by reason of the uncertainty of the subject-matter. But when a goodwill is entirely or mainly annexed to the premises, and the contract is for the sale of the premises and goodwill, there is not the slightest ground for doubt that such a contract is a fit matter for a decree in a suit for specific performance." It seems, however, that there may be cases in which a contract for sale of a goodwill would be specifically enforced, the business and goodwill being included together, though there was no such dependence on the business premises (a). Such would be the case with the goodwill of a quack medicine or a newspaper, which is practically independent of locality (b). The connection between the business and the goodwill is such that the sale of the business (c), or of a share in the business (d) as a going concern, carries with it the goodwill, or the corresponding share in the goodwill, even without its being specifically mentioned, and so does the sale of a hotel or public-house (e). And if the goodwill is sold, the trade name goes with it (f).

As to the rights of the vendor after the sale of his business and goodwill, "it has been settled that there is Rights of  
vendor of  
goodwill.

(a) Thus, Sir J. Romilly, M. R., says in *Robertson v. Quiddington*, 28 Beav. 529: "Goodwill is never a tangible thing unless it is connected with the business itself, from which it cannot be separated. I never knew a case in which it has been so treated." In *England v. Downs*, 6 Beav. 269, and *Morris v. Moss*, 25 L. J. Ch. 194, the goodwill of a business was held, under the circumstances, to pass with the stock, and not with the premises. And see *Woodward v. Lazar*, 21 Cal. 448; R. Cox, 300. In *Llewellyn v. Rutherford*, L. R. 10 C. P. 456, the price of the goodwill was held to belong to the previous lessee, under the con-

tract between him and the lessor.

(b) See *Bryson v. Whitehead*, 1 S. & S. 74; *Llewellyn v. Rutherford*, L. R. 10 C. P. 456 (per Brett, J.); *Snowden v. Noah*, Hopk. 347; R. Cox, 1.

(c) *Skipwright v. Clements*, 19 W. R. 599. And see *Rolt v. Bulmer*, W. N. 1878, p. 119; *Reynolds v. Bullock*, 47 L. J. Ch. 773; *Boon v. Moss*, 70 N. Y. 465.

(d) *Churton v. Douglas*, Johns. 174.

(e) *Ex parte Punnett*; *In re Kitchin*, 16 Ch. D. 226.

(f) *Banks v. Gibson*, 34 Beav. 566; *Churton v. Douglas*, *ubi supra*; *Levy v. Walker*, 10 Ch. D. 436.

After sale  
may set up  
new business.

no implied covenant of any kind" (a), and in the absence of any express restrictive covenant, the vendor is at liberty to set up a business of precisely the same description as that of which he has sold the goodwill, and that next door to the place where his former business was carried on; but he is not entitled to represent that he is carrying on the same identical business, either by direct representations, or by assuming the trade name under which the business he has sold acquired its reputation, or the trade marks by which its goods have become known in the market (b). If the trade name consisted simply of the vendor's own name, the restraint upon his continuing to use that name will have to depend upon the evidence of that user being fraudulent (c), but in the absence of such evidence, the *bond fide* use by a man of his own name will not be prohibited (d). But where the trade name in question consisted of the name of the defendant, John Douglas, with the addition "and Co.," it was held that the use of that was an important ingredient in the case, as proving fraudulent intention (e). And so where the name of the firm had been "Benjamin Finch & Co.," and on dissolution B. Finch agreed to carry on business only

(a) *Hudson v. Osborne*, 39 L. J. Ch. 79. And see *Harrison v. Gardner*, 2 Madd. 198; *Churton v. Douglas*, Johns. 174.

(b) *Shackle v. Baker*, 14 Ves. 468; *Cruttwell v. Lye*, 17 Ves. 335; *Kennedy v. Lee*, 3 Mer. 441—52; *Sedon v. Senate*, 2 V. & B. 220; *Harrison v. Gardner*, 2 Madd. 198; *Churton v. Douglas*, Johns. 174; *Hudson v. Osborne*, 39 L. J. 79; *Labouchere v. Dawson*, L. R. 13 Eq. 322; *Ginesi v. Cooper*, 14 Ch. D. 596; *Leggott v. Barrett*, 15 *ib.*, 306; *Walker v. Mottram*, 19 *ib.* 355; *Dawson v. Beeson*, 22 *ib.*, 504; *Mosson v. Mason*, 18 Grant Up. Can. Ch. 453; *Peltz v. Eichele*, 62 Mo. 171.

(c) *Churton v. Douglas*, Johns. 174; *Holloway v. Holloway*, 13 Beav. 209.

(d) *Burgess v. Burgess*, 3 De G. M. & G. 896; *Bond v. Milbourn*, 20 W. R. 197.

(e) *Churton v. Douglas*, *ubi supra*, and see *Fullwood v. Fullwood* (1), W. N. 1873, p. 185; *Derlin v. Derlin*, 69 N. Y. 212; *Zimmerman v. Erhard*, 83 N. Y. 74; *Hegeman & Co. v. Hegeman*, 8 Daly, 1. In *Bond v. Milbourn*, 20 W. R. 197 (very shortly reported) it seems that the plaintiff would have been entitled to an injunction at all events against the use of the words "and Co." by the defendant, if that had been the relief prayed.



under his own name, he was restrained from trading as "Benjamin Finch & Co." (a).

When the vendor of a goodwill has established a new firm for the purpose of carrying on a business similar to that which has been sold, "the new firm," says Lord Romilly, M. R. (b), "is entitled to publish any advertisement he pleases in the papers, stating that he is carrying on such business. He is entitled to publish any circulars to all the world to say that he is carrying on such a business, but he is not entitled, either by private letter, or by a visit, or by his traveller or agent, to go to any person who was a customer of the old firm, and solicit him not to continue his business with the old firm, but to transfer it to him, the new firm" (c). Sir G. Jessel, M. R., was, indeed, of opinion that this doctrine should be extended so as to entitle the purchaser of the goodwill of a business to restrain the vendor from having any dealings with his former customers, irrespective of whether he had solicited their custom or not (d); but the Court of Appeal has decided that the vendor can only be restrained from actually soliciting his old customers, as in *Labouchere v. Dawson* (e), and cannot be restrained from dealing with them, even though he has solicited them previous to the injunction (f). In short, the vendor may set up a new business, just as any one else may, but he is not at liberty to resume the advantages connected with the old firm, which he has sold, although it is perfectly allowable for him to state his connection with the

But must not interfere unfairly with purchaser.

(a) *Day v. Finch*, 25 Sol. J. 354.

(b) In *Labouchere v. Dawson*, L. R. 13 Eq. 322; a case which, though doubted in *Walker v. Mottram*, 19 Ch. D. 355, has not been overruled. See *Pearson v. Pearson*, 77 L. T. 30; also *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191.

(c) As to the surrender of a business by A. "for the benefit" of B.,

see *Clark v. Leach*, 32 Beav. 14; and also *Harrison v. Gardner*, 2 Madd. 198; and *Churton v. Douglas*, Johns. 174.

(d) *Ginesi v. Cooper & Co.*, 14 Ch. D. 596.

(e) L. R. 13 Eq. 322.

(f) *Leggott v. Barrett*, 15 Ch. D. 306.

former business, so long as he does not represent that he is still carrying it on (a).

No restriction  
when  
alienation  
compulsory.

When, however, the goodwill has not been voluntarily alienated by the person entitled to it, the case is quite different, as was clearly pointed out in *Walker v. Mottram* (b), in which Jessel, M. R., and the Court of Appeal held that a trader, the goodwill of whose business had been sold by his trustees in liquidation, could not be prevented from actually soliciting his former customers. "An assignment of a business and its goodwill, without more, appears to us," said Lush and Lindley, L.J.J., "to pass now just as much as and no more than in the days of Lord Eldon. As against the assignor it confers on the assignee the exclusive right to carry on the business assigned, and, as incidental to this, it also confers on him the exclusive right to represent himself as carrying on that business, and consequently the right, not only to sue the assignor for damages if he has infringed these rights, but also to restrain him from infringing them if he manifests an intention to infringe them. Moreover, to this extent a bankrupt who does not concur in his trustee's assignment is in no better position than a bankrupt who does. Every bankrupt, whether he concurs or not, is bound by every lawful disposition of his property by the trustee, and whatever rights such a disposition confers on a purchaser must be respected by the bankrupt, whether he joins in the conveyance or not. But, in our opinion, the right of a purchaser of the goodwill of a business from the trustee in bankruptcy does not extend to restrain the bankrupt (even if he joins in the conveyance) from *bonâ fide* commencing a fresh business, and from seeking assistance in it from his old friends and customers. It would,

(a) *Clark v. Leach*, 32 Beav. 14; *Hookham v. Pottage*, L. R. 8 Ch. 91; *Shipwright v. Clements*, 19 W. R. 599; *Cassidy v. Metcalf*, 1 Mo. App. 593. And in the same way the ven-

dor cannot afterwards give a right to others to use the trade mark, *Sohl v. Geisendorf*, 1 Wils. (Ind.) 60.

(b) 19 Ch. D. 355.



in our opinion, be contrary to the policy of the bankruptcy laws to extend *Labouchere v. Dawson* (a) to such a case. It is not necessary to overrule that decision; we leave it where it is, that is to say, it will still be applicable to voluntary sales. But we do not think it ought to be extended to alienations which are compulsory" (b). On this principle it was held by the Court of Appeal in *Dawson v. Beeson* (c) that an expelled partner was entitled to solicit the customers of his old firm.

Although there is no implied covenant on the sale of a goodwill, without more, that the vendor will not set up a similar business in the same neighbourhood, yet where a vendor had received in payment for his share of a goodwill a sum calculated by arbitrators upon the understanding (to which he had assented) that he would not carry on business in the same street, it was held to be contrary to Equity that he should carry on business in that street, and he was accordingly enjoined (d).

In the sale of a business and goodwill, it is customary to insert an express restrictive covenant, which will be binding on the vendor, restraining him from setting up the same trade within a certain limit of time or space, or using his name or allowing it to be used for that purpose (e);

(a) L. R. 13 Eq. 322.

(b) See *Helmbold v. Helmbold Manufacturing Co.*, 53 How. Pr. 453, and *Hegeman & Co. v. Hegeman*, 8 Daly 1.

(c) 22 Ch. D. 504.

(d) *Harrison v. Gardner*, 2 Madd. 198. See *Cassidy v. Metcalf*, 1 Mo. App. 593.

(e) *Cooper v. Watson*, 3 Doug. 413; *Bryson v. Whitehead*, 1 S. & S. 74; *Williams v. Williams*, 2 Swanst. 253; *Whittaker v. Howe*, 3 Beav. 383; *Turner v. Evans*, 2 De G. M. & G. 740; *Newling v. Dobell*, 38 L. J. Ch. 111; *Wolmershausen v. O'Connor*, 36 L. T. N. S. 921; *Racine v. Clarke*, 14 M. & W. 187; *Rolfe v. Rolfe*, 15 Sim. 88; *Ship-*

*wright v. Clements*, 19 W. R. 599; *Lee v. Ehrhart*, 19 L. T. N. S. 637; *Hagg v. Darley*, 47 L. J. Ch. 567; *Vickery v. Welch*, 19 Pick. 523; *Smith v. Smith*, 4 Wend. 468; *Sander v. Hoffman*, 64 N. Y. 248; *Peltz v. Eichele*, 62 Mo. 171; *Butler v. Burlison*, 16 Vt. 176; *Baumgarten v. Broadaway*, 77 N. Car. 8; *Woods v. Sands*, Dig. 467; *Morgan v. Perhamus*, 36 Ohio St. 517; *Williams v. Wilson*, 4 Sandf. Ch. 379; *Gillis v. Hall*, 2 Brewster, 342; R. Cox, 580; and similarly upon the sale of a trade mark together with the right to manufacture according to a secret recipe, *Filkins v. Blackman*, 13 Bl. C. C. 440.

Vendor restrained, though no express covenant.

Express restrictive covenant usual.

and this has become so usual that where (a), in a contract for sale, one of the items was "goodwill &c.," Sir J. Romilly, M. R., held that in the "&c." would be included, amongst other things, a covenant by the vendor not to carry on a similar business in Great Britain, for a reasonable time, to be limited in the conveyance, having regard to the nature of such undertakings. Such a covenant may even have the effect of compelling the vendor to quit his trade altogether for the period specified, as was held by Lord Mansfield, C. J., and the Court of King's Bench, in *Cooper v. Watson* (b); and it has been held that a breach of a covenant "not to carry on or be concerned or interested in" a certain business, was committed by the vendor entering into the service of a nephew, who carried on the same trade, under the same name, within the proscribed limits (c). Again, a covenant not to carry on a certain business directly or indirectly within the counties of C., A., and M., was broken by soliciting orders on three occasions within C., though the offices of the new business were outside the limits (d). A vendor of a business, who has covenanted not to carry on such a business, will not be allowed to do so under the pretext of acting as a commission merchant (e), and the fact that former customers have requested the vendor to supply them does not prevent his so doing from being a breach of his covenant (f). But where the defendant was shown to have so acted in a few instances only, and with the plaintiff's knowledge and consent, and in fact at his request, it was held that there was no breach (g).

(a) *Cooper v. Hood*, 26 Beav. 293. See *Jacoby v. Whitmore*, 49 L. T. N. S. 335.

(b) 3 Doug. 413.

(c) *Newling v. Dobell*, 38 L. J. Ch. 111. See *Rolfe v. Rolfe*, 15 Sim. 88, and compare *Lee v. Ehrhart*, 19 L. T. N. S. 637, where there was held to be no breach.

(d) *Turner v. Evans*, 2 De G.

M. & G. 740. And see *Smith v. Smith*, 4 Wend. 468; *Butler v. Burleson*, 16 Vt. 170; *Sander v. Hoffman*, 64 N. Y. 248.

(e) *Richardson v. Peacock*, 26 N. J. Eq. 40.

(f) *Sander v. Hoffman*, 64 N. Y. 248.

(g) *Rawlinson v. Clarke*, 14 M. & W. 187.



In an American case (a) it was held that a person who had retired from a firm by sale of his interest and had agreed not to trade in C. under the old firm name, but had nevertheless traded there under the same name, and had solicited former customers of the firm, must pay damages calculated not upon the total amount of improper solicitation of such customers but upon the amount of business which could be proved to have been lost through such solicitation. Damages in respect of improper solicitation.

“Where a man sells the goodwill of a trade, and covenants to make it as profitable as he can, the actual profit made is not that which the vendee is bound to take; but he will have an action of covenant, if he can establish his title to more, through the default of the vendor” (b). But no such covenant will be implied where it is not expressed; thus the sale of the goodwill of a school involves no personal effort on the part of the vendor to influence the attendance of pupils (c). Where a servant has covenanted not to carry on a business similar to his master’s within certain limits, the benefit of the covenant passes to a purchaser of the goodwill of the business (d). Covenant to make profitable.

The purchaser of a business and goodwill is entitled to all the advantages of the reputation and connection of the business as previously conducted, except such benefit as the vendor, on setting up a *bond fide* new business, as he is at liberty to do if there is no covenant to the contrary, may derive from the fact of his being known to have belonged to the former business; and the purchaser is entitled to restrain the vendor by injunction from interfering with what he has sold. With respect to the right of the purchaser to continue to trade under the old trade name, it has been thought that, at all events if it consisted in whole or in part of the name of the vendor, injury (e), Rights of purchaser of goodwill.

(a) *Burckhardt v. Burckhardt*, 36 Ohio St. 261.

(b) Per Lord Eldon, C., in *Scott v. Mackintosh*, 1 V. & B. 503.

(c) *McCord v. Williams*, 96 Pa. St. 78.

(d) *Jacoby v. Whitmore*, 49 L. T. N. S. 335.

(e) Per Wickens, V.-C., in *Scott v. Rowland*, 20 W. R. 508, and Hall, V.-C., in *Levy v. Walker*, 10 Ch. D. 436.

*Levy v.  
Walker.*

or at least inconvenience (a), might result to the latter from its continued use by the purchaser, and in *Scott v. Rowland* (b) Wickens, V.-C., granted an injunction to restrain the purchaser of the business of "John Scott & Co." from trading under that name; but in *Banks v. Gibson* (c) Romilly, M. R., said that the firm name was an asset of the business, and would pass as a trade mark upon a sale of the business and goodwill, and it seems that the question of the purchaser's right to use the name must now be taken to be settled in the affirmative by the decision of the Court of Appeal in *Levy v. Walker* (d), in which Jessel, M. R. and James and Bramwell, L. J. J., denied that any liability could be occasioned to the vendor by the use of his name, and held that the plaintiff (Mrs. Levy) who, while Miss Charbonnel, had traded in partnership with the defendant as "Charbonnel & Walker," was not entitled to restrain the defendant, who had bought the goodwill of the business as a going concern, from continuing to use the old name. James, L. J., said:—"It should never be forgotten in these cases that the sole right

(a) Per Wood, V.-C., in *Churton v. Douglas*, Johns. 174.

(b) 20 W. R. 508. And see *Lewis v. Langdon*, 7 Sim. 421; *Turner v. Major*, 3 Giff. 442; *Dence v. Mason*, 41 L. T. N. S. 573; *Dickson v. McMaster & Co.*, 18 Ir. Jur. 202—212; *Howe v. Scaringy*, 10 Abb. Pr. 264, R. Cox, 244; *Peterson v. Humphrey*, 4 Abb. Pr. 394, R. Cox, 212; *McGowan Bros. Pump and Machine Co. v. McGowan*, 2 Cinc. 813; *Reeves v. Denicke*, 12 Abb. Pr. N. S. 92. In *Tudor v. Tudor*, W.N. 1873, p. 72, and *Probasco v. Bouyon*, 1 Mo. App. 241, there was an express contract. For decisions on the Massachusetts Gen. Stat. c. 56, requiring the concurrence of an ex-partner or his personal representatives in the continued use of his name by the continuing or surviving partners, see *Bozman v. Floyd*, 85

Mass. 76; *Rogers v. Taintor*, 97 ib. 291; *Morse v. Hall*, 109 ib. 409; *Hallett v. Cumston*, 110 ib. 29; *Sohier v. Johnson*, 111 ib. 238. By the New York statute the purchaser of a business and goodwill is not entitled to trade under the old name, but only to describe himself as successor to the old firm. See *Hegeman & Co. v. Hegeman*, 8 Daly, 1.

(c) 34 Beav. 566.

(d) 10 Ch. D. 436. And see *Webster v. Webster*, 3 Swanst. 490 n.; *Clark v. Leach*, 32 Beav. 14; *Bond v. Milbourn*, 20 W. R. 197; *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Phelan v. Collender*, 13 N. Y. Sup. Ct. 244; *Booth v. Jarrett*, 52 How. Pr. 169; *Woods v. Sands*, Dig. 467; *Mossop v. Mason*, 18 Grant Up. Can. Ch. 453; *Lindley on Partnership*, 4th ed. 868.



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 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 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. The Court interferes solely for the purpose of protecting 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. If there is any misleading, that may be for the Criminal Courts of the country to take notice of, or for the Attorney-General to interfere with, but 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.

. . . But there is another point upon which I myself cannot entertain any doubt, which is this, that the assignment of the goodwill and business of Charbonnel & Walker did convey the right to use the name of Charbonnel & Walker, and the exclusive right to use that name, as between the vendor and the purchaser of that business. Whether it would prevent another person from afterwards using the name of Charbonnel, I do not say; but the trade name, made up of parts of two real names, as the Master of the Rolls says, the trade name of Charbonnel & Walker (whether it was entirely a fictitious name can make no difference) was the name of the business, and that business was sold. That was a name with which every article sold might have been impressed, just as in the case of *Milling-*

*ton v. Fox (a)*, where the name was continued as part of the designation of the article sold. I think it right to say that the sale of the goodwill and business conveyed the right to the use of the partnership name as a description of the articles sold in that trade, and that that right is an exclusive right as against the person who sold it, and an exclusive right as against all the world, so that no other person could represent himself as carrying on the same business."

Rights of purchaser.

The purchaser of the goodwill is, *à fortiori*, entitled to represent himself as continuing the old business; thus, where the business of John Douglas & Co. was sold, it was held that the purchasers alone had the right to describe themselves as "late John Douglas & Co.," and the vendor was restrained from calling his new firm "John Douglas & Co.," that being an interference with that right (*b*). But a purchaser has no right to use the name of the business he has bought in such a way as to create confusion in the minds of the public (*c*); and it is a fraud for a person to purchase the goodwill of a small business in order to gain a right to use a name generally identified with a different and important business (*d*). The mortgagee of the goodwill of a business, including the right to use the name under which the business is carried on, has no such right in that name as to be able to restrain the use of it by another person, if he has himself never traded under it (*e*).

Implied contract to keep up business.

Where, in a purchase of a business and goodwill, it was agreed that the purchaser should pay the vendor at the

(a) 3 My. & Cr. 338.

(b) *Churton v. Douglas, Johns*, 174. And see *Lewis v. Langdon*, 7 Sim. 421; *McGowan Bros. Pump and Machine Co. v. McGowan*, 2 Cinc. 313; *Phelan v. Collender*, 13 N. Y. Sup. Ct. 244. But see *Howe v. Searing*, 10 Abb. Pr. 264; *R. Cox*, 244; *Reeves v. Denicke*, 12

Abb. Pr. N. S. 92; *Young v. Jones Bros. & Co.*, 3 Hughes, 274.

(c) *Chinn v. Thomas*, 5 Vict. L. R. Eq. 188.

(d) *Perks v. Hall & Co.*, W. N. 1881, p. 111.

(e) *Beazley v. Soares*, 22 Ch. D. 660.



end of each of the first ten years a certain proportion of the profits, but there was no special agreement by the purchaser to keep up the business; it was held by Erle, C. J., and the Court of Common Pleas, that the purchaser had entered into an implied contract to keep up the business, at all events for the ten years over which the instalments were to extend (a). It seems that while such an implied contract would give a right to damages, if broken, it could not be specifically enforced in Equity (b), though carrying on a similar business under a different style could be restrained (c).

In some cases questions have been raised with respect to the ownership of the goodwill of a business carried on on mortgaged premises. This has most frequently been when the mortgaged premises have been taken under compulsory powers, so that it has been necessary to decide to whom, or in what proportions, the purchase money was payable. The principle which governs such cases was thus laid down by Cotton, L. J., in a very recent case (d). "Goodwill is a word of which few people understand the meaning. It is obvious that to certain kinds of goodwill a mortgagee will be entitled. The goodwill which attaches to a house increases the value of that house, and therefore the mortgagee is entitled to that. By that I mean, for instance, there is a well-known public house, and from its position being well known, people go to it; or a well-known shop, from its being situated in a good thoroughfare, people go to it. The goodwill is attaching to the house, and adds to the value of the house. But there may be other goodwills attaching to the personal reputation

Goodwill of mortgaged property.

(a) *McIntyre v. Belcher*, 14 C. B. N. S. 654. Compare *Harrison v. Gardner*, 2 Madd. 198.

(b) *Lewis v. Langdon*, 7 Sim. 421.

(c) *Evans v. Hughes*, 18 Jur. 691. And see *Turner v. Major*, 3 Giff. 442.

(d) *Cooper v. Metropolitan Board of Works*, 53 L. J. Ch. 109 (this passage is given rather less fully at 25 Ch. D. 479), and see *Chissum v. Dewes*, 5 Russ. 29; *King v. Midland Ry. Co.*, 17 W. R. 113; *Pile v. Pile*, 3 Ch. D. 36; *Ex parte Punnett*; *In re Kitchin*, 16 *ib.* 226.

which a man has made for himself. That, of course, does not go to the mortgagee, but is a thing personal to the man whose skill and whose name have acquired that goodwill. It does not follow at all that because it is called 'goodwill' the mortgagee will be entitled to it. So far as it is incident to the house, and is connected with the house, and increases the value of the house, it goes as part of the value of the house to the mortgagee."

Goodwill is partnership assets.

In a case of partnership, the goodwill of a business, newspaper, &c., including the firm name, is partnership assets, and, on a sale of the partnership business, must be sold with it, for the benefit of the partners or their creditors (a), and a receiver may be appointed until the sale (b).

Disposal on dissolution.

On a dissolution of partnership the business and goodwill may be disposed of in three different ways: by sale, for the benefit of the partners or their creditors; by the whole concern, including the trade name, being taken by one partner at a valuation; or by a simple division of the tangible assets of the partnership, in which case each is at liberty to use the trade name just as the partnership did previously (c), or at all events to state his connection with the old firm (d). But where a partnership was entered into for a certain term, an injunction was granted to restrain one of the partners from carrying on business with others under the old partnership name, the partnership term not having expired (e).

Compensation

On a dissolution of a partnership governed by articles,

(a) *Bradbury v. Dickens*, 27 Beav. 53; *Banks v. Gibson*, 34 Beav. 566; *Hall v. Borrowes*, 4 De G. J. & S. 150; *McCormick v. McCubbin*, 1 Ct. Sess. Cas. 1st ser. I. 541; *Dayton v. Wilkes*, 17 How. Pr. 510; R. Cox, 224.

(b) *Marten v. Van Schaick*, 4 Paige, 479; *Williams v. Wilson*, 4 Sandf. Ch. 379.

(c) *Banks v. Gibson*, 34 Beav.

566; *Condy v. Mitchell*, 37 L. T. N. S. 268, 766; *Levy v. Walker*, 10 Ch. D. 436. See *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54; S. C. (2) 51 How. Pr. 455.

(d) *Clark v. Leach*, 32 Beav. 14; *Hookham v. Pottage*, L. R. 8 Ch. 91; *Dickson v. McMaster & Co.*, 18 Ir. Jur. 202; *Peterson v. Humphrey*, 4 Abb. Pr. 394; R. Cox, 212.

(e) *England v. Curling*, 8 Beav. 129.



the retiring partner will not be entitled to compensation for his share in the goodwill, except in accordance with the articles (a). Thus, in a case where provision was not made for such compensation, it was held that the premises on which the business had been carried on for many years, and which the continuing partner was entitled on dissolution to take at a valuation, were to be valued without regard to the fact of previous occupation, as, if that were taken into account, it would have the effect of making the partner in question pay for the goodwill (b).

But for a retiring partner to be entitled to compensation for his share in the goodwill, it is not necessary for the word "goodwill" to be mentioned in the article governing the distribution of the partnership property. In *Hall v. Hall* (c), indeed, it was held that a provision in the articles for the valuation, on the determination of the partnership, of the "property, credits and effects," and "the stock in trade and effects," did not include the goodwill; and so in *Dickson v. McMaster & Co.* (d), with respect to the term "stock in trade, goods, chattels and effects." But those cases must be taken to be overruled by the cases in which the terms "stock belonging to the partnership" (e), "property and effects" (f), and "effects and things" (g) have been held to include goodwill.

Where, however, the partnership articles of a firm of commission merchants provided that a retiring partner should receive the share in "the partnership property to

(a) *Hall v. Hall*, 20 Beav. 139; *Kennedy v. Lee*, 3 Mer. 441—52; *Farr v. Pearce*, 3 Madd. 74; *Stewart v. Gladstone*, 10 Ch. D. 626.

(b) *Burfield v. Rouch*, 31 Beav. 241. But see *Dougherty v. Van Nostrand*, Hoff. 68.

(c) 20 Beav. 139.

(d) 18 Ir. Jur. 202.

(e) *Hall v. Barrows*, 4 De G. J. & S. 150.

(f) *Reynolds v. Bullock*, 47 L. J.

Ch. 773.

(g) *Barrow v. Barrow*, 27 L. T. N. S. 431; *Rolt v. Bulmer*, W. N. 1878, p. 119; and see *Shipwright v. Clements*, 19 W. R. 599. Where the interest of a deceased partner is purchased by the surviving partner at a valuation, under the Ohio statute, the value of the goodwill must be included. *Rammelsberg v. Mitchell*, 29 Ohio St. 22.

which he was entitled upon the basis of annual accounts taken, under another article, of the partnership "estate and effects," provision being made thereby for a fair valuation and appraisement of all the particulars included in such accounts, which might be in their nature susceptible of valuation, but no mention being made of the goodwill of the business, it was held by the Court of Appeal that, the share of partners in the goodwill of a commission business not being ordinarily estimated in calculating their annual shares of profits, and that not having been the practice in the case before them, the goodwill could not be taken into account and valued as being included in the partnership "estate and effects" (a).

Goodwill included in valuation.

On the other hand, where the articles of partnership provided that the goodwill should belong to the partners in the proportion of their shares in the business, but should not be taken into account in the accounts of the partnership, and that on the determination of the partnership a general account and valuation of the property and effects of the partnership should be taken, the partnership being dissolved by the death of one of the partners, it was held by Sir J. Stuart, V.-C., that the goodwill must be included in the valuation of the partnership property (b).

One partner cannot monopolise goodwill, when no articles.

In *Featherstonhaugh v. Fenwick* (c), it was decided that on a dissolution of a partnership, not provided for by articles, one partner could not secure to himself the whole benefit of the goodwill by claiming to take the share of the other at a valuation, or requiring him to remove his proportion from the premises, or clandestinely obtaining a renewal to himself of the lease of the premises occupied by the partnership; but where the goodwill goes with the premises, it has been held in America that the partners

(a) *Steuart v. Gladstone*, 10 Ch. D. 626.

(b) *Wade v. Jenkins*, 2 Giff. 509.

(c) 17 Ves. 298; and so in *Mit-*

*chell v. Reed* (1), 61 N. Y. 128. As to a trade mark, see *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54.



who quit the premises have no claim in respect of goodwill against a partner who remains on the premises (a); and where, under a power contained in the articles, a majority of the partners in a firm expelled another partner, it was decided that in the valuation of the amount to which he was entitled the value of the goodwill could not be taken into account (b).

If, after a dissolution of partnership by the death of a partner, "the surviving partners think proper to make that which is in Equity the joint property of the deceased and them the foundation and plant of increased profit, if they do not think proper to settle with the executors and put an end to the concern, they must be understood to proceed upon the principle which regulated the property before the death of their partner" (c); that is to say, capital belonging to the estate of the deceased partner having been risked, such a proportion of the total profits as are attributable to that capital will belong to that estate.

Estate of dead partner shares in partnership profits until settlement.

But in the computation of what profits are attributable to that capital a variety of circumstances have to be taken into consideration: thus, "the nature of the trade, the manner of carrying it on, the capital employed, the state of the account between the partnership and the deceased partner at the time of his death, the conduct of parties after his death, all of which may materially affect the rights of the parties" (d).

Subject to circumstances.

In the same manner, on the death of a partner, the

Similarly with goodwill.

(a) *Musselman and Clarkson's Appeal*, 62 Pa. St. 81.

(b) *Stewart v. Gladstone*, 10 Ch. D. 626.

(c) Per Lord Eldon, C., in *Crawshaw v. Collins*, 15 Ves. 227. And see *Peatherstonhaugh v. Fenwick*, 17 Ves. 208; *Heathcote v. Hulme*, 1 Jac. & W. 122; *Brown v. De Tastet*, Jac. 284; *Cook v. Collingridge*, Jac. 607; *Macdonald v. Richardson*, 1

Giff. 81; and *Parsons v. Hayward*, 31 L. J. Ch. 666.

(d) Per Sir J. Wigram, V.-C., in *Willett v. Blanford*, 1 Hare, 253. And see *Simpson v. Chapman*, 4 De G. M. & G. 154, where these remarks were highly approved by Sir G. Turner, L. J., and it was held that, under the circumstances of the case, nothing was due to the estate of the deceased partner.

goodwill ought, if there is no provision regulating its destination in such an event, to be sold for the benefit of the partnership, and if that is not done, the continuing partners will have to account to the estate of the deceased partner for his share in the goodwill.

Goodwill does not survive.

There is, indeed, a distinct decision (a) by Lord Loughborough, C., that upon a dissolution of a partnership without articles the goodwill survives to the surviving partner. This position was, however, doubted by Lord Eldon, C., in *Crawshay v. Collins* (b); and it is now thoroughly established that the goodwill is partnership assets. "The goodwill of a trade, although inseparable from the business, is an appreciable part of the assets of a concern, both in fact and in the estimation of a Court of Equity. Accordingly, in reported cases, Lord Eldon held that a share of it properly and as of right belonged to the estate of the deceased partner. It does not survive to the remaining partners, unless by express agreement; but it may by agreement, as it may be agreed that any particular portion of the partnership assets shall so survive. Goodwill manifestly forms a portion of the subject-matter which produces profits, which constitutes partnership property, and which is to be divided between the surviving partners and the estate of the deceased partner, according to the terms of the contract, and when that is silent, according to their shares in the concern" (c). The share of the deceased partner in the concern is not, however, the sole guide to the interest of his estate in the goodwill. The various circumstances

(a) *Hammond v. Douglas*, 5 Ves. 539. And see *Lewis v. Langdon*, 7 Sim. 421; *Robertson v. Quiddington*, 28 Beav. 529; *Young v. Jones Brothers & Co.*, 8 Hughes, 274.

(b) 15 Ves. 227.

(c) Per Sir J. Romilly, M.R., in *Wedderburn v. Wedderburn*, 22 Beav. 124. And see *Macdonald v.*

*Richardson*, 1 Giff. 81; *Bradbury v. Dickens*, 27 Beav. 58; *Smith v. Everett*, 27 Beav. 446; *Hall v. Barrows*, 4 DeG. J. & S. 150; *McCormick v. McCubbin*, Ct. Sess. Cas., 1st ser. I. 541; *Dougherty v. Van Nostrand*, Hoff. 68; *Dayton v. Wilkes*, 17 How. Pr. 510; *R. Cox*, 224.



alluded to by Vice-Chancellor Wigram, in *Willett v. Blanford* (a) must be considered. Thus, where at the time of the death of one of two partners the partnership was insolvent and the deceased partner indebted to the partnership, and the surviving partner subsequently carried on the business with such energy and success that he was able at a later period to sell the goodwill for £1700, it was held by Sir G. Jessel, M.R., that the surviving partner was only liable to account to the estate of his deceased partner for the value of a moiety of the goodwill at the time of the latter's death (b).

With respect to the trade name, Sir L. Shadwell, V.-C., Firm name. in *Lewis v. Langdon* (c), expressed an opinion that it survived, but the decision in that case only amounted to this: that one of three executors of a deceased partner in the firm of "Brookman & Langdon" had no right to set up in business as "Brookman & Langdon," and that the surviving partner, who was carrying on business as "James Lewis & Co., successors to Brookman & Langdon," had sufficient interest in the name of the old firm to restrain an unauthorised use of it (d), and it seems that one member of a firm cannot, on the death of his partner, monopolise all the benefit to be derived from the use of the firm name (e), although, if he purchases the interest of his deceased partner from the latter's executors, he will be entitled to the exclusive use of the old firm name (f).

When, on a dissolution of partnership, the goodwill of Firm continued by certain partners. the business becomes the property of some of the former partners, with it they acquire the right of representing

(a) 1 Hare, 253.

(b) *Broughton v. Broughton*, 44 L. J. Ch. 526. And compare *Simpson v. Chapman*, 4 De G. M. & G. 154.

(c) 7 Sim. 421. See *Milner v. Reed*, Dig. 828.

(d) In this respect, *Hine v. Lart*, 10 Jur. 106, and *Dent v. Turpin*, 2 J. & H. 139, seem to be in point, as in those cases the plaintiff had a

certain right, but not an exclusive right, in the trade marks. See *Scott v. Scott*, 16 L. T. N. S. 143.

(e) A decided opinion to this effect is expressed in Lindley on Partnership, 4th ed. 862. And see *Fenn v. Bolles*, 7 Abb. Pr. 202.

(f) *Phelan v. Collender*, 13 N. Y. Sup. Ct. 244.

their remodelled business as being the continuation of the old one; and they are at liberty to express this by styling themselves "B. & C., late A. and B.," or "B. & C., successors to A. & B.," or by using any similar words (a). If they continue to use the style of the old business, "A. & B.," as before, then, as regards the partner by whose retirement or death the dissolution has been brought about, it does not appear that he or his estate will be exposed to loss or inconvenience, or that he or his representatives have any ground for complaint (b); and, as regards the public, it seems that the use of the old name does not, as a rule, constitute any false representation, the only statement being that the new firm is carrying on the business of the old one (c). Such continued user, however, will not be permitted when it can be only for an improper and fraudulent purpose, and in order to deceive the public (d); nor where the partnership has been only contrived with a view to giving the purchaser of a professional business the means of appropriating to himself the personal reputation of the vendor (e).

Rights on dissolution by retirement or by death and sale of goodwill.

When a partner has retired from a business, his share and interest therein being taken over by the continuing partners, or when, on the death of a partner, the partnership business has been sold, the retiring or surviving partner, as the case may be, has full liberty to set up a precisely similar business to that which the partnership carried on, but he must not represent it to be the same

(a) *Churton v. Douglas*, Johns. 174; *Lewis v. Langdon*, 7 Sim. 421; *Hookham v. Pottage*, L. R. 8 Ch. 91; *Peterson v. Humphrey*, 4 Abb. Pr. 394; *R. Cox*, 212; *McGowan Brothers' Pump Machine Co. v. McGowan*, 2 Cinc. 313; *Phelan v. Collender*, 13 N. Y. Sup. Ct. 244; *Young v. Jones Brothers & Co.*, 3 Hughes, 274. But see *Reeves v. Denicke*, 12 Abb. Pr. N. S. 92.

(b) See *Levy v. Walker*, 10 Ch. D. 436, and cases at p. 286, *supra*.

(c) *Banks v. Gibson*, 34 Beav. 566; *Aubin v. Holt*, 2 K. & J. 66. And see *Leather Cloth Co. v. American Leather Cloth Co.*, 1 H. & M. 271; 4 De G. J. & S. 187; 11 H. L. C. 523; *Phelan v. Collender*, 13 N. Y. Sup. Ct. 244; *Probasco v. Bouyon*, 1 Mo. App. 241.

(d) *Dence v. Mason*, Dig. 534; 41 L. T. N. S. 573.

(e) *Thornbury v. Berill*, 1 Y. & C. Ch. 554.



business (a). To use the language of Fry, J., in *Mogford v. Courtenay* (b) "the rights of a late partner who has no interest in the goodwill of the old business, to carry on trade are somewhat refined. They amount shortly to this—that he may carry on a similar trade or similar business; he cannot carry on the identical business. He is at liberty to do everything which flows from the right to carry on a similar business; he is prohibited or liable to be restrained from doing anything which conduces to his carrying on the identical business; but what acts come within either of those classes is a question of very considerable nicety." To this extent the rights of an expelled partner are the same as if he had retired voluntarily (c). In the valuation, therefore, of the share of a retiring or dead partner, which is to be taken over by the surviving partner, this fact should be taken into consideration, as it may materially affect and even destroy the value of the share (d); and when the business is to be sold, that fact should be stated in the particulars of sale, in order that the purchaser may be able to buy with a full knowledge of the facts (e). In *Smith v. Everett* (f), the survivor of two partners in a banking business sold the business, and it was held that the estate of the deceased partner was entitled to a share of so much of the purchase-money as was attributable to the goodwill. Sir J. Romilly, M. R., directed that this value should be ascertained, regard being had to the facts that: 1st, the partnership premises belonged to the survivor;

(a) *Kennedy v. Lee*, 3 Mer. 441—52; *Harrison v. Gardner*, 2 Madd. 198; *Churton v. Douglas*, Johns. 174; *Hall v. Barrows*, 4 De G. J. & S. 150; *Clark v. Leach*, 32 Beav. 14; *Bond v. Milbourn*, 20 W. R. 197; *Hookham v. Pottage*, L. R. 8 Ch. 91; *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191; *Wolmershausen v. O'Connor*, 36 L. T. N. S. 921; *Leggott v. Barrett*, 15 Ch. D. 306; *Rammelsberg v. Mitchell*, 29 Ohio St. 22.

(b) 45 L. T. N. S. 303.

(c) *Dawson v. Beeson*, 22 Ch. D. 504.

(d) *Mellersh v. Keen*, 28 Beav. 453; *Davies v. Hodgson*, 25 Beav. 177; *Rammelsberg v. Mitchell*, *ubi supra*.

(e) *Cook v. Collingridge*, Jac. 607; *Hall v. Barrows*, 4 De G. J. & S. 150. And see the form settled by the L. J. J. in *Johnson v. Helleley*, 2 De G. J. & S. 446.

(f) 27 Beav. 446.

2ndly, the survivor had the right to carry on the business of a banker on the same premises after the sale of the goodwill; 3rdly, the sole right of issuing bank notes survived to him.

Retiring or surviving partner may state former connection.

Unless he has specially contracted not to do so (a), a retiring or surviving partner may advertise generally the facts that he was connected with the former business, and that he is establishing a new business, and he may style himself "formerly" or "late" of the firm, and, if he occupies the premises formerly occupied by the firm, may state that they were so occupied; but he may not describe himself as "successor to" the old firm, nor, except in the case of a partner who is leaving the firm involuntarily (b), may he address any special solicitations to the customers of his former firm (c).

And the termination of that connection.

A retiring partner may advertise the discontinuance of his participation in a periodical issued by the partnership, but he is not at liberty to advertise its discontinuance generally, any more than he might represent the partnership to have ceased to carry on business, upon his own retirement (d).

Necessary announcements may be made.

While, however, a retiring partner is not at liberty to depreciate the property, his share in which has passed to others (e), a partner who has bought the share of his partner may, even before the purchase is in all respects completed, publish statements which are necessary to induce others to join him, and to enable him to carry on the business, though, in the opinion of the selling partner,

(a) *Wolmershausen v. O'Connor*, 36 L. T. N. S. 921.

(b) *Walker v. Mottram*, 19 Ch. D. 355; *Dawson v. Beeson*, 22 *ib.* 504.

(c) *Bradbury v. Dickens*, 27 Beav. 53; *Clark v. Leach*, 32 Beav. 14; *Labouchere v. Dawson*, L. R. 13 Eq. 322; *Graveley v. Winchester*, Seton, 4th ed, 257; *Burrows v. Foster*, 1 N. R. 156; *Selby v. Anchor Tube Co.*, W. N. 1877, p. 191; *Leggott v.*

*Barrett*, 15 Ch. D. 363; *Morgan v. Schuyler*, 79 N. Y. 490.

(d) *Bradbury v. Dickens*, 27 Beav. 53. In *England v. Curling*, 8 Beav. 129, an injunction was granted to restrain a partner from publishing notices of the dissolution of the partnership during the term for which it was to subsist.

(e) *Bradbury v. Dickens*, *ubi suprd.*



that may have a prejudicial effect on what is still in a sense the partnership property (a).

Where two partners, having been in the habit of carrying on the partnership business, each in a separate district, agreed to dissolve partnership, the premises, stock, and goodwill to be sold, or until sale to vest in a receiver, Sir J. Stuart, V.-C., restrained one partner from carrying on the business on his own account in one district, and directed him to account for the profits (b).

Again, where it was provided by the partnership articles that, on the death of one of the partners, his personal representative should have the right to elect, within three months, to take the deceased partner's share in the business, Sir W. P. Wood, V.-C., restrained the surviving partner from carrying on the business under any other firm or style than that used in the lifetime of the deceased partner, for three months, or until election by his representative (c). But it seems that though the Court can restrain the surviving partner from carrying on the business in any other name, it has no means of compelling him to carry it on in the original name (d).

The value of a goodwill, or share of a goodwill, is usually estimated at so many years' purchase upon the amount of the profits (e); thus, in *Mellersh v. Keen* (f), it was fixed at one year's purchase of the net annual profits, calculated on an average of three years (g).

(a) *Marshall v. Watson*, 25 Beav. 501.

626.

(b) *Turner v. Major*, 3 Giff. 442.

(f) 28 Beav. 453.

(c) *Evans v. Hughes*, 18 Jur. 691.

(g) As to other circumstances to be considered, see *Smith v. Everett*, 27 Beav. 446; *Johnson v. Helleley*, 34 Beav. 63; 2 De G. J. & S. 446.

(d) *Lewis v. Langdon*, 7 Sim. 421.

(e) *Austen v. Boys*, 2 De G. & J.

See amending Act of 1888

## APPENDIX A.

### THE PATENTS, DESIGNS, AND TRADE MARKS ACT, 1883.

46 & 47 VICT. c. 57.

*An Act to amend and consolidate the Law relating to Patents for Inventions, Registration of Designs, and of Trade Marks.*  
[25th August, 1883.]

BE it enacted by the Queen's most excellent Majesty, by and with the advice and consent of the Lords spiritual and temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :

#### PART I.

Part I.

#### PRELIMINARY.

Preliminary.

1. This Act may be cited as the Patents, Designs, and Trade Marks Act, 1883. Short title.

2. This Act is divided into parts, as follows :—

Division of Act into parts.

Part I.—PRELIMINARY.

Part II.—PATENTS.

Part III.—DESIGNS.

Part IV.—TRADE MARKS.

Part V.—GENERAL.

3. This Act, except where it is otherwise expressed, shall commence from and immediately after the thirty-first day of December, one thousand eight hundred and eighty-three. Commencement of Act.



## APPENDIX A.

## PART II. (SECS. 4—46).

## PATENTS.

## PART III. (SECS. 47—61).

DESIGNS (*a*).

(*a*) For § 51, requiring articles bearing a registered design to be marked so as to denote the fact of registration, see Appendix C.

## PART IV.

## TRADE MARKS.

*Registration of Trade Marks.*

Application  
for registra-  
tion.

62. (1.) The comptroller (*a*) may, on application by or on behalf of any person (*b*) claiming to be the proprietor (*c*) of a trade mark (*d*), register the trade mark (*e*).

(2.) The application (*f*) must be made in the form set forth in the first schedule to this Act, or in such other form (*g*) as may be from time to time prescribed (*h*), and must be left at, or sent by post to, the Patent Office in the prescribed manner (*i*).

(3.) The application must be accompanied by the prescribed number of representations (*j*) of the trade mark, and must state the particular goods or classes of goods (*l*) in connection with which the applicant desires the trade mark to be registered.

(4.) The comptroller may, if he thinks fit, refuse to register a trade mark (*m*), but any such refusal shall be subject to appeal to the Board of Trade (*n*), who shall, if required, hear the applicant and the comptroller, and may make an order determining whether, and subject to what conditions (*o*), if any, registration is to be permitted.

(5.) The Board of Trade may, however, if it appears expedient, refer the appeal to the Court (*p*); and in that event the Court shall have jurisdiction (*q*) to hear and determine the appeal and may make such order as aforesaid.

(*a*) The Comptroller General of Patents, Designs, and Trade Marks:  
—§ 117.

(b) "Person" includes a body corporate, § 117, Rule 89. There is no limitation to British subjects, and the practice hitherto has been to grant registration to aliens. See, however, *In re Riviere & Co.*, 49 L. T. N. S. 506; C. A., 32 W. R. 390. § 103 (3) seems to mean that a foreign subject must apply for registration in his own country before he can obtain registration here. See that section.

(c) By "claiming to be the proprietor" nothing more is probably meant than "claiming to be the first to adopt," whether there has been any user or not. Since by § 77 a trade mark cannot be protected until either it has been registered or registration has been refused, it hardly seems that there can be any proprietorship until registration has been granted, or, in the case of an old mark, i.e., a mark used before August 13, 1875, refused.

(d) As to what is a trade mark, see § 64, *infra*, and Ch. 2.

(e) As to the mode of registration, see Rules 30—33. By Rule 31, if an applicant dies before registration, the trade mark may be registered for the successor to the goodwill of his business.

(f) For the mode of making application, see Rules 7—15. By § 81 (3) applications for registration of Hallamshire cutlery marks must be made to the Cutlers' Company.

(g) Form F. in the second Schedule to the Rules is substituted for Form F. in the Schedule to the Act. See Rules 4, 5.

(h) "Prescribed," i.e., by the Rules. See § 117.

(i) See Rule 16.

(k) Four in classes 23—35; three in other classes. See Rule 18 and Form G.

(l) The application may be for any goods in a class, see Form F. For the classification of goods, see Rule 6 and the Third Schedule to the Rules.

(m) Before refusing to register a mark, the comptroller is to give the applicant ten days' notice of a time when he may be heard personally or by his agent. § 94 and Rules 17—19.

(n) See Rules 20—24 and Form H. It would appear that by § 90, the wording of which is very similar to that of § 5 of the Act of 1875, under which the Court has hitherto acted, a concurrent jurisdiction in cases of refusal by the comptroller is given to the Court, and that the effect of the present section and § 90, taken together, is that the appellant may elect to go either to the Board or to the Court, but that, in the event of his electing to go to the Board, the Board may, if it appears expedient, refer him to the Court. The object appears to be to give the applicant an opportunity of going to the Board of Trade instead of to the Court, if he thinks that course likely to be cheaper, or the result likely to be more favourable. In the event of the case being heard by the Board of Trade, and decided adversely to the applicant, it will apparently still be open to him to take the decision of the Court under § 90. See Rule 44 as to entering orders of the Court on the Register.

(o) As to limited registration, see note (c) to § 72 *infra*.

(p) The Court is the High Court of Justice in England.

(q) I.e., notwithstanding that the appellant has selected the Board as his tribunal.

63. Where registration of a trade mark has not been or shall not be completed within twelve months from the date of the application, by reason of default on the part of the applicant, the application shall be deemed to be abandoned (a). Limit of time for proceeding with application.

(a) This provision was first made by the edition of March, 1883, of the Rules under the old Acts.



Conditions of  
registration  
of trade mark.

64. (1.) For the purposes of this Act, a trade mark must consist of or contain at least one of the following essential particulars (a):

(a.) A name of an individual or firm printed, impressed, or woven in some particular and distinctive manner (b);  
or

(b.) A written signature or copy of a written signature of the individual or firm applying for registration thereof as a trade mark (c); or

(c.) A distinctive device, mark, brand, heading, label, ticket, or fancy word or words not in common use (d).

(2.) There may be added to any one or more of these particulars any letters, words, or figures, or combination of letters, words, or figures, or of any of them (e).

(3.) Provided that any special and distinctive word or words, letter, figure, or combination of letters or figures or of letters and figures used as a trade mark before the thirteenth day of August, one thousand eight hundred and seventy-five, may be registered as a trade mark under this part of this Act (f).

(a) This section is enlarged from § 10 of the Act of 1875. The essential particular is that which causes a mark which, without it, would not be a registrable trade mark, to be a registrable trade mark; it is that by virtue of which registration is granted to a mark. Consequently it is provided by § 92 that, though non-essential particulars of registered trade marks may be altered with the leave of the Court, essential particulars may not be. Where, therefore, two trade marks had been registered, one of which contained the name of the firm in ordinary type, and the other contained it printed in the form of a signature, Jessel, M.R., allowed a firm who had acquired the trade mark by assignment, to substitute their own name for the name printed in ordinary type, but refused to allow any alteration of the signature in the second mark: *In re Dewhurst*, M. R., June 11th, 1880. A trade mark which does not contain any essential particular, and is therefore not registrable, does not become a good trade mark by remaining five years on the register: *In re Palmer* (1), 21 Ch. D. 47; (3) 24 Ch. D. 504; *In re Ralph*, 25 Ch. D. 194; *In re Leonard & Ellis*, 32 W. R. 530.

(b) See *ante*, p. 25.

(c) See *ante*, p. 34; and *In re Dewhurst*, M. R., June 11th, 1880.

(d) See *ante*, p. 35. Fancy words were not registrable under the old Act: *Ex parte Stephens*, 3 Ch. D. 659; and see *Rose v. Evans*, 48 L. J. Ch. 618. An old mark is not considered to be in common use unless it has been used by more than three firms, but the leave of the Court is necessary for the second or third registration of the same, or substantially the same, old mark. See note (c) to § 72 and § 74.

(e) "Figures" mean numerals. See *Ex parte Stephens*, 3 Ch. D. 659. When it is wished to register the same essential (or "material," by which the same thing appears to be meant,) particular, with a number of varying additions, the proper course is to register the marks as a series, under § 66, *q.v.* See also note (c) to § 72 *infra*. Inasmuch as the parts of a combination mark which are not within the definition of "essential particulars," are not entitled to registration or protection when standing alone, it seems that there cannot well be infringement of a combination mark unless the

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essential particular is taken. In *In re Horsburgh*, 53 L. J. Ch. 237, where a registered trade mark consisted of a distinctive device and a descriptive word, it was held that substantially the same descriptive word might be registered by another firm with a different device, from which it follows that the use of the second trade mark would be no infringement of the first.

There will not be registered as new marks or prominent parts of new marks:—

Representations of the Queen, or of any member of the Royal Family.

Representations of the Royal Crown.

National Arms or Flags. (See *Ex parte Davids & Co.*, 16 U. S. Pat. Gaz. 94, as to the American practice).

Prize or exhibition Medals. (See *Batty v. Hill*, 1 H. & M. 264; *Taylor v. Gillies*, 14 Sick. 381; *In re Bush & Co.*, 10 U. S. Pat. Gaz. 164; *In re Brook*, 26 W. R. 791; *In re Farina* (2), 27 W. R. 456). See Instructions, par. 31, *infra*.

(f) See *ante*, p. 66. The wording of this sub-section is wider than that of the corresponding provision in § 10 of the Act of 1875. *E.g.*, a single letter may now be registered as an old mark, though it was formerly excluded from registration: *In re Mitchell* (1), 7 Ch. D. 36. For a mark to be registrable as an old mark there must have been user before August 13th, 1875, within the kingdom. Foreign user gives no such right: *In re Münch*, 50 L. T. N. S. 12; *In re Leonard & Ellis*, 32 W. R. 530, per Fry, L. J.; though in *In re Eastman*, W. N. 1880, p. 128, the opposite view seems to have prevailed; and for an old mark to be registered under the three mark rule the user must have been of a substantial kind: *In re Hodson & Co.*, 26 Sol. J. 43. Old user for some goods does not make a mark an old mark for all goods, but application must be made as for a new mark when it is sought to register it for goods in respect of which there has been no old user: *In re Jelley, Son & Jones*, 51 L. J. Ch. 639. When it is sought to register a mark under this provision as an old trade mark, it must have been used as a trade mark before the Act of 1875, and not as a descriptive term: *In re Leonard & Ellis*, 32 W. R. 530, and it must have been used alone, and not in combination with a distinctive device, &c., *ib.* An old mark must be registered as a whole, and in the exact form in which it has been actually used. Thus, in *In re Royal Baking Powder Co.*, W. N. 1880, p. 49, the applicants were not allowed to register the word "Royal," or the words "Royal Baking Powder," apart from the rest of the label with which they had been used. So in *In re Simpson, Davies & Sons*, M. R. January 12th, 1881, the registration of a trade mark consisting of a cross would have been held to be wrongful, by reason of the points of the cross registered being differently shaped from the points of the cross used, had it not been proved that there had been user in both forms. So in *Russell & Sons, Limited v. Smith*, M. R., June 18th, 1880, it was held that a registration was wrongful because the user had been of a rough outline of a crown and the registration was of an elaborate crown, with all the shading filled in. And see *In re Horsburgh*, 53 L. J. Ch. 237; *In re Leonard & Ellis*, *ib.*, 233, and (App.) 32 W. R. 530; and *In re Palmer* (3), 24 Ch. D. 5. On the other hand, in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. C. 9, the House of Lords directed registration of the essential particular, omitting the immaterial additions. Now by § 74, the entire mark would be registered, with a disclaimer of the additions.

Old marks.

The Royal Arms, or arms so nearly resembling them as to be calculated to deceive, and the words "Registered," "Registered Design," "Copyright," "Entered at Stationers' Hall," "To Counterfeit this is Forgery," "Patent," "Patented," will not be registered under the Act. See Instructions, par. 30, *infra*. As to ornamental or coloured groundwork, see *ib.*, par. 29.



Connection of  
trade mark  
with goods.

65. A trade mark must be registered for particular goods or classes of goods (a).

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(a) This comes from § 2 of the Trade Marks Registration Act, 1875. The appropriation of a trade mark to particular goods or classes of goods was not new. See *Hall v. Barrows*, 4 De G. J. & S. 150; *Ainsworth v. Walmley*, L. R. 1 Eq. 518. See Rule 6 and Schedule 3 to the Rules with respect to the classification of goods for the purposes of the Act. The Third Schedule divides the various descriptions of goods into fifty classes. By the Rules under the Act of 1875 it was provided that where a trade mark was registered, a similar trade mark should not be registered in the name of another proprietor for any goods in the same class without the leave of the Court; but this requirement of the leave of the Court is now limited to cases in which the second application is in respect of the same goods or description of goods (see § 72). Under the old Act, registration for part of a class was granted to old marks: in *Ex parte Barrows*, W. N. 1877, p. 119; L. J. N. of C. 1877, p. 110; *In re Lyaght*, Dig. 628; *In re Rabone*, Dig. 643; *In re Ashton & Sons*, V.-C. H., February 26th, 1881; and to new marks in *In re Jelley, Son & Jones*, 51 L. J. Ch. 639; *In re Braby & Co.*, 21 Ch. D. 228; and *In re Clark & Co.*, 27 Sol. J. 396 (though in this case the mark was common for other goods in the class); and refused to a new mark in *In re Hargreaves*, 11 Ch. D. 669. In America, registration of the same mark in the same class may be granted to different persons if the goods are different: *Sory v. Welsh*, 16 U. S. Pat. Gaz. 910. It has been held under the United States Statute of 1870 (now replaced by that of 1881) that registration in respect of too wide a class of goods is bad altogether: *Smitk v. Reynolds* (2), 10 Bl. C. C. 100; S. C. (3), 13 *ib.* 458.

Registration  
of a series of  
marks.

66. When a person claiming to be the proprietor of several trade marks which, while resembling each other in the material particulars thereof, yet differ in respect of (a) the statement of the goods for which they are respectively used or proposed to be used, or (b) statements of numbers, or (c) statements of price, or (d) statements of quality, or (e) statements of names of places, seeks to register such trade marks, they may be registered as a series in one registration. A series of trade marks shall be assignable and transmissible only as a whole, but for all other purposes each of the trade marks composing a series shall be deemed and treated as registered separately (a).

(a) This section is entirely new, but the mode of registration for which provision is here made was suggested by the Court of Appeal as the right one in *In re Barrows*, 5 Ch. D. 853, and was occasionally adopted. See note (c) to § 72, *infra*, and cases there cited. In some cases, however, this form of registration was not considered satisfactory by the applicant, usually because, the different combinations not being individually registered, the registered proprietor was unable to get such a certificate of registration as would enable him to obtain registration in foreign countries. In *In re Fox & Co.*, V.-C. H., May 7th, 1881, Hall, V.-C., allowed a person who had registered a device together with a word (which, under the Act of 1875, could not be an essential particular in a new trade mark) to obtain a separate registration of the same device with a different word, so that the same one essential particular was separately registered twice over, with additions

which, for the purposes of the Act, were immaterial. After this decision, separate registration was generally granted by the registrar to marks which would more properly have been registered in a series, or, as it was more generally called, by representation. The concluding words of this section render separate registration unnecessary, but there is nothing to prevent it.

The only rules specially relating to applications for registration of a series of trade marks are Rule 14, (by which a representation of each trade mark included in the series is to be placed on the application form and on each of the half sheets containing the additional representations required by Rule 13,) and Rule 28, relating to the mode of advertisement.

67. A trade mark may be registered in any colour, and such registration shall (subject to the provisions of this Act) confer on the registered owner the exclusive right to use the same in that or any other colour (a). Trade marks may be registered in any colour.

(a) In the old Acts and Rules no mention was made of colour, on account of the difficulty of properly advertising marks applied for in colour. See per Jessel, M.R., in *In re Robinson*, 29 W. R. 31. A trade mark registered in black and white consisted of the device registered, whatever might be the colour in which it was used, and it was, therefore, regarded as entitled to protection in whatever colour it might be used, and against rival marks in whatever colour: *Nuthall v. Vining*, C. A., Jan. 21st, 1880. There it was said that, in cases of alleged infringement, the true test of comparison was to compare the designs of the two trade marks in the same size and free from colour, and that similarities in respect of colour would only be regarded in order either to prove fraud, or to turn the scale when the question of infringement, leaving colour out of sight, was very difficult to decide. In *Hanson v. British Tea and Trading Association, Limited*, V.-C. B., April 9th, 1884, a label had been used, coloured red, white, and blue, and containing the words, "red, white, and blue label," and though it was registered without colour, an injunction was granted to restrain the use of a label similarly coloured and containing the same words. When the question was whether a trade mark sent in for registration was too similar to one already registered for registration to be permitted, and the trade mark already on the register was in practice used in colour, the question was taken into consideration whether the subsequent trade mark, if similarly coloured, would be likely to cause deception: *In re Worthington*, 14 Ch. D. 8.

In some exceptional cases, however, trade marks were found to be incapable of advertisement or registration in black and white, the only peculiarity being the combination of colours; e.g., where coloured threads were twisted in the wick of a candle, or combined in the selvaige of a piece of stuff. In such cases the marks were registered by deposit, actual specimens of the marked article being sent in to the registrar and deposited by him at the Patent Museum. For instance, there were so deposited specimens of certain marks for worsted stuffs in Class 34, numbered 5844 to 5850, and consisting of selvages containing distinctive coloured threads. See *Trade Marks Journal*, Vol. 2, No. 51, p. 88. The use of colour being very frequently of importance in the cotton trade, it was decided that all marks for goods in the cotton classes (23-5) should be registered by deposit. When a trade mark was thus registered by deposit, the actual thing deposited, colour included, constituted the trade mark, so that in questions of infringement the point was whether the device, plus colour, was imitated in the offending mark with sufficient exactness to deceive. And the same rule was applied in registration cases, colour being taken into consideration in



estimating the degree of resemblance. Thus, in *In re Robinson*, 29 W. R. 31, a device of a silver rupee being already registered, another applicant sought to obtain registration of a device of a gold mohur, and this was granted, on the ground that all that was registered was a silver coin, notwithstanding that if the second mark were to be coloured silver, deception would be probable. In such cases it was held that the proper manner of regarding the colour was a question for the trade, and that if, in the opinion of the trade, deception might arise, the Court would act on that opinion: *Mitchell v. Henry*, 15 Ch. D. 181. Besides the cases above referred to, see *In re Orr-Ewing*, 8 Ch. D. 798, 4 App. Cas. 479; *In re Brook*, 26 W. R. 791; and *In re Jones Bros. & Co.* V.-C. H., July 10th, 1880.

The present section appears to have the effect of giving trade marks registered by deposit at the Patent Office Library, or registered in pursuance of an application accompanied by coloured representations, the same advantages as registration in black and white, so that for the future the colour of a trade mark registered in colour will not, except in very exceptional cases, such as that of the coloured selva, be a part of the mark, but after one trade mark is so registered, another will not be entitled to be used or registered, if it would be likely to be mistaken for the first, on the supposition that the first mark was used in any different colour from that in which it was registered.

See Rules 13 and 25 as to the deposit of specimens of trade marks.

Advertisement of application.

68. Every application for registration of a trade mark under this part of this Act shall as soon as may be after its receipt be advertised by the comptroller (a).

(a) "The object of the advertisement is to give to persons who might be claimants of the trade mark proposed to be registered the opportunity of coming forward and objecting": per Hall, V.-C., in *In re Meikle*, 24 W. R. 1067. Consequently, as was there held, when a refusal of the comptroller to register a trade mark is overruled, the only order that can be made is an order for him to proceed with the application, so that the usual course of advertisement, &c., may be followed. This course was adopted by Hall, V.-C., in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 479, and subsequent cases. It is not, however, incumbent on persons to see the advertisement, so that if a common mark has been registered, in consequence of the firms interested in opposing it having failed to see the advertisement of the application, they are able to obtain the removal of the mark from the register, with costs, on application within a reasonable time after the registration was brought to their knowledge: *In re Hyde & Co.* 7 Ch. D. 724. See *In re Palmer* (3), 24 Ch. D. 504; and *In re Kuhn & Co.*, 53 L. J. Ch. 238.

As to the mode of advertisement, see Rules 25-28.

Opposition to registration.

69.—(1.) Any person (a) may within two months of the first advertisement of the application, give notice in duplicate at the patent office of opposition (b) to registration of the trade mark, and the comptroller shall send one copy of such notice to the applicant.

(2.) Within two months after receipt of such notice or such further time as the comptroller may allow, the applicant may send to the comptroller a counter statement (c) in duplicate of the grounds on which he relies for his application, and if he does not do so, shall be deemed to have abandoned his application.

(3.) If the applicant sends such counter statement, the comptroller shall furnish a copy thereof to the person who gave notice of opposition, and shall require him to give security in such manner and to such amount as the comptroller may require for such costs as may be awarded in respect of such opposition (d); and if such security is not given within fourteen days after such requirement was made or such further time as the comptroller may allow, the opposition shall be deemed to be withdrawn.

(4.) If the person who gave notice of opposition duly gives such security as aforesaid, the comptroller shall inform the applicant thereof in writing, and thereupon the case shall be deemed to stand for the determination of the Court (e).

(a) This section comes from the old rules.

There is no limitation of the right of opposing to persons who can themselves claim registration: *In re Riviere & Co.*, 32 W. R. 390; nor is there any limitation of the right of opposing on the ground of similarity to proprietors of trade marks registered for the same goods, or even for goods in the same class, as the goods for which the applicant is seeking to register. But an opposition on this ground would, of course, not succeed unless the two marks would come into collision in some way when being used. Thus, in *In re Simpson, Davies & Sons*, M.R., Jan. 12th, 1881, the application was for registration in class 22 for railway waggons, and the successful opposition was by a firm registered in class 4 for coal, whose trade mark was used by placing it on the waggons in which the coal was conveyed and sold.

If what is desired is, not to have the registration altogether refused, but to have it limited by the addition of a note stating, e.g., that the mark is only to be used in trade with a particular country, and the applicant is willing to consent to such limitation, it is not necessary to go through the process of entering a notice of opposition, but an order directing that the mark, if registered, is to be registered with the addition of a note to the desired effect, may be obtained by the applicant on an *ex parte* application: *Ex parte Keep*, 32 W. R. 427.

(b) See Form J. for notice of opposition.

(c) See Appendix B., *infra*.

(d) See Appendix B., *infra*, for form of security.

(e) This being the time at which the case stands for the determination of the Court, it was formerly held that the costs subsequent to this period would be given to a successful opponent, but that the costs of the previous proceedings in the office could not be given him: *In re Brandreth*, 9 Ch. D. 618. See, however, § 90, *infra*. Where a claim had been wrongfully set up to use a certain trade mark, the claimants were ordered to pay the costs of cross-adjourned summonses, as well as of an action which had been brought to enforce the right, even though they had not actually used the mark in question: *Davis v. Tylor*, M.R., April 24th, 1879. As to the course which the proceedings subsequent to the case standing for the determination of the Court are to take, see Rule 29, by which the opposed applicant is to apply to the Court by summons for leave to register. Under the old Acts and Rules the opponent was required to take out a summons for directions, which almost always resulted in the applicant being directed to apply for leave to register. See *In re Simpson, Davies & Sons*, 15 Ch. D. 525; also *In re Johnston*, 43 L. T. N. S. 672. The summons for directions is now swept away. See rule 44 as to notifying the order of the Court to the comptroller.



Assignment  
and trans-  
mission of  
trade mark.

70. A trade mark, when registered, shall be assigned and transmitted (a) only in connection with the goodwill (b) of the business concerned in the particular goods or classes of goods for which it has been registered, and shall be determinable with that goodwill (c).

(a) This section comes from § 2 of the Act of 1875. As to assignment and transmission, see Rules 34 to 38 and 58, and Form K in the Second Schedule to the Rules. See, too, Ch. 3, *supra*.

Assignments and transmissions are to be entered in the register: See §§ 78, 87, *infra*. By § 4 of the Act of 1875, it was enacted that every proprietor registered in respect of a trade mark subsequently to the first registered proprietor should, as respected his title to that trade mark, stand in the same position as if his title were a continuation of the title of the first registered proprietor. This enactment is not now repeated, the same result being effected by generalizing the language of § 76. Compare the American case of *Walton v. Crowley*, 3 Bl. C. O. 440; R. Cox, 166.

(b) As to the connection between trade marks and the goodwill of the business, see *Cooper v. Hood*, 26 Beav. 293; *Churton v. Douglas*, Johns. 174; *Shipwright v. Olements*, 19 W. R. 599, and *Cotton v. Gillard*, 44 L. J. Ch. 90; and the American cases of *Sohier v. Johnson*, 111 Mass. 238; *Witthaus v. Braun*, 44 Md. 303; *Taylor v. Bemis*, 4 Biss. 406; *Weston v. Ketcham* (1), 39 N. Y. Super. Ct. 54, and S. C. (2), 51 How. Pr. 455, and *Morgan v. Rogers*, 26 U. S. Pat. Gaz. 1113. Where a trade mark has been placed on the register, but no business exists in which it is used, the mark cannot be assigned, since there is no goodwill to be assigned with it. *Ex parte Lawrence Bros.*, 44 L. T. N. S. 98. See *In re Farina* (4), 44 L. T. N. S. 99. As to goodwill, see ch. 9, *ante*.

(c) It would appear that, since a trade mark is to determine when the goodwill of the business in connection with which it has been used determines, the registration should also be determined upon that event happening. So long as the registration continues, there is, under § 75, public use of the mark, which may be thought to imply the existence of a goodwill. It will, however, be noticed that sub-section 1 of § 90 only gives power to expunge an entry *made* without sufficient cause, so that it would appear that an entry made at a time when a goodwill was in existence is not within the wording of the sub-section. However this may be, registration of a trade mark is, by § 76, only evidence of the proprietor's right, *subject to the provisions of the Act*. Rule 34 of the old Trade Mark Rules (renumbered 33 in the edition of March, 1883) gave power to the Court, on the application of any person aggrieved, to remove any trade mark from the register on the ground, after the expiration of five years from the date of the registry thereof, that the registered proprietor was not engaged in any business concerned in the goods within the same class as the goods with respect to which the trade mark was registered, and under this rule a trade mark was removed from the register in *In re Ralph*, 25 Ch. D. 194.

A patentee is carrying on business, and has, therefore, an existing goodwill, as long as he receives royalties from licensees, though he does not himself manufacture: *In re Ralph*, *ubi supra*. This rule is not re-enacted, but there is no reason to suppose that this omission is due to an intention to allow a trade mark to be protected after the goodwill has determined, and after, by this section, the mark has itself determined.

Conflicting  
claims to  
registration.

71. Where each of several persons claims to be registered as proprietor of the same trade mark, the comptroller may refuse

to register any of them until their rights have been determined according to law, and the comptroller may himself submit or require the claimants to submit their rights to the Court (a).

(a) This section comes from § 5 of the Act of 1875. Rules 40—43 direct that the mode of submission to the Court shall be by special case. This was also provided by the Rules under the old Acts, and *Allsopp v. Walker*, Dig. 545, was heard on special case, and in *Ex parte Grimshaw*, W. N. 1877, p. 24, Hall, V.-O., refused to order otherwise. It was, however, found to be so difficult in practice to settle the statement of facts that in all cases of rival claim the practice was adopted of applying to the Court by way of motion or summons, asking at the same time for the leave of the Court to have the matter decided in that way, and it is believed that after the first year or two from the passing of the Act of 1875 there is no instance of a special case to be found. *Allsopp v. Walker* was a case in which the registration of a trade mark was objected to on the ground of its similarity to another trade mark, but the cases which this section and the rules under it appear to be really intended to govern are cases in which not similar, nor even identical, trade marks are claimed, but in which *the same* trade mark is claimed, e. g., where a partnership has been dissolved and a question has arisen between the former co-partners as to the way in which the trade marks of the partnership have been transmitted.

72. (1.) Except where the Court has decided (a) that two or more persons are entitled to be registered as proprietors of the same trade mark, the comptroller shall not register in respect of the same goods or description of goods (b) a trade mark identical with one already on the register with respect to such goods or description of goods. Restrictions  
on registra-  
tion.

(2.) The comptroller shall not register with respect to the same goods or description of goods (b) a trade mark so nearly resembling a trade mark already on the register with respect to such goods or description of goods as to be calculated to deceive (c).

(a) This section comes from § 6 of the Act of 1875, by which the "special leave" of the Court was required for such subsequent registration. Of this leave of the Court, Jessel, M. R., said in *In re Jelley, Son & Jones*, 51 L. J. Ch. 639, that it "is not a capricious leave. It merely means that the second man must show his title." The same principle will still govern the decisions of the Court, which will usually be obtained by way of adjourned summons, though motions do not appear to be inadmissible. It is for the Court to judge as to the similarity, so that registration may be granted notwithstanding the adverse decision of the Manchester Committee of Experts, (see notes to cotton rules, *infra*), or refused, notwithstanding the favourable decision of a foreign Court (*In re Farina* (2), 27 W. R. 456). "The Court" being the High Court of Justice, an order of the House of Lords should be made an order of the High Court of Justice. See *In re Orr-Ewing* (2), 28 W. R. 412.

(b) The prohibition of § 6 of the old Act was of registration "in respect of the same goods or classes of goods." The alteration in the language confines the prohibition to cases in which the goods are substantially the same, so that it no longer applies to cases of different goods which happen to be grouped together in the same class. Even under the old Act registration was sometimes granted to similar marks for different goods included in the same class, when no clashing could take place. See note (a) to § 65.



Registration  
as a series.

(c) The restriction imposed on the registration of similar trade marks does not extend to similar marks of the same owner, but when one person applies for the registration of an essential particular, or combination of essential particulars, together with varying additions, the proper course is to register the mark as a series under § 66, *ante*. The old Acts contained no provision corresponding to those of § 66, but the same course was considered to be the right one, viz., either to register the essential particular, omitting the additions, but stating that they were to be such, or else to register the essential particular with one form of addition, but stating that that might be varied. See *In re Barrows*, 5 Ch. D. 353; *In re Brook*, 26 W. R. 791; *In re William Dixon & Co.*, M. R., April 4th, 1879; *Davis v. Tylor*, M. R., April 24th, 1879; *In re Clippens Oil Co.*, M. R., March 11th, 1881; *In re Steedman*, L. J., N. of C. 1883, p. 83; though occasionally separate registration was granted to marks which differed only in non-essential respects, as in *In re Fox & Co.*, V. C. H., May 7th, 1881. See the observations of Jessel, M.R., in *In re Kuhn & Co.*, 53 L. J. Ch. 238, as to registration with a note of disclaimer. Also *infra*.

Old marks  
favoured.

When the second of two trade marks which it is thought may conflict is claimed by a different person from the registered proprietor of the first one, it makes a considerable difference whether the second mark is an old one or a new one, for it is the duty of a manufacturer, when adopting a new mark, to take especial care to select a distinctive one, and the Court will be far more strict in deciding whether this has been done, than it will be in deciding as to similarities between old marks. So that old marks bearing a certain similarity to each other may sometimes be allowed to be registered, though if the mark last applied for were a new one, registration would be refused to it. *In re Jelley, Son & Jones*, 51 L. J. Ch. 639; *In re Rosing*, Dig. 621; and see per Lord Blackburn in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 499.

The "Three  
Mark Rule."

When the Act of 1875 came into operation it was soon discovered that trade marks which were for practical purposes indistinguishable had in various instances been used by two or more firms, generally in different parts of the country, for the same or substantially the same goods, and the injustice of giving an exclusive right to the first of these firms was felt to be so great that what is known as the "Three Mark Rule" was promulgated by the Commissioners of Patents. The first public announcement of the new Rule was made by Sir G. Jessel, M. R., in *In re Walkden Abrated Waters Co.*, Dig. 558, when he stated that the Lord Chancellor was of opinion that the number of times that a device or emblem might be registered as a trade mark for articles of the same class ought, for the sake of distinctiveness, in no case to exceed three. That was a case in which the application was for the registration of a mark similar in its main features to two others already on the register. The mark was a new one, and the application was only allowed upon condition of the consent of both the previously registered proprietors being produced. On account of the mark in that case having been a new one, an idea arose that the rule was only applicable to new marks, but in *In re Hyde & Co.*, 7 Ch. D. 724, the Master of the Rolls took another opportunity of referring to the rule, and stated that the Lord Chancellor had personally come to the decision that not more than three registrations of the same, or practically the same, mark should be allowed, and that this was also his own decision; and, in fact, that of the Commissioners of Patents, having been communicated to the Attorney and Solicitor General. This decision was intended to cover old marks, and not merely new ones. A mark used in substance by more than three firms could not be registered, but must be treated as open. The rule therefore is that where a mark has been used by more than three firms it is common to the trade and incapable of registration; that where a mark has been used by two firms or

three firms before the 13th of August, 1875 (the date of the passing of the Act of 1875), it is the old mark of each firm, and each firm is entitled to registration, almost as of right, on proof of the facts; but that where a mark has been registered by one firm or two firms, another firm will not be allowed to register substantially the same mark for the same goods as a new mark, except by the consent of the previously registered proprietors. See *In re Leonardt*, Dig. 610; *In re Mitchell* (2), Dig. 611; *In re Jelley, Son & Jones*, 51 L. J. Ch. 639; *In re Brook*, 26 W. R. 791; *In re Powell*, Dig. 589; *Ex parte Sales, Pollard & Co.*, Dig. 620; *In re Kuhn & Co.*, 53 L. J. Ch. 238; *Benbow v. Low* (4), 44 L. T. N. S. 875; *Monson v. Boehm*, 28 Sol. J. 361; and *In re Vergaras*, V.-C. H., June 3rd, 1881, in which last case, as in *In re Walkden Co.*, Dig. 558, the same mark was allowed to be registered by three firms as a new mark, all consenting. Where a new mark had been registered and much used, and another similar mark which had not been much used, was proved to be an old mark and was allowed to be registered, the new mark was not removed from the register, but was allowed to remain there side by side with the old one: *Monson v. Boehm*, 28 Sol. J. 361. To bring a mark within the rule and entitle it to registration, notwithstanding a previous similar registration for the same goods, foreign user is insufficient, and there must have been user within the United Kingdom: *In re Münch*, 50 L. T. N. S. 12. And that user must have been substantial, and not merely nominal and unknown to the other proprietor: *In re Hodson & Co.*, 26 Sol. J. 43.

In some cases the similarity between marks has been got over by registering for different goods, though in the same class (see note (a) to § 65, *ante*); or restricting the manner of user (*In re Whiteley*, 43 L. T. N. S. 627; *In re Sykes*, 43 L. T. N. S. 626; *In re Parina* (3), Dig. 654); or the locality within which the mark is to be used (*In re Rabone*, Dig. 643). And in the same spirit, the improper grant of an exclusive right in common elements has been avoided by the use of disclaimers (*In re Leonardt*, Dig. 610; *In re Mitchell* (2), Dig. 611; *In re Kuhn & Co.*, 53 L. J. Ch. 238; *In re Hoyle & Sons Ltd.* (2) Chitty, J., Nov. 30th, 1883); and permission to use a mark has been reserved to certain persons, on registration as against all others being granted (*Ex parte Hemming & Son*, M. R. April 27th, 1881).

Registration with a note.

In considering whether there is in fact such similarity between two marks as to exclude the second from registration, it is very important to compare them in the actual mode of user, *e. g.*, as branded on metal goods (*In re Jelley, Son & Jones*, 51 L. J. Ch. 639; *In re Rosing*, Dig. 621; *Nuthall v. Vining*, C. A. Jan. 21st, 1880; and compare *Davis v. Reid*, 17 Grant Up. Can. Ch. 69); and if one trade mark has been registered without colour, but is in practice used in a particular colour, and another trade mark is offered for registration which is distinguishable without colour, but might by the addition of colour be made to resemble the first mark, registration will be refused (*In re Worthington*, 14 Ch. D. 8). Any trade marks may now be registered in colour (§ 67), an advantage which was previously reserved for cotton marks and other marks of a special character requiring registration by deposit. In such a case it was formerly held that the colour was part of the mark, so that a gold coin might be registered for goods for which a silver coin was already registered, though if both were in gold, or both in silver, there would be similarity (*In re Robinson*, 29 W. R. 31), but having regard to the provisions of § 67, it hardly seems that this decision could now be repeated.

Marks compared as used.

In the case of cotton marks which were brought before the Manchester Committee of Experts, due weight should be given to their opinion as to the distinctiveness of the marks (*Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 479), but they seem to have given somewhat too wide an interpretation to the expression "substantial similarity," in their instructions. See *In re Brook*, 26 W. R. 791. The cotton rules being now repealed,

Cotton marks.



a B. list mark may be registered without an application to the Court, if the comptroller considers that a mistake has been made.

Cases of refusal.

For instances of cases in which registration has been refused on the ground of similarity, reference may be made to *Allsopp v. Walker*, Dig. 545, in which the first mark was a man's hand held upwards, and the second was a female hand pointed horizontally; *In re Jelley, Son & Jones*, 51 L. J. Ch. 639, in which the first mark was a pointer at a point, with the word "staunch," and the second was a pointer feeding out of a porridge pot; *In re Rosing*, Dig. 621, in which the first mark was a plain horn with a looped cord, and the second was a sprig of two roses with a twisted horn; *Barrows v. Pelsall Coal and Iron Co.*, Dig 530, in which the marks were a crown with "B. B. H." in Roman letters, and a crown with "B. B. S." in italics; *In re Worthington & Co.*, 14 Ch. D. 8, a plain triangle, and a triangle containing a church with an inscription; and see *In re Farina* (2), 27 W. R. 456; *In re Hargreaves*, 11 Ch. D. 669, and other cases.

Cases of non-refusal.

For instances of cases in which registration has not been refused on the ground of similarity, see *In re Farina* (1), 26 W. R. 261; *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 479, and the other cotton cases mentioned in the notes to the cotton rules. Except in the cases of cotton marks the opposition has usually been successful, and registration has either been refused altogether or only granted subject to limitations.

American cases.

Under the similar section in the United States Act, registration was refused where the first mark was the figure of a star and the second was the word "star" (*In re the American Lubricating Oil Co.*, 9 U. S. Pat. Gaz. 687); where the first mark was the name Haxall, and the principal part of the second consisted of the same name and a Maltese cross (*In re Coggin, Kidder & Co.*, 11 U. S. Pat. Gaz. 1109); where the marks were the word "Swan" and the words "Black Swan" (*Ex parte Caire*, 15 U. S. Pat. Gaz. 248); so where a trade mark was tendered which consisted of three parts, each of which was already registered, one by the applicant and the others by other firms (*In re Bush & Co.*, 10 U. S. Pat. Gaz., 164), and where the new mark consisted of "A. S. California Family \* Soap," and "California" and "\*" were already on the register (*Ex parte Smith* (1), 16 U. S. Pat. Gaz., 679); and see *Ex parte Weisert Bros.*, 16 U. S. Pat. Gaz., 680. In *In re Cornwall* (1), 12 U. S. Pat. Gaz., 188, registration was granted to a star and crescent, a star being on the register; and see *In re Imbs*, 10 U. S. Pat. Gaz. 463.

The comptroller is entitled to his costs of opposing an application on the ground of similarity to a registered mark; at all events, unless the marks are very clearly distinct. See *In re Patent Plumbago Crucible Co.*, M. R., Aug. 1st, 1879.

See Rule 44 as to notifying the order of the Court to the comptroller.

Where the registrar had refused to register on the ground of similarity to a registered mark, and the marks did not appear to be similar, but the owner of the registered mark had not been served with the notice of motion of the person applying for the registration of the second mark, Chitty, J., directed the registered owner to be served, and on that being done, and no objection being made, ordered the registration to proceed: *In re Milne & Co.*, Chitty, J., July 6th, 1883.

Further restriction on registration.

73. It shall not be lawful to register as part of or in combination with a trade mark any words the exclusive use of which would, by reason of their being calculated to deceive or otherwise, be deemed disentitled to protection in a Court of justice (a), or any scandalous design.

(a) This section is taken from § 6 of the Act of 1875. The wording of that was "would not be deemed entitled," which was somewhat ambiguous, but the present wording, "would be deemed disentitled," is open to no misinterpretation. That the original enactment also only referred to deceptiveness inherent in the mark itself, and not to liability to be mistaken for another mark, was held by Jessel, M.R., in *In re Horsburgh*, 53 L. J. Ch. 237.

Where it is sought to register as a trade mark a word or words which are or may be appropriate to the article to which the trade mark is to be applied, the applicant is in the dilemma that the alleged trade mark is either descriptive or deceptive; if the word or words are properly applicable to the article and may be truly used with respect to it, they are descriptive and are not "fancy words" within § 64; if they may be read as stating something with respect to the article which is untrue, they are deceptive within the present section; so that *quidcunque videt* the application must fail. Thus in *In re Saunion & Co.*, Dig. 625, where the mark was "Anglo-Portugo Oysters," either the oysters were of Anglo-Portuguese origin, in which case anyone had a right to say that they were so, or they were not of such origin, in which case no one had a right to say so. There are numerous similar cases under the U. S. Acts. Thus *In re American Sardine Co.*, 3 U. S. Pat. Gaz. 495 ("American Sardines"); *In re Dole Bros.*, 12 *ib.* 939 ("Egg Macaroni"); *In re Warburg & Co.*, 13 *ib.* 44 ("Cachemire Milano"); *Ex parte Marsching*, 15 *ib.* 294 ("French" paints); *Ex parte Knapp*, 16 *ib.* 318 ("London" Animal Foods); *Ginter v. Kinney Tobacco Co.* 22 *ib.* 770 ("Straight-cut" Cigarettes). Compare *In re Green*, 8 *ib.* 729 ("German Sirup"), where registration was allowed.

Words which are descriptive or deceptive.

In the American case of *Ex parte Cigar Makers' Association*, 16 *ib.* 958 it was held that a mark could not be registered which was intended to be used by any member of an association on goods of any quality, nor one which was intended to be used for the furtherance of a scheme in restraint of trade.

As to what will be deemed to disentitle to protection in a Court of justice, see further Ch. 7, *ante*.

74.—(1.) Nothing in this Act shall be construed to prevent the comptroller entering on the register, in the prescribed manner, and subject to the prescribed conditions, as an addition to any trade mark (a).

Saving for power to provide for entry on register of common marks as additions to trade marks.

(a.) In the case of an application for registration of a trade mark used before the thirteenth day of August one thousand eight hundred and seventy-five—

Any distinctive (b) device, mark, brand, heading, label, ticket, letter, word, or figure, or combination of letters, words, or figures, though the same is common to the trade (c) in the goods with respect to which the application is made;

(b.) In the case of an application for registration of a trade mark not used before the thirteenth day of August one thousand eight hundred and seventy-five—

Any distinctive (b) word or combination of words, though the same is common to the trade (c) in the goods with respect to which the application is made;



(2.) The applicant for entry of any such common particular or particulars must, however, disclaim (*d*) in his application any right to the exclusive use of the same, and a copy of the disclaimer shall be entered on the register.

(3) Any device, mark, brand, heading, label, ticket, letter, word, figure, or combination of letters words or figures, which was or were, before the thirteenth day of August one thousand eight hundred and seventy-five, publicly used by more than three persons on the same or a similar description of goods shall, for the purposes of this section, be deemed common to the trade in such goods (*e*).

(*a*) This section is new and is not very clearly expressed, but what is intended appears to be that when a trade mark sent in for registration contains, together with an essential particular, a feature which is in common use in the trade, that common feature must be disclaimed, so that the rest of the trade may not be deprived of their right to use it. The additions to which this section relates are apparently not quite the same as the additions to an essential particular referred to in § 64 (2), but such as would be capable of distinguishing the goods, were it not that in point of fact they have been used by several different firms. Thus, if a device of an animal were registered in combination with the words "First quality," for iron, the case would be within § 64, and there would be no need to disclaim the words, they being obviously open to the use of all the world; but if the same device were to be registered in combination with a crown, the case would be within the present section, and the crown, being *prima facie* distinctive but in point of fact common to the trade, would have to be disclaimed. No manner or conditions of registration have at present been prescribed, except so far as paragraph 19 of the Instructions governs the case.

(*b*) There is at first sight a contradiction in terms here, as a mark common to the trade cannot, of course, be distinctive; but what is intended appears to be that any mark which is *prima facie* distinctive, but which is really common to the trade, must be disclaimed when registered as part of a combination. The epithet "Distinctive," would thus be here applied to every mark which is not inherently incapable of appropriation by an individual.

(*c*) When it is alleged adversely to an applicant for registration that the whole or a part of his trade mark is common to the trade, the onus is upon the person alleging that this is so to prove it, not upon the applicant for registration to prove the contrary. Compare per C. A. in *In re Leonard v. Ellis*, 32 W. R. 530. And the entries in the registry office books of applications for registration do not prove that a mark is in common use, as they only prove that the applications entered have been made, not that they have all been properly made, or upon true allegations, or that the marks applied for have in fact been used: *Orr-Ewing & Co. v. Johnston & Co.*, 13 Ch. D. 484. In a number of cases since the Registration Acts marks have been found to be common to different trades; thus, a number of words and devices to the iron trade: *In re Barrows*, 5 Ch. D. 353; the words "Bank of England," to the sealing-wax trade; *In re Hyde & Co.*, 7 Ch. D. 724; the word "Selected," and other words and devices, to the steel-pen trade: *In re Leonardt*, Dig. 610; *In re Mitchell* (2), Dig. 611; *In re Kuhn & Co.*, 53 L. J. Ch. 238; the letters "S. P." to the snuff trade: *Ex parte Sales, Pollard & Co.*, Dig. 620; the Eton arms to the hat trade: *Lucke v. Webster*, M. R., April 4th, 1879; the words "Braided Fixed Stars," to the match trade: *In re Palmer* (3), 24 Ch. D. 504; various animals, devices, and colours to the cotton trade: *Orr-Ewing & Co. v. Johnston & Co.*, 7 App. Cas.

Common  
marks.

219; *Wallace & Co. v. King & Co.*, Bombay High Ct., April 30th, 1879; *In re Hoyle & Sons, Ltd.* (2), Chitty, J., Nov. 30th, 1883; and see *Orr-Ewing & Co. v. Registrar of Trade Marks*, 4 App. Cas. 479; and *In re Brook*, 26 W. R. 791.

(d) The practice of entering disclaimers in the register appears to have originated with the cases of *In re Leonardt*, Dig. 610, and *In re Mitchell* (2), Dig. 611. In those cases the consent of the owner of the mark was required, but in *In re Kuhn & Co.*, 53 L. J. Ch. 238, an order for a disclaimer was made notwithstanding that the owner did not formally consent, and in other cases the registration was subjected to limitations entered on the register. See cases cited in note (c) to § 72 *supra*. The practice has been carried so far that in *In re Hoyle & Sons, Ltd.* (2), Chitty, J., Nov. 30th, 1883, a trade mark consisting of a pheasant sitting on a gate was registered with a disclaimer of the bird, leaving only the gate. See the order of the House of Lords in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 479, and see also the statement by Jessel, M.R., in *In re Kuhn & Co.*, 53 L. J. Ch. 238.

(e) The intention of this sub-section is to introduce here the "Three Mark Rule," as to which see note (c) to § 72, *supra*. That rule is that registration of the same or substantially the same mark may be granted to not more than three persons, who can prove real user before August 13th, 1875, but that proof of user by more than three persons before that date debars all persons from registering. For there to have been "public user" by more than three persons, it would seem that the user by each must have been substantial (*In re Hodson & Co.*, 26 Sol. J., 43), and such as came or ought to have come to the knowledge of each of the others. It will be noticed that the sub-section only relates to old marks. In the case of new marks a second registration of the same device would not be granted under § 72, except by the consent of the previously registered proprietor, and a disclaimer might even then be required as a condition of his consent. User is not proved by the books of applications for registration, as the allegations therein contained are not proved: *Orr-Ewing & Co. v. Johnston & Co.*, 13 Ch. D. 434.

### *Effect of Registration.*

75. Registration of a trade mark shall be deemed to be equivalent to public use of the trade mark (a).

Registration  
equivalent to  
public use.

(a) This comes from § 2 of the Act of 1875, but the provision in that Act was made subject to the existence of a connexion with goodwill. Now there is to be deemed to be public use of a trade mark as long as it is registered, whether there is or is not any goodwill, which points to the propriety of the removal of a trade mark from the register as soon as the goodwill has determined. It is, however, doubtful whether there is power under § 90 to obtain this. And see the last words of § 76, and note (c) to § 70. In the United States also registration is equivalent to public use. See *In re Dutcher Temple Co.*, U. S. Pat. Comm. Decis., 1871, 248. Apart from the legislation on the subject, public use of a trade mark gives a property in it. See per Lord Blackburn, in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 496. It has been decided that to constitute public use it is not sufficient for the marked goods to be advertized; they must be actually in the market. But so long as that is the case, length of user is not necessary. See *McAndrew v. Bassett*, 4 De G. J. & S. 380; *Maxwell v. Hogg*, L. R. 2 Ch. 307; *Wheeler v. Johnston*, 3 L. R. Ir. 284; *In re Simpson, Davies & Sons*, M. R. Jan. 12th, 1881.



Right of first proprietor to exclusive use of trade mark.

76. The registration of a person as proprietor of a trade mark shall be *prima facie* evidence (a) of his right to the exclusive use (b) of the trade mark, and shall, after the expiration of five years from the date of the registration, be conclusive evidence (a) of his right to the exclusive use of the trade mark, subject to the provisions of this Act (c).

Effect of registration.

(a) This section comes from § 3 of the Act of 1875. 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*, C. A. Jan. 21st, 1880, to qualify the registered proprietor for suing infringers, in other words, registration is "simply a condition precedent to suing," per Chitty, J., in *Monson v. Boehm*, 28 Sol. J. 361, and the mark remains liable to removal from the register, *e. g.*, on application by the true proprietor of it, when it has been wrongfully registered in the name of another person, as in *Ex parte Lawrence Bros.*, 44 L. T. N. S. 98. 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 that the mark as registered shall be deemed to be a trade mark" (see per Jessel, M.R., in *In re Palmer*, (1) 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 by § 64. Thus in *In re Palmer* (1), 21 Ch. D. 47, and (3) 24 *ib.*, 504, the words "Braided fixed stars," registered for matches, were expunged, on the ground that at the date of the registration and ever since they had been merely descriptive of matches prepared in a particular way. So where the word "Valvoline" had been registered, though it had been used as a descriptive term, *In re Leonard v. Ellis*, 53 L. J. Ch. 233, and 32 W. R. 530. Again, in *In re Ralph*, 25 Ch. D. 194, a five years' mark was expunged. In *Lamp-lough v. Beedzler*, C. A., Nov. 12th, 1880, it was held that the registered words "Pyretic Saline" were purely descriptive. See *Reinhardt v. Spalding*, 49 L. J. Ch. 57, and *Wheeler v. Johnston*, 3 L. R. Ir. 284. It has been held in America that registration of descriptive words confers no right in them: *Van Beil v. Prescott*, 82 N. Y. 630.

(b) The right to the exclusive use of a trade mark, first asserted in *Gout v. Aleploglu*, 5 Leg. Obs. 496, and *Millington v. Fox*, 3 My. & Cr. 338, and after much discussion affirmed by the chancery judges (see Ch. 6, *ante*), is now given by statute upon registration. Under the Canadian statute it has been held that registration gives no right of action for anything done before registration: *Morse v. Martir*, Montreal Super. Ct. Feb. 28th, 1882, but the Court of Appeal at Montreal did not decide the point, S. C. Feb. 23, 1884.

(c) See § 70 as to the connexion with goodwill.

Restrictions on actions for infringement, and on defence to action in certain cases,

77. A person shall not be entitled to institute any proceeding to prevent or to recover damages for the infringement of a trade mark unless, in the case of a trade mark capable of being registered under this Act, it has been registered in pursuance of this Act, or of an enactment repealed by this Act, or, in the case of any other trade mark in use before the thirteenth of August one thousand eight hundred and seventy-five, registration thereof under this part of this Act, or of an enactment

repealed by this Act, has been refused (a). The comptroller may, on request, and on payment of the prescribed fee, grant a certificate that such registration has been refused (b).

(a) This part of this section comes from § 1 of the Act of 1876. By § 1 of the Act of 1875, failure to obtain registration was fatal to the owner of a trade mark, whether old or new. The effect of the alteration introduced by the Act of 1876 was clearly explained by Lord Blackburn in the House of Lords in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 498, in which he said: "This alters the Act of 1875 in two respects; it renders registration a condition precedent to a proceeding to recover damages, as well as to a proceeding to prevent infringement, and it provides that if the proprietor of a trade mark in use before the passing of the principal Act has been refused registration, he may, notwithstanding such refusal, institute proceedings, either for prevention of, or damages for, the infringement of such trade mark, and need not wait till he has got the register rectified." And again he said: "It seems to me that the effect of the Act of 1876 is, that if one who says he is the proprietor of a trade mark wishes to institute proceedings against someone who, as he says, is infringing it, he must first try to have his trade mark registered. If the registration is refused for any reason, he may apply (under § 5 of the Act of 1875) to have the register rectified, and then the Court will have to determine as the principal question whether the reason of the refusal was sufficient. But he may also seek for more speedy redress. He may obtain a certificate of the refusal and then institute proceedings to prevent the infringement, and then the Court will have to determine whether he was the proprietor of the trade mark." See, also, per Malins, V.-C., in *In re Barrows*, 5 Ch. D. 353—359, and *Twentsche Stoom Bleekery Goor v. Ellinger & Co.*, 26 W. R. 70. The present section differs from § 1 of the Act of 1876, in that by that section the alternative of registering or procuring a certificate of refusal was given to an owner of any old mark, whether the old mark was or was not capable of being registered, so that an owner of such a mark might safely be content with a certificate of refusal, however obviously wrong the refusal might be. In the present section it will be seen that this alternative is no longer given to owners of old marks capable of being registered. Such marks must now be registered or left unprotected. New marks, which are incapable of being registered under § 64, can hardly constitute trade marks, but this section does not require registration or refusal in such cases. If the owner of a trade mark is unable, when suing an infringer, to produce a certificate of registration or of refusal to register, his remedy is barred, though he has made application for registration and has only failed to obtain it because of delay in the office: *Hazzopulo v. Kaufmann*, 23 Sol. J. 819. Under the Canadian statute it has been held that registration only qualifies for suing in respect of acts done after registration, and not in respect of earlier acts: *Morse v. Martin*, Montreal Super. Ct., Feb. 28th, 1882. But the Court of Appeal abstained from deciding the point, Feb. 23rd, 1884.

By § 1 of the Act of 1875, as amended by § 1 of the Act of 1876, the disability for suing without registration was to begin from July 1st, 1877. The time thus allowed for registration was extended, in the case of marks used in respect of any goods in classes 23 to 35 ("textiles") by § 1 of the Act of 1877, and Orders in Council of Dec. 12th, 1877, and June 29th, 1878, to Dec. 31st, 1878, and in the case of marks used in respect of cotton piece goods, by further Orders in Council of Nov. 27th, 1878, and May 17th, 1879, to July 31st, 1879. Since the date last mentioned a certificate of registration or of refusal to register has been a *sine qua non* in all cases.

(b) See § 96, rule 57, and forms L. and T1.

Necessity for  
applying for  
registration.



*Register of Trade Marks.*

Register of  
trade marks.

78. There shall be kept at the Patent Office a book called the Register of Trade Marks (*a*), wherein shall be entered the names and addresses of proprietors of registered trade marks, notifications of assignments and of transmissions of trade marks, and such other matters as may be from time to time prescribed.

(*a*) The register of trade marks was previously kept under the authority of § 1 of the Act of 1875. As to entries in the register, see § 87, 91, and 92, and Rules 30-32, and 44-46, *infra*.

Removal of  
trade mark  
after fourteen  
years unless  
fee paid.

79.—(1.) At a time not being less than two months nor more than three months before the expiration of fourteen years (*a*) from the date of the registration of a trade mark, the comptroller shall send notice to the registered proprietor that the trade mark will be removed from the register unless the proprietor pays to the comptroller before the expiration of such fourteen years (naming the date at which the same will expire) the prescribed fee (*b*); and if such fee be not previously paid, he shall at the expiration of one month from the date of the giving of the first notice send a second notice to the same effect.

(2.) If such fee be not paid before the expiration of such fourteen years the comptroller may after the end of three months from the expiration of such fourteen years remove the mark from the register (*c*), and so from time to time at the expiration of every period of fourteen years.

(3.) If before the expiration of the said three months the registered proprietor pays the said fee together with the additional prescribed fee (*d*), the comptroller may without removing such trade mark from the register accept the said fee as if it had been paid before the expiration of the said fourteen years.

(4.) Where after the said three months a trade mark has been removed from the register for non payment of the prescribed fee, the comptroller may, if satisfied that it is just so to do, restore such trade mark to the register on payment of the prescribed additional fee (*e*).

(5.) Where a trade mark has been removed from the register for non-payment of the fee or otherwise, such trade mark shall nevertheless, for the purpose of any application (*f*) for registration during the five years next after the date of such removal, be deemed to be a trade mark which is already registered.

- (a) This section comes from the old Rules.
- (b) *i.e.*, £1. See First Schedule.
- (c) The removal and its cause are to be recorded, under Rule 45.
- (d) *i.e.*, 10s. See First Schedule.
- (e) *i.e.*, £1. See First Schedule.
- (f) The effect of this is that (under § 72) the comptroller cannot, for five years after a mark has been removed from the register, place another similar mark on the register for similar goods.

*Fees.*

80. There shall be paid in respect of applications and registration and other matters under this part of this Act, such fees as may be from time to time, with the sanction of the Treasury, prescribed by the Board of Trade (a); and such fees shall be levied and paid to the account of Her Majesty's Exchequer in such manner as the Treasury may from time to time direct.

Fees for registration, &c.

(a) Under § 7 of the Act of 1875, these fees were fixed by the Lord Chancellor, with the assent of the Treasury. For the list of fees now fixed by the Board of Trade, see the First Schedule to the Rules. Also Rule 3.

*Sheffield Marks.*

81. With respect to the master, wardens, searchers, assistants, and commonalty of the Company of Cutlers in Hallamshire, in the county of York, (in this Act called the Cutlers' Company), and the marks or devices (in this Act called Sheffield marks) assigned or registered by the master, wardens, searchers, and assistants of that company (a), the following provisions shall have effect:

Registration by Cutlers' Company of Sheffield marks.

- (1.) The Cutlers' Company shall establish and keep at Sheffield a new register of trade marks (in this Act called the Sheffield register):
- (2.) The Cutlers' Company shall enter in the Sheffield register, in respect of cutlery, edge tools, or raw steel and the goods mentioned in the next sub-section, all the trade marks entered before the commencement of this Act in respect of cutlery, edge tools, or raw steel and such goods in the register established under the Trade Marks Registration Act, 1875, belonging to persons carrying on business in Hallamshire, or within six miles thereof, and shall also enter in such register, in respect of the same goods, all the trade marks which shall have been assigned by the Cutlers' Company and actually used before the commencement of this Act, but which have not been entered in the register established under the Trade Marks Registration Act, 1875 (b).



- (3.) An application for registration of a trade mark used on cutlery, edge tools, or on raw steel, or on goods made of steel, or of steel and iron combined, whether with or without a cutting edge, shall, if made after the commencement of this Act by a person carrying on business in Hallamshire, or within six miles thereof, be made to the Cutlers' Company (*c*).
- (4.) Every application so made to the Cutlers' Company shall be notified to the comptroller in the prescribed manner (*d*), and unless the comptroller within the prescribed time (*e*) gives notice to the Cutlers' Company that he objects to the acceptance of the application, it shall be proceeded with by the Cutlers' Company in the prescribed manner (*f*):
- (5.) If the comptroller gives notice of objection as aforesaid, the application shall not be proceeded with by the Cutlers' Company, but any person aggrieved may appeal to the Court:
- (6.) Upon the registration of a trade mark in the Sheffield register the Cutlers' Company shall give notice thereof to the comptroller, who shall thereupon enter the mark in the register of trade marks; and such registration shall bear date as of the day of application to the Cutlers' Company, and have the same effect as if the application had been made to the comptroller on that day:
- (7.) The provisions of this Act, and of any general rules made under this Act, with respect to application for registration in the register of trade marks, the effect of such registration, and the assignment and transmission of rights in a registered trade mark shall apply in the case of applications and registration in the Sheffield register; and notice of every entry made in the Sheffield register must be given to the comptroller by the Cutlers' Company, save and except that the provisions of this sub-section shall not prejudice or affect any life estate and interest of a widow of the holder of any Sheffield mark which may be in force in respect of such mark at the time when it shall be placed upon the Sheffield register (*g*):
- (8.) Where the comptroller receives from any person not carrying on business in Hallamshire or within six miles thereof an application for registration of a trade mark used on cutlery, edge tools, or on raw steel, or on goods made of steel, or of steel and iron combined, whether with or without a cutting edge, he shall in

the prescribed manner (*h*) notify the application and proceedings thereon to the Cutlers' Company (*i*):

- (9.) At the expiration of five years from the commencement of this Act the Cutlers' Company shall close the Cutlers' register of corporate trade marks, and thereupon all marks entered therein shall, unless entered in the Sheffield register, be deemed to have been abandoned:
- (10.) A person may (notwithstanding anything in any Act relating to the Cutlers' Company) be registered in the Sheffield register as proprietor of two or more trade marks:
- (11.) A body of persons, corporate or not corporate, may (notwithstanding anything in any Act relating to the Cutlers' Company) be registered in the Sheffield register as proprietor of a trade mark or trade marks (*k*):
- (12.) Any person aggrieved by a decision of the Cutlers' Company in respect of anything done or omitted under this Act may, in the prescribed manner, appeal (*l*) to the comptroller, who shall have power to confirm, reverse, or modify the decision, but the decision of the comptroller shall be subject to a further appeal to the Court:
- (13.) So much of the Cutlers' Company's Acts as applies to the summary punishment of persons counterfeiting Sheffield corporate marks, that is to say, the fifth section of the Cutlers' Company's Act of 1814, and the provisions in relation to the recovery and application of the penalty imposed by such last-mentioned section contained in the Cutlers' Company's Act of 1791, shall apply to any mark entered in the Sheffield register (*m*).

(a) As to the Cutlers' Company, the old Sheffield corporate marks, and the system which prevailed with respect to Sheffield marks under the Trade Marks Registration Act, 1875, see Appendix D, *infra*. The specified goods now form a much wider class than formerly. The present section provides for the closing of the old Cutlers' register and the immediate establishment of a new one, which will be an exact duplicate of the general register, so far as it relates to marks used for the specified goods within the specified limits.

(b) By § 9 (6) of the Act of 1875, Sheffield corporate marks were allowed to be registered in the trade marks register in the same manner and upon the same terms and conditions in and upon which they might have been registered if they were not corporate marks. Under this provision it was held that where a corporate mark had been assigned by its proprietor, but had not been surrendered to the Company and re-awarded by them to the assignee, he must perfect his title with the Company before he could obtain registra-



tion under the Act: *In re Rabone*, Dig. 643. There was, however, no requirement for corporate marks to be registered.

(c) Applications under this section are to be made in duplicate, accompanied by the prescribed fees and representations: Rule 53.

(d) By sending to the comptroller one copy of the application and two representations of the mark for each class, within seven days after receipt of the application: Rule 54.

(e) One month from the receipt by the comptroller of the notice from the Company: Rule 55 (1).

(f) The Company is to require the applicant to send the comptroller a wood block or electrotype, and the comptroller is to advertise the application as in other cases: Rule 55 (2).

(g) See Rule 56, by which the proceedings at Sheffield are assimilated to those at London.

(h) By sending a copy of the official paper, with a note distinguishing the application: Rule 55 (3).

(i) In *In re Rosing*, Dig. 621, the Company opposed the registration of a trade mark on the ground of similarity to a corporate mark, but, the objection failing in the Court of first instance, were ordered to pay the costs of the motion. On appeal, however, the objection taken by the Company was supported.

(k) Compare Rule 39.

(l) For Form of Notice of Appeal, see Form W.

(m) These provisions are, shortly, that a counterfeiter may be fined not exceeding £20 by a justice or justices of the peace, subject to an appeal to Quarter Sessions. See Appendix D, *infra*.

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## PART V.

### GENERAL.

#### *Patent Office and Proceedings thereat.*

Patent Office. 82.—(1.) The Treasury may provide for the purposes of this Act an office with all requisite buildings and conveniences, which shall be called, and is in this Act referred to as, the Patent Office:

(2.) Until a new Patent Office is provided, the offices of the Commissioners of Patents for inventions and for the registration of designs and trade marks existing at the commencement of this Act (a) shall be the Patent Office within the meaning of this Act.

(3.) The Patent Office shall be under the immediate control of an officer called the comptroller general of patents, designs, and trade marks (b), who shall act under the superintendence and direction of the Board of Trade.

(4.) Any act or thing directed to be done by or to the comptroller may, in his absence, be done by or to any officer for the time being in that behalf authorised by the Board of Trade.

(a) This is in Southampton Buildings, Chancery Lane, W.C.

(b) Under the Trade Marks Registration Acts the registrar was at the head of the Registry Office.

83.—(1.) The Board of Trade (a) may at any time after the passing of this Act, and from time to time, subject to the approval of the Treasury, appoint the comptroller-general of patents, designs, and trade marks, and so many examiners and other officers and clerks, with such designations and duties as the Board of Trade think fit, and may from time to time remove any of those officers and clerks.

(2.) The salaries of those officers and clerks shall be appointed by the Board of Trade, with the concurrence of the Treasury, and the same and the other expenses of the execution of this Act shall be paid out of money provided by Parliament.

(a) The authority given by this section to the Board of Trade was formerly possessed by the Lord Chancellor, under § 7 of the Act of 1875.

84. There shall be a seal for the Patent Office, and impressions thereof shall be judicially noticed and admitted in evidence.

85. There shall not be entered in any register kept under this Act, or be receivable by the comptroller, any notice of any trust expressed implied or constructive (a).

(a) This section, so far as it relates to trade marks, comes from the old Rules.

86. The comptroller may refuse to grant a patent for an invention, or to register a design or trade mark, of which the use would, in his opinion, be contrary to law or morality (a).

(a) This is a new section, and, so far as it relates to trade marks, does not seem to carry much farther the provisions of § 6 of the Act of 1875, now re-enacted in § 73, *supra*, prohibiting the registration of a scandalous design as a trade mark.

87. Where a person becomes entitled by assignment, transmission, or other operation of law to a patent, or to the copyright in a registered design, or to a registered trade mark, the comptroller shall on request, and on proof of title to his satisfaction, cause the name of such person to be entered as proprietor of the patent, copyright in the design, or trade mark, in the register of patents, designs, or trade marks, as the case may be (a). The person for the time being entered in the register of patents, designs, or trade marks, as proprietor of a patent, copyright in a design, or trade mark, as the case may be, shall, subject to any rights appearing from such register to be vested in any other person, have power absolutely to assign (b), grant

Officers and clerks.

Seal of Patent Office.

Trust not to be entered in registers.

Refusal to grant patent, &c., in certain cases.

Entry of assignments and transmissions in registers.



licenses (c) as to, or otherwise deal with, the same and to give effectual receipts for any consideration for such assignment, license, or dealing. Provided that any equities in respect of such patent, design, or trade mark may be enforced in like manner as in respect of any other personal property.

(a) As to the mode of obtaining registration as a subsequent proprietor, see Rules 34–38 and Form K. Though § 4 of the Act of 1875 is not re-enacted, it seems that a subsequent proprietor will still, as regards his title to the trade mark, be in the same position as if his title were a continuation of the title of the first registered proprietor.

(b) A trade mark can be assigned only in connection with the goodwill of the business. See § 70, *supra*.

(c) The power of granting licenses must not be exercised so as to deceive the public, *e.g.*, so as to authorise the use of the mark on inferior goods. See ch. 7. The power of granting licenses at all seems, in the case of trade marks, rather to conflict with § 70; the intention of which appears to be that only the person entitled to the goodwill shall have the right of using the trade mark.

Inspection of  
and extracts  
from registers.

88. Every register kept under this Act shall at all convenient times be open to the inspection of the public, subject to such regulations as may be prescribed (a); and certified copies, sealed with the seal of the Patent Office, of any entry in any such register shall be given to any person requiring the same on payment of the prescribed fee (b).

(a) This section is taken from the old Rules. See Rule 49 for the present regulations. The fee for inspection is 1s. for every quarter of an hour.

(b) See First Schedule.

Sealed copies  
to be received  
in evidence.

89. Printed or written copies or extracts, purporting to be certified by the comptroller and sealed with the seal of the Patent Office, of or from patents, specifications, disclaimers and other documents in the Patent Office, and of or from registers and other books kept there, shall be admitted in evidence in all courts in Her Majesty's dominions, and in all proceedings, without further proof or production of the originals.

Rectification  
of registers by  
Court.

90.—(1.) The Court may on the application of any person aggrieved (a) by the omission without sufficient cause of the name of any person from any register kept under this Act, or by any entry made without sufficient cause in any such register, make such order (b) for making (c), expunging (d), or varying (e) 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 (f).

(2.) The Court may in any proceeding under this section decide any question that it may be necessary or expedient to decide for the rectification of a register, and may direct an issue to be tried for the decision of any question of fact, and may award damages to the party aggrieved.

(3.) Any order of the Court rectifying a register shall direct that due notice of the rectification be given to the comptroller (g).

(a) This section comes from § 5 of the Act of 1875, but is in rather different terms. As to a person aggrieved in a case of wrongful registration, see *Rose v. Evans*, 48 L. J. Ch. 618, in which it was said that "any person interested in the same trade as the registered proprietor" was a person aggrieved by a wrongful registration, and *In re Ralph*, 25 Ch. D. 194, in which the successful applicant for removal was a person attacked for infringement by the wrongfully registered proprietor. It has been thought that a person who only carries on business abroad is not a person aggrieved by a wrongful entry: *In re Riviere & Co.*, 49 L. T. N. S. 506; but this view did not meet with the approval of Lord Selborne, C., and Cotton, L. J., in the Court of Appeal (32 W. R. 390), who held that even if a person were not entitled to register in this country a trade mark exclusively intended for use abroad, which they did not decide, yet there was no ground for thinking that only a person who was himself entitled to registration could be a person aggrieved. And the Lord Chancellor pointed out that all that was necessary to constitute a "person aggrieved" was that the thing complained of should be one of the grievances mentioned in the section, and that it should tend to his injury, to inflict upon him some damage, in a legal sense. If a registered proprietor becomes insolvent while proceedings to rectify his registration are pending, his representative in bankruptcy may be added as a respondent to the application for rectification: *In re Rowe*, 48 L. T. N. S. 388.

(b) See note (n) to § 62, *ante*.

(c) Where the grievance consists in a refusal to register, "the first duty cast upon the Court," said Lord Cairns, C., in *Orr-Ewing v. Registrar of Trade Marks*, 4 App. Cas. 484, "is to ascertain whether some one, or more than one, of the essential particulars of a trade mark, as defined by this Act, is found to exist, so that the mark may be described with the one, or more than one, essential particular or particulars which distinguish it." With reference to the same state of circumstances, Lord Blackburn said in the same case (4 App. Cas. 497), "I cannot construe this section as meaning anything else than that, where the Court of Chancery is satisfied that the applicant is a person who is for the time being entitled to the exclusive use of a trade mark in accordance with law, and that the trade mark is one within the definition in the Act, the Court is, *ex debito justitiæ*, to rectify the register, just as it would, before the Act of 1875, have been bound *ex debito justitiæ*, on similar proof, to prevent any one infringing the trade mark shown to be his property," and his lordship went on to say that though the burden of proof lay upon the person making the application to amend the register, yet if he did produce such proof as would, in the opinion of the Court, entitle him to an injunction, he did not think that the Court had any discretion to consider whether the registration would be inconvenient. See note (c) to § 72, as to limiting registration by a note on the register.

(d) On an application to remove a mark from the register, the burden of proof is upon the applicant for removal, but he may prove his case by the statements in or omissions from the evidence tendered on behalf of the registered proprietor: Per Court of Appeal in *In re Leonard & Ellis*, 32 W. R. 530. Consequently if the mark is one which was inherently capable of being used as a trade mark, and the application for removal is based on an allegation that it was not used as a trade mark, but as a descriptive term, the burden of proving that it was not used as a trade mark is on the applicant. See per Cotton, L. J., *ib.*

For instances of expunging trade marks, see *Ex parte Lawrence Bros.*, Rectification 44 L. T. N. S. 98, where a servant had registered his master's trade mark; by removal.



*In re Ralph*, 25 Ch. D. 194, where the registered proprietor was carrying on no business; and *In re Hyde & Co.*, 7 Ch. D. 724; *In re Palmer* (1), 21 Ch. D. 47, and (3) 24 Ch. D. 504; and *In re Leonard & Ellis*, 53 L. J. Ch. 233, and 32 W. R. 530, where marks *publici juris* had been registered as private property. In *In re Palmer*, *In re Ralph*, and *In re Leonard & Ellis*, the marks had been respectively registered for five years. In *In re Palmer* (2), 22 Ch. D. 58, when the Court of Appeal had decided that the fact of five years' registration was not a legal bar to an application to expunge a mark, they refused to stay the hearing of the case with the evidence till after the determination by the House of Lords of an appeal from their decision on the point of law. It seems that an appeal from a decision upon an application for the removal of a trade mark from the register will not be treated as an interlocutory appeal, but that the case must be heard by three judges: *In re Riviere & Co.*, 32 W. R. 390; *In re Leonard & Ellis*, *ib.* 530.

Rectification  
by varying.

(c) In *In re Leonardt*, Dig. 610; *In re Mitchell* (2), Dig. 611; *In re Kuhn & Co.*, 53 L. J. Ch. 238; *Ex parte Sales, Pollard & Co.*, Dig. 620, and other cases, the Court has varied an entry by causing a partial disclaimer to be entered on the register. In some of these cases the consent of the registered proprietor has been required, but in a proper case the order will be made notwithstanding his opposition, as in *In re Kuhn & Co.* When registration has been effected in accordance with the application, but the application was wrong in some respect, it seems that the Court will amend the register by expunging the entry, but not by varying it so as to make the registration stand in another name. Thus Hall, V.-C., said, in *In re Ward, Sturt & Sharp*, 50 L. J. Ch. 347, "I cannot rectify the register where no error has been committed. The term 'rectification' is only applicable to cases in which there has been some mistake or error in the registration. In other cases the applicant must follow the course laid down for cases of assignment or transmission." So in *Ex parte Lawrence Bros.*, 44 L. T. N. S. 98, the Master of the Rolls expunged the entry, and left the rightful owners of the mark to make a fresh application in their own names. So in *In re Farina* (4), 44 L. T. N. S. 99, he directed administration to be taken out to the estate of the deceased registered proprietor, and the administrator, when appointed, to assign to the rightful proprietor. In *In re Rust & Co.*, 44 L. T. N. S. 98, however, the same learned judge allowed a mark to be transferred from the name of an individual member of a firm, stated to be trading under the name of the firm, into the names of all the partners trading under the name of the firm. It is not quite clear that the Court will refuse to transfer a registration from one name into another, if the registered proprietor has registered another's trade mark in his own name when he was actually employed by the true owner to register it for him, and was so the agent and trustee for the other. Sir G. Jessel, M. R., in *Ex parte Lawrence Bros.*, 44 L. T. N. S. 98, appears at least not to have thought it impossible that that might be done, but in that case there was no agency. In *In re Riviere & Co.*, 49 L. T. N. S. 506, an application for such an order was cut short by a preliminary objection, and after this had been overruled by the Court of Appeal, the application was refused upon the facts; W. N. 1884, p. 75. In America, a partner who registered in his own name a trade mark of the firm was ordered to assign to his partner an equal interest in it: *Taylor v. Bothin*, 5 Sawy. 584.

(f) This provision appears to overrule the decision in *In re Brandreth*, 9 Ch. D. 618, in cases of opposed applications which come before the Court. As to the costs of applications to remove marks, see *In re Hyde & Co.*, 7 Ch. D. 724; *In re Kuhn & Co.*, 53 L. J. Ch. 238. Where the comptroller is served with notice of the application and appears, his costs are ordered to be paid by the unsuccessful party. But there does not appear to be any

necessity for serving him in cases under this section, as there is in cases under § 92.

(*g*) See Rule 44 and Form N in the 2nd Schedule. The order is to be carried into effect by the comptroller (Rule 44), and to be made public if he thinks fit (Rule 47).

91. The comptroller may (*a*), on request in writing accompanied by the prescribed fee (*b*),—

Power for  
comptroller to  
correct clerical  
errors.

(*a*.) Correct any clerical error (*c*) in or in connection with an application for a patent, or for registration of a design or trade mark ; or

(*b*.) Correct any clerical error (*c*) in the name style or address of the registered proprietor of a patent, design, or trade mark.

(*c*.) Cancel the entry or part of the entry of a trade mark on the register (*d*): Provided that the applicant accompanies his request by a statutory declaration made by himself, stating his name, address, and calling, and that he is the person whose name appears on the register as the proprietor of the said trade mark (*e*).

(*a*) In addition to the powers given by this section, the comptroller has authority, under Rule 46, to alter in the register the address of the proprietor of a trade mark (see Form M), and, under Rule 51, to allow amendments of documents.

(*b*) By the First Schedule the fee for altering address, or allowing correction of a clerical error, or cancelling the whole or part of an entry, is 5*s*.

(*c*) For form of request, see Form Q.

(*d*) This comes from the old Rules. For form of application for cancellation, see Form O. In *In re Lysaght*, Dig. 623, a registration for all the goods in Class 5 was, on application by the proprietor, corrected by limitation to galvanized sheet iron only. In *Ex parte Sales, Pollard & Co.*, Dig. 620, the registered proprietors of a trade mark for snuff, consisting of the letters "S. P.," the initials of their firm, discovered that that mark had been for many years in common use in the snuff trade, though used originally by themselves, and procured the cancellation of the registration.

(*e*) See Rule 58, and for Form of Declaration, see Form P.

92.—(1.) The registered proprietor of any registered trade mark may apply to the Court for leave to add to or alter (*a*) such mark in any particular, not being an essential particular (*b*) within the meaning of this Act, and the Court may refuse or grant leave on such terms as it may think fit.

Alteration of  
registered  
mark.

(2.) Notice of any intended application to the Court under this section shall be given to the comptroller by the applicant (*c*); and the comptroller shall be entitled to be heard on the application.

(3.) If the Court grants leave, the comptroller shall, on proof thereof (*d*) and on payment of the prescribed fee (*e*), cause the register to be altered in conformity with the order of leave.



- Alteration of trade marks.
- (a) This section is taken from the old Rules.
- (b) For what is an "essential particular," see § 64, *supra*. In *Ex parte Walker & Co.*, Dig. 624, a trade mark consisting of the letter "W," a crown, and the word "Netherton" was allowed to be altered by substituting "Dudley" for "Netherton." In *Ex parte Lazenby*, V.-C. M., Feb. 26th, 1880, a trade mark was allowed to be altered by varying the address and changing the type in which it was printed. In *In re Dewhurst*, M. R., June 11th, 1880, a trade mark which had been assigned was not allowed to be altered by substituting the name of the assignee for that of the assignor, that being printed in the form of a signature, so as to constitute an essential particular; but in a similar trade mark, which had the name of the assignor printed in ordinary type, the substitution was allowed to be made. In *In re Boord*, M. R., March 25th, 1881, persons who were registered as proprietors of a trade mark which contained a former name of their firm in ordinary type, were allowed to remove the name from the mark, leaving the space a blank, with permission, when using the mark, to insert in that space the name of the firm for the time being.
- (c) Notice must be given to the comptroller fourteen days before the application. See Rule 48.
- (d) As to mode of notifying the order to the comptroller, see Rule 44 and Form N.
- (e) *I.e.*, 10a. See First Schedule. Representations of the mark as altered are also to be supplied. See Rule 48.

Falsification of entries in registers.

93. If any person makes or causes to be made a false entry in any register kept under this Act, or a writing falsely purporting to be a copy of an entry in any such register, or produces or tenders, or causes to be produced or tendered, in evidence any such writing, knowing the entry or writing to be false, he shall be guilty of a misdemeanour.

Exercise of discretionary power by comptroller.

94. Where any discretionary power is by this Act given to the comptroller, he shall not exercise that power adversely to the applicant for a patent, or for amendment of a specification, or for registration of a trade mark or design, without (if so required within the prescribed time by the applicant) giving the applicant an opportunity of being heard personally or by his agent (a).

(a) See Rules 17—19 as to the exercise by the comptroller of his discretionary powers.

Power of comptroller to take directions of law officers.

95. The comptroller may, in any case of doubt or difficulty arising in the administration of any of the provisions of this Act, apply to either of the law officers (a) for directions in the matter.

(a) The Attorney General or Solicitor-General for England. See § 117.

Certificate of comptroller to be evidence.

96. A certificate purporting to be under the hand of the comptroller as to any entry, matter, or thing which he is authorised by this Act, or any general rules made thereunder, to make or do, shall be *prima facie* evidence of the entry having been made, and of the contents thereof, and of the matter or thing having been done or left undone (a).

(a) This section is somewhat modified from § 8 of the Act of 1875, by which the certificate of the registrar was made evidence. Now the certificate is to be *prima facie* evidence only.

By § 77, *supra*, the comptroller is authorised to grant a certificate of refusal to register an old mark (see Forms L and T), and by Rule 57 he may give a certificate, when required so to do, for the purpose of any legal proceeding or other special purpose, and on so doing *shall* specify on the face of it the purpose for which it is granted. (See Forms R, S, and T 1.)

See Instructions *infra*, paragraphs 39—41, in which it is stated that the comptroller's certificate in relation to a trade mark is of four kinds, viz. :—

- (i.) For use in legal proceedings.
- (ii.) For use in applying for registration in foreign countries.
- (iii.) Of any application made and of proceedings thereon.
- (iv.) A certificate of refusal of a mark in use before the 18th August, 1875, and not registrable.

97.—(1.) Any application, notice or other document authorised or required to be left, made, or given at the Patent Office or to the comptroller, or to any other person under this Act, may be sent by a prepaid letter through the post; and if so sent shall be deemed to have been left, made, or given respectively at the time when the letter containing the same would be delivered in the ordinary course of post. Applications and notices by post.

(2.) In proving such service or sending, it shall be sufficient to prove that the letter was properly addressed and put into the post (a).

(a) See Rule 16.

98. Whenever the last day fixed by this Act, or by any rule for the time being in force, for leaving any document or paying any fee at the Patent Office shall fall on Christmas Day, Good Friday, or on a Saturday or Sunday, or any day observed as a holiday at the Bank of England, or any day observed as a day of public fast or thanksgiving, herein referred to as excluded days, it shall be lawful to leave such document or to pay such fee on the day next following such excluded day, or days if two or more of them occur consecutively. Provision as to days for leaving documents at office.

99. If any person is, by reason of infancy, lunacy, or other inability, incapable of making any declaration or doing anything required or permitted by this Act or by any rules made under the authority of this Act, then the guardian or committee (if any) of such incapable person, or if there be none, any person appointed by any court or judge possessing jurisdiction in respect of the property of incapable persons, upon the petition of any person on behalf of such incapable person, or of any other person interested in the making such declaration or doing such thing, may make such declaration or a declaration as nearly corresponding thereto as circumstances permit, and do such thing in the name and on behalf of such incapable person, and all acts done by such sub- Declaration by infant, lunatic, &c.



stitute shall for the purposes of this Act be as effectual as if done by the person for whom he is substituted (a).

(a) This section, so far as it relates to trade marks, comes from the old Rules.

Transmission of certified printed copies of specifications, &c.

100. Copies of all specifications, drawings, and amendments left at the Patent Office after the commencement of this Act, printed for and sealed with the seal of the Patent Office, shall be transmitted to the Edinburgh Museum of Science and Art, and to the Enrolments Office of the Chancery Division in Ireland, and to the Rolls Office in the Isle of Man, within twenty-one days after the same shall respectively have been accepted or allowed at the Patent Office; and certified copies of or extracts from any such documents shall be given to any person requiring the same on payment of the prescribed fee; and any such copy or extract shall be admitted in evidence in all courts in Scotland and Ireland and in the Isle of Man without further proof or production of the originals.

Power for Board of Trade to make general rules for classifying goods and regulating business of Patent Office.

101.—(1.) The Board of Trade may from time to time make such general rules (a) and do such things as they think expedient, subject to the provisions of this Act—

- (a.) For regulating the practice of registration under this Act:
- (b.) For classifying goods for the purposes of designs and trade marks (b):
- (c.) For making or requiring duplicates of specifications, amendments, drawings, and other documents:
- (d.) For securing and regulating the publishing and selling of copies, at such prices and in such manner as the Board of Trade think fit, of specifications, drawings, amendments, and other documents:
- (e.) For securing and regulating the making, printing, publishing, and selling of indexes to, and abridgments of, specifications and other documents in the Patent Office; and providing for the inspection of indexes and abridgments and other documents:
- (f.) For regulating (with the approval of the Treasury) the presentation of copies of Patent Office publications to patentees and to public authorities, bodies, and institutions at home and abroad:
- (g.) Generally for regulating the business of the Patent Office, and all things by this Act placed under the direction or control of the comptroller, or of the Board of Trade.

(2.) Any of the forms in the First Schedule to this Act may be altered or amended by rules made by the Board as aforesaid (c).

(3.) General rules may be made under this section at any time after the passing of this Act, but not so as to take effect before the commencement of this Act, and shall (subject as hereinafter mentioned) be of the same effect as if they were contained in this Act, and shall be judicially noticed.

(4.) Any rules made in pursuance of this section shall be laid before both Houses of Parliament, if Parliament be in session at the time of making thereof, or, if not, then as soon as practicable after the beginning of the then next session of Parliament, and they shall also be advertised twice in the official journal to be issued by the comptroller.

(5.) If either House of Parliament, within the next forty days after any rules have been so laid before such House, resolve that such rules or any of them ought to be annulled, the same shall after the date of such resolution be of no effect, without prejudice to the validity of anything done in the meantime under such rules or rule or to the making of any new rules or rule.

(a) The power of making rules was formerly, by § 7 of the Act of 1875, vested in the Lord Chancellor. For the rules which have been made by the Board of Trade, see *infra*.

(b) See classification in Third Schedule to Rules.

(c) See Forms in Second Schedule to Rules. A new Form F. is thereby substituted for Form F. appended to the Act.

102. The comptroller shall, before the first day of June in every year, cause a report respecting the execution by or under him of this Act to be laid before both Houses of Parliament, and therein shall include for the year to which each report relates all general rules made in that year under or for the purposes of this Act, and an account of all fees, salaries and allowances, and other money received and paid under this Act. Annual reports of comptroller.

### *International and Colonial Arrangements.*

103.—(1.) If Her Majesty is pleased to make any arrangement with the government or governments of any foreign state or states for mutual protection of inventions, designs, and trade marks, or any of them, then any person who has applied for protection for any invention, design, or trade mark in any such state, shall be entitled to a patent for his invention or to registration of his design or trade mark (as the case may be) under this Act, in priority to other applicants (a); and such patent or registration shall have the same date as the date of the protection obtained in such foreign state. International arrangements for protection of inventions, designs, and trade marks.

Provided that his application is made, in the case of a patent



within seven months, and in the case of a design or trade mark within four months, from his applying for protection in the foreign state with which the arrangement is in force.

Provided that nothing in this section contained shall entitle the patentee or proprietor of the design or trade mark to recover damages for infringements happening prior to the date of the actual acceptance of his complete specification, or the actual registration of his design or trade mark in this country, as the case may be.

(2.) The publication in the United Kingdom or the Isle of Man during the respective periods aforesaid of any description of the invention, or the use therein during such periods of the invention, or the exhibition or use therein during such periods of the design, or the publication therein during such periods of a description or representation of the design, or the use therein during such periods of the trade mark, shall not invalidate the patent which may be granted for the invention, or the registration of the design or trade mark :

(3.) The application for the grant of a patent, or the registration of a design, or the registration of a trade mark under this section, must be made in the same manner as an ordinary application under this Act: Provided that, in the case of trade marks, any trade mark the registration of which has been duly applied for in the country of origin may be registered under this Act (b):

(4.) The provisions of this section shall apply only in the case of those foreign states with respect to which Her Majesty shall from time to time by Order in Council declare them to be applicable, and so long only in the case of each state as the Order in Council shall continue in force with respect to that state.

(a) This section is new. In the case of trade marks used by aliens, the existence of a convention between the state to which the alien belongs and the British Government is not a necessary condition precedent to his registration here. If he has applied for registration in his own country, he may be registered here (see sub-s. 3), but if there is a convention between his country and this, he will have the advantage of priority to other applicants. The Act does not say that to obtain priority the application for registration in a foreign state with which there is a convention must have been made by a subject of that state. That is apparently the intention of the section, but there is nothing to say that the same priority is to be refused to a subject of a different state, with which there may possibly be no convention, or even to a British subject, who has applied in a country with which there is a convention. On the other hand, in the proviso in sub-s. (3) the term "country of origin" is employed. Again, in sub-s. (3) the words are "has been *duly* applied for," whereas in sub-s. (1) there is nothing about "duly," and for all that appears the application may be one which could not possibly succeed in the foreign country. Of course a foreign trade mark could not be registered here unless it complied with the conditions of § 64.

(b) The effect of this seems to be that a foreign trade mark owner must apply for registration in his own country before he can be registered here (compare *In re Riviere & Co.*, 49 L. T. N. S. 506; and see per O. A. in S. C. 32 W. R. 390). But a foreign subject trading and using trade marks in this country would not be within this provision.

The case where an alien belongs to a country which has no system of registration does not appear to be provided for; but it would seem that in such a case an application abroad would be dispensed with.

104.—(1.) Where it is made to appear to Her Majesty that the legislature of any British possession (a) has made satisfactory provision for the protection of inventions, designs, and trade marks, patented or registered in this country, it shall be lawful for Her Majesty from time to time, by Order in Council, to apply the provisions of the last preceding section, with such variations or additions, if any, as to Her Majesty in Council may seem fit, to such British possession.

Provision for  
Colonies and  
India.

(2.) An Order in Council under this Act shall, from a date to be mentioned for the purpose in the Order, take effect as if its provisions had been contained in this Act; but it shall be lawful for Her Majesty in Council to revoke any Order in Council made under this Act.

(a) See the definition of "British possession" in § 117, *infra*.

### Offences.

105.—(1.) Any person who represents that any article sold by him is a patented article, when no patent has been granted for the same (a), or describes any design or trade mark (b) applied to any article sold by him as registered which is not so, shall be liable for every offence on summary conviction (c) to a fine not exceeding five pounds.

Penalty on  
falsely repre-  
senting arti-  
cles to be  
patented.

(2.) A person shall be deemed, for the purposes of this enactment, to represent that an article is patented or a design or a trade mark is registered, if he sells the article with the word "patent," "patented," "registered," or any word or words expressing or implying that a patent or registration has been obtained for the article stamped, engraved, or impressed on, or otherwise applied to, the article (d).

(a) This section, so far as it relates to an untrue representation as to the existence of a patent, is in substance a re-enactment of § 7 of 5 & 6 Will. IV. c. 83. In that case, however, the penalty of £50 was imposed, recoverable in an action, and a fraudulent intention was of the essence of the offence. See *Myers v. Baker*, 3 H. & N. 802. This section appears to follow that in not imposing a penalty where there has been a patent, though it may have expired. Under the U. S. Revised Statutes a penalty is imposed for a misrepresentation as to the existence of a patent, but there is no offence if there has been a patent, and the date of the patent is given. See *Wilson v. Singer Manufacturing Co.*, 16 U. S. Pat. Gaz. 1091.

See § 7 of the Merchandise Marks Act, 1862.



(b) Hitherto no penalty has been recoverable for untruly representing that a trade mark is registered.

(c) As to "summary conviction" in Ireland, see § 117.

(d) See Ch. 7, *ante*.

Penalty on unauthorised assumption of Royal Arms

106. Any person who, without the authority of Her Majesty, or any of the Royal Family, or of any Government Department, assumes or uses in connection with any trade, business, calling, or profession, the Royal Arms, or arms so nearly resembling the same as to be calculated to deceive, in such a manner as to be calculated to lead other persons to believe that he is carrying on his trade, business, calling, or profession by or under such authority as aforesaid (a), shall be liable on summary conviction (b) to a fine not exceeding twenty pounds (c).

(a) This section is new. For an offence against it to be committed it is not sufficient to prove that a person is using the Royal Arms without authority, or that what he is doing is calculated to lead to the belief that the user of the arms is authorised; but it must be proved that that user is calculated to lead to the belief that the trader is *carrying on his business* by Royal or Governmental authority.

(b) As to "summary conviction" in Ireland, see § 117.

(c) The following notice has been published in the *London Gazette* :—

"FRIDAY, FEB. 22.

"BOARD OF GREEN CLOTH, BUCKINGHAM PALACE, FEB. 19.

"Notice is hereby given that by section 106 of the Patents, Designs, and Trade Marks Act, 1883 (46 & 47 Victoria, cap. 57), a penalty of £20 is incurred by any persons who, without proper authority, assume the Royal Arms with a view to lead other persons to believe that they are employed under any department of Her Majesty's Household.

"SYDNEY, Lord Steward."

It will be observed that the above notice treats fraudulent intention as of the essence of the offence; but this does not appear to be in accordance with the provisions of the section.

#### *Scotland ; Ireland ; &c.*

Saving for courts in Scotland.

107. In any action for infringement of a patent in Scotland the provisions of this Act, with respect to calling in the aid of an assessor, shall apply, and the action shall be tried without a jury, unless the court shall otherwise direct, but otherwise nothing shall affect the jurisdiction and forms of process of the courts in Scotland in such an action or in any action or proceeding respecting a patent hitherto competent to those courts.

For the purposes of this section "Court of Appeal" shall mean any court to which such action is appealed.

Summary proceedings in Scotland.

108. In Scotland any offence under this Act declared to be punishable on summary conviction may be prosecuted in the Sheriff Court.

Proceedings for revocation of patent in Scotland.

109.—(1.) Proceedings in Scotland for revocation of a patent shall be in the form of an action of reduction at the instance of the Lord Advocate, or at the instance of a party having interest with his concurrence, which concurrence may be given on just cause shown only.

(2.) Service of all writs and summonses in that action shall be made according to the forms and practice existing at the commencement of this Act.

110. All parties shall, notwithstanding anything in this Act, have in Ireland their remedies under or in respect of a patent as if the same had been granted to extend to Ireland only. Reservation of remedies in Ireland.

111.—(1.) The provisions of this Act conferring a special jurisdiction on the Court as defined by this Act, shall not, except so far as the jurisdiction extends, affect the jurisdiction of any Court in Scotland or Ireland in any proceedings relating to patents or to designs or to trade marks; and with reference to any such proceedings in Scotland, the term “the Court” shall mean any Lord Ordinary of the Court of Session, and the term “Court of Appeal” shall mean either Division of the said Court; and with reference to any such proceedings in Ireland, the terms “the Court” and “the Court of Appeal” respectively mean the High Court of Justice in Ireland and Her Majesty’s Court of Appeal in Ireland. General saving for jurisdiction of courts.

(2.) If any rectification of a register under this Act is required in pursuance of any proceeding in a Court in Scotland or Ireland, a copy of the order, decree, or other authority for the rectification, shall be served on the Comptroller, and he shall rectify the register accordingly.

112. This Act shall extend to the Isle of Man, and— Isle of Man.

(1.) Nothing in this Act shall affect the jurisdiction of the Courts in the Isle of Man, in proceedings for infringement or in any action or proceeding respecting a patent, design, or trade mark competent to those Courts;

(2.) The punishment for a misdemeanor under this Act in the Isle of Man shall be imprisonment for any term not exceeding two years, with or without hard labour, and with or without a fine not exceeding one hundred pounds, at the discretion of the Court;

(3.) Any offence under this Act committed in the Isle of Man which would in England be punishable on summary conviction may be prosecuted, and any fine in respect thereof recovered at the instance of any person aggrieved, in the manner in which offences punishable on summary conviction may for the time being be prosecuted.

*Repeal; Transitional Provisions; Savings.*

113. The enactments described in the Third Schedule to this Act are hereby repealed. But this repeal of enactments shall not— Repeal and saving for past operation



of repealed enactments, &c.

- (a.) Affect the past operation of any of those enactments, or any patent or copyright or right to use a trade mark granted or acquired, or application pending, or appointment made, or compensation granted, or order or direction made or given, or right, privilege, obligation, or liability acquired, accrued, or incurred, or anything duly done or suffered under or by any of those enactments before or at the commencement of this Act; or
- (b.) Interfere with the institution or prosecution of any action or proceeding, civil or criminal, in respect thereof, and any such proceeding may be carried on as if this Act had not been passed; or
- (c.) Take away or abridge any protection or benefit in relation to any such action or proceeding.

Former registers to be deemed continued.

114.—(1.) The registers of patents and of proprietors kept under any enactment repealed by this Act shall respectively be deemed parts of the same book as the register of patents kept under this Act.

(2.) The registers of designs and of trade marks (a) kept under any enactment repealed by this Act shall respectively be deemed parts of the same book as the register of designs and the register of trade marks kept under this Act.

(a) The register of trade marks was previously to this Act kept under the authority of the Trade Marks Registration Act, 1875 (38 & 39 Vict. c. 91, by § 1 of which it was established), and the amending Acts (39 & 40 Vict. c. 33, and 40 & 41 Vict. c. 37). Those Acts placed the register under the superintendence of the then Commissioners of Patents, now abolished. See *In re Meikle*, 24 W. R. 1067; *In re Barrows*, 5 Ch. D. 353—61; *In re Rotherham*, 11 Ch. D. 250; 14 *ib.* 585.

Saving for existing rules.

115. All general rules made by the Lord Chancellor or by any other authority under any enactment repealed by this Act, and in force at the commencement of this Act, may at any time after the passing of this Act be repealed, altered, or amended by the Board of Trade, as if they had been made by the Board under this Act, but so that no such repeal, alteration, or amendment shall take effect before the commencement of this Act; and, subject as aforesaid, such general rules shall, so far as they are consistent with and are not superseded by this Act, continue in force as if they had been made by the Board of Trade under this Act (a).

(a) Rule 60 repeals all the old Rules.

Saving for prerogative.

116. Nothing in this Act shall take away, abridge, or prejudicially affect the prerogative of the Crown in relation to the granting of any letters patent or to the withholding of a grant thereof.

*General Definitions.*

117. In and for the purposes of this Act, unless the context otherwise requires,— General definitions.

“Person” includes a body corporate:

“The Court” means (subject to the provisions for Scotland, Ireland, and the Isle of Man) Her Majesty’s High Court of Justice in England:

“Law officer” means Her Majesty’s Attorney-General or Solicitor-General for England:

“The Treasury” means the Commissioners of Her Majesty’s Treasury:

“Comptroller” means the Comptroller General of Patents, Designs, and Trade Marks:

“Prescribed” means prescribed by any of the Schedules to this Act, or by general rules under or within the meaning of this Act:

“British possession” means any territory or place situate within Her Majesty’s dominions, and not being or forming part of the United Kingdom, or of the Channel Islands, or of the Isle of Man, and all territories and places under one legislature, as hereinafter defined, are deemed to be one British possession for the purposes of this Act:

“Legislature” includes any person or persons who exercise legislative authority in the British possession; and where there are local legislatures as well as a central legislature, means the central legislature only.

In the application of this Act to Ireland “summary conviction” means a conviction under the Summary Jurisdiction Acts, that is to say, with reference to the Dublin Metropolitan Police District the Acts regulating the duties of justices of the peace and of the police for such district, and elsewhere in Ireland the Petty Sessions (Ireland) Act, 1851, and any Act amending it.



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**SCHEDULES.**


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**THE FIRST SCHEDULE.**
*Forms of Application, &c. (a).*

(a) The only Form relating to trade marks is Form F., for which an amended Form F. is substituted by the Trade Marks Rules, *q. v. infra*.

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**THE SECOND SCHEDULE.**
*Fees on Instruments for obtaining Patents and Renewal.*


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**THE THIRD SCHEDULE.**
*Enactments Repealed.*

*	*	*	*	*	*
38 & 39 Vict. c. 91.	[1875].—	The Trade Marks Registration Act, 1875.			
39 & 40 Vict. c. 33.	[1876].—	The Trade Marks Registration Amendment Act, 1876.			
40 & 41 Vict. c. 37.	[1877].—	The Trade Marks Registration Extension Act, 1877.			

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## TRADE MARKS RULES.

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By virtue of the provisions of the Patents, Designs, and Trade Marks Act, 1883, the Board of Trade do hereby make the following Rules \*:—

### PRELIMINARY.

1. These Rules may be cited as the Trade Marks Rules, 1883, and shall come into operation from and immediately after the 31st day of December, 1883.

### INTERPRETATION.

2. In the construction of these Rules any words herein used defined by the said Act (a) shall have the meanings thereby assigned to them respectively.

(a) See § 117.

### FEES.

3. The fees to be paid in pursuance of the said Act, so far as it relates to trade marks, shall be the fees specified in the First Schedule hereto (a).

(a) See § 80. The fees are to be paid by stamps. See Instructions, pars. 2 and 36, *infra*.

### FORMS.

4. The Form F. in the First Schedule to the said Act shall be altered or amended by the substitution therefor of the Form F. in the Second Schedule to these Rules (a).

(a) For this Schedule see Appendix B., *infra*. See Instructions, par. 3, *infra*, for list of stamped forms.

5.—(1) An application for registration of a trade mark shall be made in the Form F. in the Second Schedule to these Rules;

(2) The remaining forms in such schedule may be used in all cases to which they are applicable.

\* Under the old Acts three successive sets of Rules were made, one in 1875, one in 1876 (which was considerably altered from time to time), and the last in March, 1883.

All these are now repealed (see Rule 60, *infra*). The repealed Rules as to cotton marks are printed *infra*, in order to enable the position of such marks to be understood.



## CLASSIFICATION OF GOODS.

Classification  
of goods.

6. For the purposes of trade marks registration and of these Rules goods are classified in the manner appearing in the Third Schedule hereto.

If any doubt arises as to what class any particular description of goods belongs to, the doubt shall be determined by the comptroller (*a*).

(*a*) See § 65. A guide to the classification can be obtained on application at the office. See Instructions, par. 20, *infra*.

## APPLICATION FOR REGISTRATION.

Application  
by firm.

7. An application (*a*) for registration of a trade mark, if made by any firm or partnership, may be signed (*b*) by some one or more members of such firm or partnership, as the case may be.

If the application be made by a body corporate it may be signed (*c*) by the Secretary or other principal officer of such body corporate.

(*a*) See § 62. For mode of making application, see also Instructions, pars. 7-20, *infra*. A separate form is required for each class—par. 10. As to disclaimer of open marks see § 74, and Instructions, par. 19.

(*b*) A member signing an application should add after his signature "A member of the Firm." See Instructions, par. 11.

(*c*) The officer signing should add after his signature and designation "For the Company." See Instructions, par. 11.

Agency.

8. An application for registration and all other communications between the applicant and the comptroller may be made by or through an agent duly authorised to the satisfaction of the comptroller (*a*).

(*a*) An agent signing should add after his signature the word "Agent." See Instructions, par. 12.

Acknowledg-  
ment of appli-  
cation.  
Contents of  
form of appli-  
cation.

9. On receipt of the application the comptroller shall furnish the applicant with an acknowledgment thereof.

10. Where application is made to register a trade mark which was used (*a*) by the applicant or his predecessors in business before the 13th of August, 1875 (*b*), the application shall contain a statement (*c*) of the time during which and of the person by whom it has been so used in respect of the goods mentioned in the application.

(*a*) *i.e.*, in respect of the same goods for which the application is being made. Registration must be applied for as for a new mark when the mark has been used on different goods. See *In re Jelley, Son & Jones*, 51 L. J. Ch., 639.

(*b*) This is the date of the passing of the Act of 1875, and at this point the line is drawn between old and new marks, various indulgences being

allowed to the former which are not to the latter. See notes to § 64 and 72.

(c) A mere statement is now required, see note to Form F. Formerly a statutory declaration was necessary.

11. Subject to any other directions that may be given by the comptroller, all applications, notices, counter-statements, representations of marks, papers having representations affixed, or other documents required by the said Act or by these Rules to be left with or sent to the comptroller or to the Cutlers' Company (a), shall be upon foolscap paper of a size of 13 inches by 8 inches, and shall have on the left-hand part thereof a margin of not less than one inch and a half. Size, &c., of documents.

(a) See § 81, and Rules 53-56.

12. In the case of an application for the registration of a trade mark used on any metal goods, other than cutlery, edge tools, and raw steel, the applicant shall state in the specification of goods in the form of application of what metal or metals the goods in respect to which he applies are made (a). Qualification of metal goods.

(a) See Instructions, par. 14.

13. Subject to any other directions that may be given by the comptroller, three representations (a) of each trade mark, except in the case of marks applied for in classes 23 to 35 inclusive (b), must be supplied upon paper of the size aforesaid, and must be of a durable nature. One of such representations must be made upon or affixed to the form of application, the others upon separate half-sheets. In the case of trade marks exceeding the limits of the foolscap paper of the size aforesaid, such marks may be pasted and folded upon the sheets of foolscap (c). Representations of trade mark.

In the case of marks applied for in classes 23 to 35 inclusive, the applicant shall supply four representations (a) of each mark for each class.

Where a drawing or other representation or specimen cannot be given in manner aforesaid, a specimen or copy of the trade mark may be sent either of full size or on a reduced scale, and in such form as the comptroller may think most convenient.

The comptroller may, if dissatisfied with the representation of a trade mark, require a fresh representation, either before he proceeds with the application or before he registers the trade mark.

The comptroller may also, in exceptional cases, deposit in the Patent Office a specimen or copy of any trade mark which cannot conveniently be shown by a representation, and may refer thereto in the register in such manner as he may think fit (e).



(a) See § 62 (3), and Instructions, para. 13, 16 and 17.

(b) These are the textile classes.

(c) See Instructions, par. 17.

(d) One of these will be exhibited at the Office, 48, Royal Exchange, Manchester.

(e) As to deposit, see note to § 67. Hitherto all cotton marks have been deposited, but other marks have been deposited in exceptional cases only. See *In re Robinson*, 29 W. R., 31; *Mitchell v. Henry*, 15 Ch. D., 181; *In re Jones Bros. & Co.*, V. C. H., July 10th, 1880.

Representations of a series of trade marks.

14. When an application relates to a series of trade marks differing from one another in respect of the particulars mentioned in section 66 of the said Act, a representation of each trade mark of the series shall be made or affixed upon the form of application and also upon each of the separate half sheets of paper aforesaid (a).

(a) See Instructions, par. 18.

Translation of foreign characters.

15. Wherever a mark consists of or includes words printed in other than Roman character, there shall be given at the foot or on the back of each representation a translation of such words, signed by the applicant or his agent (a).

(a) See Instructions, par. 15, and *In re Rotherham*, 11 Ch. D., 250; 14 *ib.* 585.

Mode of sending notices, &c.

16. Any application, statement, notice, or other document authorised or required to be left, made, or given at the Patent Office, or to the comptroller, or to any other person under these Rules, may be sent by a prepaid letter through the post, and if so sent shall be deemed to have been left, made, or given respectively at the time when the letter containing the same would be delivered in the ordinary course of post (a).

In proving such service or sending, it shall be sufficient to prove that the letter was properly addressed and put into the post.

(a) See § 97, and Instructions, para. 1, 8. Communications relating to different applications should be made in separate letters. See Instructions, par. 8.

#### EXERCISE OF DISCRETIONARY POWERS.

Hearing by Comptroller.

17. Before exercising any discretionary power (a) given to the comptroller by the said Act adversely to the applicant for registration of a trade mark, the comptroller shall give him ten days notice of the time when he may be heard personally or by his agent before the comptroller.

(a) See § 94.

18. Within five days from the date when such notice would be delivered in the ordinary course of post, the applicant shall notify to the comptroller whether or not he intends to be heard upon the matter. Notice of wish to be heard before Comptroller.

19. The decision of the comptroller in the exercise of any such discretionary power as aforesaid shall be notified to the applicant. Notification of decision.

#### APPEAL TO THE BOARD OF TRADE.

20. Where the comptroller refuses to register a trade mark, and the applicant intends to appeal to the Board of Trade from such refusal, he shall, within one month from the date of the decision appealed against, leave at the Patent Office, Trade Marks Branch, a notice of such his intention (a). Appeal to Board of Trade.

(a) As to the appeal to the Board of Trade, see § 62 (4).

21. Such notice shall be accompanied by a statement of the grounds of appeal, and of the applicant's case in support thereof (a). Statement of grounds of appeal.

(a) See Form H.

22. The applicant shall forthwith on leaving such notice send a copy thereof to the Secretary of the Board of Trade, No. 7, Whitehall Gardens, London. Copy of notice to Board of Trade.

23. The Board of Trade may thereupon give such directions (if any) as they may think fit with respect to evidence, or otherwise, for the purpose of the hearing of the appeal by the Board of Trade, or for the purpose of their referring the appeal to the Court to hear and determine the same (a). Directions by Board.

(a) See § 62 (5).

24. Where the Board of Trade intend to hear the appeal, seven days' notice, or such shorter notice as the Board of Trade may in any particular case direct, of the time and place appointed for the hearing, shall be given to the comptroller and the applicant. Notice of time of hearing.

#### ADVERTISEMENT OF APPLICATION.

25. Every application shall be advertised (a) by the comptroller in the official paper, during such times, and in such manner as the comptroller may direct. Advertisement of application.

If no representation of the trade mark be inserted in the official paper in connection with the advertisement of an application, the comptroller shall refer in such advertisement to the place or



places where a specimen or representation of the trade mark is deposited for exhibition (b).

(a) As to advertisement, see § 68, and Instructions, pars. 21-28. "The object of the advertisement is to give to persons who might be claimants of the trade mark proposed to be registered the opportunity of coming forward and objecting," said Hall, V.-C., in *In re Meikle*, 24 W. R., 1067, and advertisement is therefore indispensable, *ib.* It is not, however, incumbent on persons to see the advertisement, and if a common mark has been registered, after advertisement, and without opposition, it may be removed from the register on application by persons aggrieved: *In re Hyde & Co.*, 7 Ch. D., 724; and descriptive words may be removed from the register even after they have been there for five years. *In re Palmer* (3), 24 Ch. D., 504; *In re Leonard & Ellis*, 53 L. J. Ch., 233, and C. A., 32 W. R. 530.

(b) See Rule 13, *supra*.

Definition of official paper.

26. The official paper (a) for the purposes of these Rules shall be some paper published under the direction of the Board of Trade, or such other paper as such Board may from time to time direct.

(a) The official paper is at present *The Trade Marks Journal*, published once a week. It contains illustrations of all the trade marks for which application is made, or a reference to the places where they may be seen, as well as the name, address, and calling of each applicant, the description of the goods, and the length of user as an old mark, if any, thus affording all persons interested in the use of trade marks authentic information as to the nature of the marks applied for in their respective trades. Each number of the journal consists of 24 pages quarto, and may be obtained at 1s. per number from the Patent Office, Sale Branch, 38, Curator Street, Chancery Lane. Copies of the journal are open to inspection at the Patent Office Library, Southampton Buildings, Chancery Lane. Up to the end of December, 1883, 300 numbers of the journal had been published.

Means of advertising trade mark to be supplied to official paper.

27. For the purposes of such advertisement the applicant may be required to furnish a wood block or electrotype (or more than one, if necessary) of the trade mark, of such dimensions as may from time to time be directed by the comptroller, or with such other information or means of advertising the trade mark as may be required by the comptroller; and the comptroller, if dissatisfied with the block or electrotype furnished by the applicant or his agent, may require a fresh block or electrotype before proceeding with the advertisement (a).

(a) See Instructions, pars. 22-28. In Classes 23-25 (the cotton classes) no blocks or electrotypes are required. See par. 22.

Advertisement of series.

28. When an application relates to a series of trade marks differing from one another in respect of the particulars mentioned in section 66 of the said Act, the applicant may be required to furnish a wood block or electrotype (or more than one, if necessary) of any or of each of the trade marks constituting the

series (a); and the comptroller may, if he thinks fit, insert with the advertisement of the application a statement of the manner in respect of which the several trade marks differ from one another.

(a) See Instructions, par. 23.

#### OPPOSITION TO REGISTRATION.

29.—(1.) Where a case stands for the determination of the Court under the provisions of section 69 of the said Act (a), the comptroller shall require the applicant (b) within one month, or such further time as the comptroller may allow, to issue a summons in the chambers of a judge of Her Majesty's High Court of Justice for an order that notwithstanding the opposition of which notice has been given the registration of the trade mark be proceeded with by the comptroller, or to take such other proceedings as may be proper and necessary for the determination of the case by the Court.

Manner of bringing case before Court.

(2.) The applicant shall thereupon issue such summons, or take such other proceedings as aforesaid, within the period of one month above named, or such further time as the comptroller may allow, and shall also within the like period give notice thereof to the comptroller.

(3.) If the applicant shall fail to issue such summons, or to take such other proceedings, of which failure the non-receipt by the comptroller of the said notice shall be sufficient proof, the applicant shall be deemed to have abandoned his application (c).

(4.) Such notice to the comptroller shall be given by delivering at or sending to the Patent Office a copy of the summons or other initiatory proceeding bearing an endorsement of service signed by the applicant or his solicitor, or an endorsement of acceptance of service signed by the opponent or his solicitor (d).

Mode of giving notice that the matter has been brought before the Court.

(a) The case stands for the determination of the Court upon security for costs being given by the opponent. From this point formerly the costs were in the discretion of the Court: *In re Brandreth*, 9 Ch. D. 618; but it seems that the Court will now have full jurisdiction from the outset. See § 90.

(b) Under the old Acts and Rules the practice was to require the opponent to take proceedings for the purpose of bringing the matter before the Court. The opponent thereupon took out a summons for directions as to the course to be followed, upon which it was usual for the applicant to be directed to apply for registration by way of motion or summons. In *In re Salamon*, Dig. 569, Jessel, M.R., said that the best mode of trying the case was by special case, when it was a simple question of law; by summons, when it was a question as to directions for carrying out the Act; by motion, when it was a question as to disputed facts. In *In re Simpson, Davies & Sons*, 15 Ch. D. 525, he said he usually directed a summons, but had in



one or two cases directed a motion. In *Ex parte King of Saxony*, Dig. 598, Hall, V.-C., directed a motion. Latterly a summons was almost invariably directed. See also *In re Johnston*, 43 L. T. N. S. 672, as to the course of procedure where there is an action pending. The summons for directions is now discontinued, and a summons for leave to register will have to be taken out by the applicant, unless he can show that some other form of proceeding is proper and necessary.

Cases of omission to give notice.

(c) Under the old Rules, and while the first step had to be taken by the opponent, who had to give notice thereof to the office, two cases occurred in which trade marks were registered, though the registration was opposed, in consequence of no notice having been given to the office by the opponents of their having brought the matter before the Court. In one of these cases, *In re The Patent Nut & Bolt Screw Co.*, Chitty, J., March 9th, 1883, with a view to remedying the slip, a consent order was taken to rescind the registration, without prejudice to the applicant's summons for leave to register, the object being to restore matters to their *status quo ante* the registration. The opposition was subsequently withdrawn, but the registrar now objected to register, on the ground that the application had been finally disposed of, and that a new application was necessary. It was, however, held that the proper course was to discharge the former order for the removal of the mark from the register, and to direct the registrar to restore the register to its condition previous to such removal. In the other case, *In re Esbensen*, Pearson, J., Jan. 25th, 1883, the opponent moved to cancel the registration, with a view to the prosecution of the opposition as if there had been no registration, but it was held that the proper course was for the opponent to move to rectify the register in the ordinary way.

An omission to give notice to the comptroller would not now have the same effect in the above cases, but other complications might occur.

(d) See *In re Paton*, Dig. 601.

## REGISTER OF TRADE MARKS.

Time of registration of trade marks.

30. As soon as may be after the expiration of two months from the date of the first advertisement of the application, the comptroller shall, subject to any such summons or other proceeding as aforesaid and the determination of the Court thereon, if he is satisfied that the applicant is entitled to registration, and on payment of the prescribed fee (a), enter the name, address, and description of the applicant in the Register of Trade Marks as the registered proprietor of the trade mark in respect of the particular goods or classes of goods described in his application.

(a) See Form I. and Schedule 1.

Where applicant dies before registration, the trade mark may be registered for successor to goodwill of business.

31. In case of the death of any applicant for a trade mark after the date of his application, and before the trade mark applied for has been entered on the register, the comptroller, after the expiration of the prescribed period of advertisement, may, on being satisfied of the applicant's death, enter on the register, in place of the name of such deceased applicant, the name, address, and description of the person owning the goodwill of